

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 285 (Chairman, Environmental Matters Committee)
(Departmental - Maryland Energy Administration)

Environmental Matters

Governor's Energy Emergency Powers

This amended departmental bill extends indefinitely the Governor's power to declare an energy crisis or emergency and to take actions necessary to protect the citizens of the State. Under current law this authorization expires July 1, 1998.

This bill takes effect July 1, 1998.

Fiscal Summary

State Effect: The potential for State expenditures in an energy crisis would continue. The amount would depend on the nature and severity of an energy crisis.

Local Effect: None.

Small Business Effect: The Maryland Energy Administration has determined that this bill has minimal or no impact on small business (attached). Legislative Services concurs with this assessment. (This assessment does not reflect any amendments to the bill.)

Fiscal Analysis

Background: The Governor's Energy Emergency Powers were created in 1973 in a special session of the General Assembly as a result of the oil crisis that year. In 1979, the powers were used again to reduce the impact of an Iranian oil embargo on the citizens of Maryland.

State Effect: If the Governor has to use the emergency powers granted under this bill due to an energy crisis, there is a potential for State expenditures in order to deal with the particular

crisis.

For example, based on the previous situations in which the Governor's emergency powers were used, expenditures could be approximately \$170,000. This estimate is based on an energy emergency plan being implemented for six months, and includes the implementation of the State petroleum set-aside program, and the odd/even gasoline purchase plan. The potential expenditures are summarized as follows:

Multiple Communications Equipment & Expenses	\$49,404
Contractual Services	21,069
Temporary Personnel	91,136
Other Operating Expenses	8,500
Total (6 month plan)	\$170,109

If there is no energy crisis State expenditures will not be affected. Further, the nature and severity of any energy emergency will be the determining factor in any increase in State expenditures.

Information Source(s): Maryland Energy Administration, Department of Legislative Services

Fiscal Note History: First Reader - February 4, 1998
tlw Revised - House Third Reader - March 19, 1998

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