

Department of Legislative Services  
Maryland General Assembly  
2001 Session

FISCAL NOTE  
Revised

House Bill 461 (Delegate Petzold, *et al.*)

Judiciary

Judicial Proceedings

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**Crimes - Electronic Security Systems - Retail Establishments**

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This bill amends the definition of “electronic security system,” under provisions prohibiting “code grabbing,” by including an electronic or magnetic theft detection device used in a retail establishment designed to prevent theft. The bill also prohibits a person from knowingly possessing: (1) with intent to commit theft, any device intended to shield merchandise from detection by an electronic security system; or (2) a tool or device designed to deactivate or remove an electronic security system or device from merchandise with the intent to deactivate or remove the system from merchandise without permission.

Violators are guilty of a misdemeanor and subject to current law maximum penalties of a fine of \$1,000 and/or imprisonment for one year.

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**Fiscal Summary**

**State Effect:** Minimal increase in general fund revenues and expenditures due to the applicable penalty provisions.

**Local Effect:** Minimal increase in expenditures due to the applicable penalty provisions. Revenues would not be affected.

**Small Business Effect:** Minimal.

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## Analysis

**Current Law:** The use of tools or devices used to circumvent or deactivate electronic security systems are not specifically addressed.

**Background:** Professional shoplifters sometime use devices that circumvent or bypass electronic security systems used by retailers. These devices are also used to demagnetize retailers' electronic security systems. There are 15 states that have passed similar legislation and 24 states with theft detection device legislation pending.

**State Revenues:** General fund revenues could increase minimally as a result of the applicable monetary penalty provision since these cases would be heard in the District Court.

**State Expenditures:** General fund expenditures could increase minimally as a result of the applicable incarceration penalty due to increased payments to counties for reimbursement of inmate costs and more people being committed to Division of Correction (DOC) facilities. The number of people convicted of this proposed crime is expected to be minimal.

Persons serving a sentence of one year or less in a jurisdiction other than Baltimore City are sentenced to a local detention facility. The State reimburses counties for part of their incarceration costs, on a per diem basis, after a person has served 90 days. State per diem reimbursements for fiscal 2002 are estimated to range from \$9 to \$52 per inmate depending upon the jurisdiction. Persons sentenced to such a term in Baltimore City are generally incarcerated in a DOC facility. Currently, the DOC average total cost per inmate, including overhead, is estimated at \$1,700 per month. This bill alone, however, should not create the need for additional beds, personnel, or facilities. Excluding overhead, the average cost of housing a new DOC inmate (including medical care and variable costs) is \$288 per month.

**Local Expenditures:** Expenditures could increase as a result of the applicable incarceration penalty. Counties pay the full cost of incarceration for the first 90 days of the sentence, plus part of the per diem cost after 90 days. Per diem operating costs of local detention facilities are expected to range from \$17 to \$77 per inmate in fiscal 2002.

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## Additional Information

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Department of Public Safety and Correctional Services  
(Division of Correction), Department of Legislative Services

**Fiscal Note History:** First Reader – February 20, 2001  
ncs/cer Revised – Enrolled Bill – May 7, 2001

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