

**Department of Legislative Services**  
**Maryland General Assembly**  
**2004 Session**

**FISCAL AND POLICY NOTE**

House Bill 1421

(Delegate Conway, *et al.*)

Judiciary

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**Maryland Fire and Emergency Services Support Fund - Moving Violations -  
Surcharge**

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This bill adds a \$50 surcharge to any fine imposed in a traffic case in which points may be assessed under the Maryland Vehicle Law. The bill also creates a special, nonlapsing Maryland Fire and Emergency Services Support Fund into which the surcharges must be placed.

The surcharge applies only to moving violations committed on or after the bill's October 1, 2004 effective date.

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**Fiscal Summary**

**State Effect:** Special fund revenues could increase by an estimated \$18.75 million in FY 2005, and general fund expenditures could increase by an estimated \$273,100. Maryland Fire and Emergency Services Support Fund expenditures could increase by \$18.75 million beginning in FY 2005 if funds are distributed as required by the bill. Future year revenues reflect annualization and 3% increases in the number of cases surcharged; expenditures reflect one-time contractual services.

(in dollars)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
SF Revenue	\$18,750,000	\$25,750,000	\$26,522,500	\$27,318,200	\$28,137,700
GF Expenditure	273,100	0	0	0	0
SF Expenditure	-	-	-	-	-
Net Effect	\$18,476,900	\$25,750,000	\$26,522,500	\$27,318,200	\$28,137,700

*Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect*

**Local Effect:** None.

**Small Business Effect:** None.

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## Analysis

**Bill Summary:** In fiscal 2005 and 2006, the first \$10 million in the fund annually may be used only for the low interest revolving loan account under the Volunteer Company Assistance Fund.

After the initial requirements for how the fund must be spent are met, the money in the fund may be used in the following ways: (1) one-sixth must be used for the Maryland Emergency Medical Service System Fund; (2) one-sixth must be used for the Traumatic Brain Injury Rehabilitation Fund; (3) one-third must be used for the Senator William H. Amoss Fire, Rescue, and Ambulance Fund; and (4) one-third must be used for the following trauma centers: (i) Johns Hopkins Hospital Adult Health System Trauma Centers; (ii) the Pediatric Trauma Center at the Children's National Medical Center; (iii) Prince George's Hospital Center; (iv) Sinai Hospital of Baltimore; (v) Suburban Hospital; (vi) Washington County Hospital; (vii) Peninsula Regional Medical Center; and (viii) Western Maryland Health System Memorial Hospital.

The bill also requires the Chief Judge of the District Court to modify the arrest-citation forms to include a line on which to add the \$50 assessment.

**Current Law:** From the low interest revolving loan account under the Volunteer Company Assistance Fund, the Board of Public Works may award a loan to a volunteer ambulance, fire, or rescue company within the State to assist with up to 75% of the cost of purchasing or refurbishing apparatus and upgrading or replacing facilities needed to store equipment.

The Maryland Emergency Medical System Operations Fund (MEMSOF) is a continuing, nonlapsing fund that may be used only for the procurement of new helicopters and auxiliary helicopter equipment, ground support equipment, and other capital equipment related to the helicopters and for equipment and related improvements to the Emergency Medical Services' Communication System.

The Senator William H. Amoss Fire, Rescue, and Ambulance Fund promotes: (1) the delivery of effective and high quality fire protection, rescue, and ambulance services; (2) increased financial support for fire, rescue, and ambulance companies by local governments; and (3) the continued financial viability of volunteer fire, rescue, and ambulance companies.

The Traumatic Brain Injury Rehabilitation Fund does not exist under current law and this bill would not establish it.

**Background:** MEMSOF was created by legislation in 1992. Chapter 269 of 1992 added an \$8 surcharge to motor vehicle registrations to create the fund, which is used to support the Maryland Institute for Emergency Medical Services Systems, the Maryland Fire and Rescue Institute, the R. Adams Cowley Shock Trauma Center, the Aviation Division-Maryland State Police, and the Amoss Fund (grants to local jurisdictions under the State Fire, Rescue, and Ambulance Fund). Chapter 33 of 2001 increased the motor vehicle registration fee from \$8 to \$11.

**State Revenues:** In fiscal 2005 the District Court is expected to handle approximately 1 million citations for moving violations for which points may be assessed. The number of convictions cannot be determined at this time. Assuming half the citations result in convictions, special fund revenues could increase by \$18.75 million in fiscal 2005, which reflects the bill's October 1, 2004 effective date. Future year estimates reflect annualization and a growth rate of 3% per year in the number of moving violation convictions for which points may be assessed. This estimate assumes that for each case, the regular fine plus the \$50 surcharge will be assessed and paid. It should be noted, however, that funds going to the general fund could decrease, because when additional fees increase the total amount that a defendant must pay, a judge may reduce the fine to accommodate the increase and thereby deprive the general fund.

**State Expenditures:** General fund administrative expenditures could increase by an estimated \$273,080 in fiscal 2005 only for contractual services to: (1) redesign the court's automated traffic system (\$93,080); (2) revise and redistribute the Uniform Motor Vehicle Citation form to all law enforcement agencies (\$160,000); and (3) modify the court's Interactive Voice Response System (\$20,000).

Legislative Services advises that if other legislation is enacted that changes the method for the determination of the prepayment or must appear status for moving or other violations, and/or that requires issuance of a revised Uniform Motor Vehicle Citation form, economies of scale could be realized and the District Court could reduce its expenditures.

Maryland Fire and Emergency Services Support Fund expenditures could increase by as much as \$18.75 million beginning in fiscal 2005.

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### **Additional Information**

**Prior Introductions:** Similar bills have been introduced in 2001, 2002, and 2003. HB 833 of 2001 received an unfavorable report by the House Judiciary Committee. HB 1214 of 2002 was not reported by the House Judiciary Committee, and HB 672 of 2003 received an unfavorable report by the House Judiciary Committee.

**Cross File:** None.

**Information Source(s):** Judiciary (Administrative Office of the Courts), Department of Health and Mental Hygiene, Maryland Department of Transportation, Department of Legislative Services

**Fiscal Note History:** First Reader - March 22, 2004  
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Analysis by: Susan D. John

Direct Inquiries to:  
(410) 946-5510  
(301) 970-5510