

Department of Legislative Services
 Maryland General Assembly
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FISCAL AND POLICY NOTE
Revised

Senate Bill 811 (Senator Klausmeier)
 Education, Health, and Environmental Affairs

Natural Resources Police - Transfer to the Department of State Police

This bill transfers the Natural Resources Police Force (NRPF) from the Department of Natural Resources (DNR) into the Department of State Police (DSP). It creates the Office of Natural Resources Police (ONRP) within DSP to enforce the natural resources laws of the State and transfers all NRPF employees to that office. NRPF employees may not lose rights, benefits, employment, or retirement benefits following the transfer.

The bill takes effect July 1, 2004.

Fiscal Summary

State Effect: General fund expenditures will increase by approximately \$9.5 million in FY 2005, which includes start-up costs, new personnel, and operating costs for the NRPF after it transfers to DSP. Out-year costs reflect inflation and annual operating costs. Special fund expenditures for DNR would decline by \$8 million in FY 2005 and annually thereafter. Revenues are not expected to be affected.

(in dollars)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
FF Revenue	\$0	\$0	\$0	\$0	\$0
GF Expenditure	9,465,200	9,465,200	9,465,200	9,465,200	9,465,200
SF Expenditure	(8,090,600)	(8,090,600)	(8,090,600)	(8,090,600)	(8,090,600)
Net Effect	(\$1,374,600)	(\$1,374,600)	(\$1,374,600)	(\$1,374,600)	(\$1,374,600)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: The bill authorizes the transfer of all personnel, powers, functions, duties, equipment, records, assets, and liabilities of NRPF to the State Police by July 1, 2004. All laws, regulations, policies, investigations, and all other duties and responsibilities of NRPF that were effective before July 1 will remain in effect. Similarly, all NRPF contracts remain valid, legal, and enforceable after July 1.

The Secretary of State Police will appoint NRPF officers and have disciplinary authority over those officers, rather than the Secretary of Natural Resources. The bill provides that enforcing DNR regulations is a responsibility of DSP. It states that the enforcement authority and jurisdiction of ONRP and DSP will remain the same; ONRP officers will not have jurisdiction over State Police enforcement matters. ONRP employees will not be eligible to participate in the State Police Retirement System. The bill also directs DSP to modify its report system to include hunting and boating accident reports and retains NRPF's membership on the Aquaculture Advisory Committee.

The bill removes the statutory designation of \$1,000,000 (maximum) from the Waterway Improvement Fund to NRPF.

It also clarifies that a natural resources police officer is not required to take a person into physical custody if the person gives a written promise to appear in court.

Current Law/Background: NRPF is responsible for enforcing a variety of State natural resources laws related to boating, hunting, fishing, pollution, and wildlife. Its duties range from boat inspections and issuance of boating certificates to hydrographic surveys, patrols of submerged aquatic vegetation, and hunter safety education. The force consists of three functions – general direction, field operations, and waterway management. General direction includes management, administration, and the DNR Communication Center. The fiscal 2005 budget authorizes \$28.7 million for NRPF, which includes 296 full-time positions and 13.7 contractual positions.

DSP's specific duties include preserving the public peace, enforcing State and local laws and ordinances, detecting and preventing crime, and maintaining safe traffic flow. Its fiscal 2005 budget allowance provides \$277 million and 2,415 full-time positions. DSP has four bureaus – administrative, operations, homeland security and intelligence, and information technology – as well as fire prevention services (State Fire Marshal).

Officers of DSP and NRPF belong to the State Law Enforcement Officers Labor Alliance.

Chapter 202 of 2003 (the fiscal 2004 budget bill) required the Department of Budget and Management to consult with DSP and DNR to evaluate potential efficiency improvements by consolidating the two organizations. The report, submitted in February 2004, concluded that it is not in the State's interest to combine DNR's law enforcement functions with DSP because: (1) it would not produce substantial cost savings; (2) it could generate cost increases as DNR law enforcement officers are brought up to DSP pay grades; and (3) it would diminish DNR's identity as a natural resources law enforcement group.

The agencies recommended, as an alternative, consolidating the State Forest and Park Service Rangers (SFPS) with natural resources police and making civilians responsible for park operations. The consolidation would allow current rangers to keep their jobs; as they retire or quit, they would be replaced with civilian staff to perform functions such as visitor services, resource management, and maintenance. SFPS staff would no longer be responsible for law enforcement. This consolidation was incorporated into DNR's fiscal 2005 proposed budget, which assumed 10 civilians would replace rangers contingent on legislation.

Concurrently, the Commission on the Structure and Efficiency of State Government met during 2003 to propose ways to reduce duplication and improve efficiency and cost savings for the State. Among its recommendations was a suggestion to consolidate SFPS with natural resources police and support for the proposal to allow civilian employees to handle park operations (excluding law enforcement).

State Revenues: NRPF is supported by general, special, and federal funds, as shown below. Presumably, the general and federal appropriations for NRPF would transfer to DSP. The bill does not specifically address the transfer of appropriations other than the removal of \$1 million of the Waterway Improvement Fund. Federal fund programs include Wildlife Restoration and Boating Safety Financial Assistance.

NRPF Fiscal 2005 Budget Allowance

<u>Fund</u>	<u>Amount</u>
General	\$18,241,547
Special	8,090,628
Federal	<u>2,343,318</u>
Total	\$28,674,493

Special funds make up about 30% of the NRPF's operating budget but are designated for DNR rather than NRPF. General direction and waterway management are supported by the Waterway Improvement Fund and the State Boat Act. Field operations is financed by

these special funds, as well as funds for wildlife management, fisheries research, and fisheries management that are derived mostly by inland fishery license sales, hunting licenses, and stamp fees. DNR advises that it risks losing federal funds if the special funds transfer without federal approval as DNR would lose its authority to set spending priorities for these revenues. It is assumed DNR will retain these special funds.

State Expenditures: General fund expenditures would increase by an estimated \$9,465,227 in fiscal 2005. This estimate reflects the special fund income that supports NRPF and the cost of hiring administrative support staff and related infrastructure for DSP as a result of the transfer. Special fund savings for DNR, as discussed above, would be \$8 million. The information and assumptions used in calculating the estimate are stated below:

- NRPF lacks separate payroll, budget, information technology, or legal offices. These functions are handled by other units within DNR and, therefore, would not be transferred to DSP;
- NRPF accounts for almost 27% or \$1,374,599 of overall DNR general fund operations; DSP would require a corresponding amount to provide similar support, which includes at least three accounting staff, one Assistant Attorney General, two computer analysts, and a personnel administrator, which comprises 24% of the costs (\$323,297); and
- DSP will require the special fund revenue allocated for NRPF in the fiscal 2005 budget (\$8,090,628) and *all* 296 budgeted positions (including vacancies) would transfer.

It should be noted that most administrative functions are shared between NRPF and DNR central support staff. According to DNR, six full-time NRPF staff, including a fiscal officer, a grants specialist, three administrative aides, and a secretary, provide daily administrative support. DNR payroll, computer technology, procurement, and budget staff support NRPF as well as other divisions. Communications, recordkeeping, and radio maintenance were recently consolidated and centralized under DNR.

The estimate above does not reflect any adjustments for the following items:

- salaries and fringe benefits for NRPF employees, which likely will remain at current levels in the short term (\$24,438,242 in fiscal 2005); and
- the proposed fiscal 2005 allowance covers the cost of maintaining NRPF vehicles, vessels, and aircraft, which is \$2,157,889.

The Department of Legislative Services (DLS) cautions that this estimate reflects the minimum resources necessary to carry out the proposed transfer. It is unclear whether DSP will have to pay for separate facilities and where those facilities will be located, therefore, this estimate does not include the costs of NRPF facilities. It is unclear how this will be handled under the bill because DNR rather than NRPF owns or rents most of the buildings. There are six regional offices and 16 satellite offices used by NRPF that are shared in some instances with other DNR staff.

DLS further advises that there could be some savings or economies of scale. However, DNR advises that due to recent reductions in departmental staff (11% since fiscal 2002), it will need the same amount of central support staff though it will have fewer personnel to support. Any resulting decrease in expenditures cannot be reliably estimated at this time.

Additional Information

Prior Introductions: A similar bill was introduced as HB 1099 in 1995 that would have created a Bureau of Natural Resources Police in DSP. It was withdrawn.

Cross File: HB 1406 (Delegates Cadden and Conway) – Environmental Matters and Appropriations.

Information Source(s): Department of State Police, Department of Natural Resources, Department of Legislative Services

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