

Department of Legislative Services  
Maryland General Assembly  
2005 Session

FISCAL AND POLICY NOTE

House Bill 1479 (Delegates Barve and Simmons)  
Health and Government Operations

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**Taxes, Fees, and Other Governmental Charges - Attribution for Legislation**

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This bill requires that any public notice issued by an agency for any new or increased tax, fee, or other governmental charge resulting from legislative action, which includes attribution to the legislative action, must include a prominent statement that the action was taken by the Governor and the General Assembly. The statement is required whether or not the Governor signed the legislation unless the General Assembly overrode a veto by the Governor. For any notice that was issued on or after January 1, 2003 not meeting the bill's provisions, a correction notice must be issued by July 1, 2005.

The bill takes effect June 1, 2005.

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**Fiscal Summary**

**State Effect:** Potential significant increase in FY 2005 expenditures could result from the issuance of corrective notices. Future year expenditures would not be affected.

**Local Effect:** County and municipal expenditures could increase significantly in FY 2005 from the issuance of corrective notices. Future year expenditures would not be affected.

**Small Business Effect:** Minimal.

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**Analysis**

**Bill Summary:** An agency is defined as any department, office, or other unit of government that is established by State law.

**State Expenditures:** State expenditures could increase in fiscal 2005 from the issuance of corrective notices. The actual increase cannot be reliably estimated but could be significant. The Maryland Department of Transportation (MDOT) issued 922,544 vehicle registration notices for the increase in registration fees effective July 1, 2003 that indicated the General Assembly added a surcharge of \$2.50 per year to the registration fee. MDOT estimates an increase in expenditures of \$293,000 for the issuance of corrective registration renewal notices. The department would be required to issue 922,544 correction notices, costing \$0.318 per notice (postage, paper, and envelopes). The extent to which other State agencies have issued notices of tax or fee increases containing attribution to legislative action is not known at this time.

**Local Expenditures:** County and municipal expenditures would increase in fiscal 2005 from the issuance of corrective notices. The actual increase in expenditures cannot be reliably estimated at this time but could be significant. For example, many counties and municipalities would be required to issue corrective notices for the new bay restoration fee established in Chapter 428 of 2004.

**Additional Comments:** The bill does not clearly define what would constitute a notice containing an attribution to legislative action. It is unclear if the bill's requirements would apply to notices strictly referencing bill numbers.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Comptroller's Office, Maryland Department of Transportation, Department of Legislative Services

**Fiscal Note History:** First Reader - March 21, 2005  
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