

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

Senate Bill 500 (Senator Green)
Education, Health, and Environmental Affairs

Security Systems Technicians - Maryland Security Systems Training Board

This bill establishes a Maryland Security Systems Training Board to develop training requirements for security systems technicians. The bill provides for the composition, terms, removal, and compensation of board members. The Secretary of State Police is required to adopt regulations to implement the security systems technician training requirements developed by the board. The board is authorized to set reasonable fees to offset costs.

Fiscal Summary

State Effect: General fund revenue and expenditure increases of \$42,400 in FY 2007. Out-year revenues and expenditures reflect annualization and inflation.

(in dollars)	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011
GF Revenue	\$42,400	\$49,100	\$50,500	\$53,600	\$57,000
GF Expenditure	42,400	49,100	50,500	53,600	57,000
Net Effect	\$0	\$0	\$0	\$0	\$0

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

Local Effect: None.

Small Business Effect: Security agencies and individual technicians would be required to obtain training and pay additional fees as set by the board. The level of such new costs cannot be readily estimated at this time.

Analysis

Current Law: “Security systems technician” means a person who personally provides security systems services.

Providing security systems services means providing, on the premises of a person’s residential or commercial property, the service of: (1) surveying the property for purposes of installing a security system; (2) physically installing, maintaining, or repairing a security system for the customer; or (3) responding to a distress call or an alarm sounding from a security system.

Under the Maryland Security Systems Technicians Act, the Secretary of State Police is responsible for the licensing of security systems agencies and the registration of security systems technicians. License and registration renewals occur every three years.

A person may not engage, attempt to engage, or offer to engage in a business of providing security systems services in the State unless licensed. Unless authorized to engage in the business of providing security systems services, a person may not represent to the public, by use of the title “security systems agency” or “security systems technician,” by description of services, methods, or procedures, or otherwise, that the person is authorized to engage in the business of providing security systems services in the State. A person who violates any governing regulation is guilty of a misdemeanor and subject to maximum penalties of a fine of \$1,000 and/or imprisonment for one year.

Although the Secretary of State Police is authorized under current law to set training requirements for security systems technicians, there are not now any specific training requirements in place.

State Effect: General fund expenditures could increase by an estimated \$42,401 in fiscal 2007, which accounts for the bill’s October 1, 2006 effective date. This estimate reflects the cost of hiring one fiscal account clerk to perform duties relating to the adoption of required regulations, maintaining rosters, and collecting required fees. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Salary and Fringe Benefits	\$34,561
One-time Equipment Purchases	6,285
Operating Expenses	<u>1,555</u>
Total FY 2007 State Expenditures	\$42,401

Future year expenditures reflect: (1) a full salary with 4.6% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

It is assumed that fees would be set, by regulation, to approximately offset operating expenses. Accordingly, general fund revenues for fiscal 2007 are expected to be about \$42,401. Out-year revenues are also expected to approximate out-year expenditures.

Additional Information

Prior Introductions: SB 105 of 2005 had a hearing before the Senate Education, Health, and Environmental Affairs Committee and had no further action taken on it. Its cross file, HB 207, received an unfavorable report from the House Economic Matters Committee.

Cross File: None.

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

Fiscal Note History: First Reader - February 20, 2006
ncs/ljm

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