

Department of Legislative Services
 Maryland General Assembly
 2006 Session

FISCAL AND POLICY NOTE

House Bill 1541 (Delegates Hubbard and Conroy)
 Economic Matters

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 \$42,800 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	\$42,800	\$50,100	\$53,100	\$56,300	\$59,800
GF Expenditure	42,800	50,100	53,100	56,300	59,800
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 \$42,824 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 staffing the board, the adoption of required regulations generally ensuring compliance with the new training standards, and assessing and collecting required fees. It includes a salary, fringe benefits, one-time start-up costs, and ongoing operating expenses.

Positions	1
Salary and Fringe Benefits	\$35,312
One-time Equipment Purchases	6,285
Operating Expenses	<u>1,227</u>
Total FY 2007 State Expenditures	\$42,824

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 \$42,824. Out-year revenues are also expected to approximate out-year expenditures.

Additional Information

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

Cross File: None.

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

Fiscal Note History: First Reader - March 10, 2006
mam/ljm

Analysis by: Guy G. Cherry

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