

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE
Revised

Senate Bill 446

(Senator Green, *et al.*)

Education, Health, and Environmental Affairs

Environmental Matters

**Prince George's County - Board of License Commissioners - Attorney
Compensation**

This bill increases the salaries for the members and chairman of the Prince George's County Board of License Commissioners, as well as its administrator and attorney. The bill also provides that the Prince George's County Council may provide the attorney with additional compensation for services the board deems necessary, in accordance with the county budget. The bill prohibits the Prince George's County Executive or county council from adopting, by public local law or by personnel law, a policy contrary to statute relating to the appointment and compensation of the board's attorney or compensation for members of the board of license commissioners.

The bill takes effect July 1, 2006.

Fiscal Summary

State Effect: None.

Local Effect: Prince George's County personnel expenditures could increase by \$17,100 in FY 2007 and by \$24,900 in FY 2010. This estimate does not reflect any additional compensation for the board's attorney. Revenues would not be affected.

Small Business Effect: None.

Analysis

Bill Summary: The salary changes for positions covered by the bill are as shown below.

<u>Position</u>	<u>Current Salary</u>	<u>Salary Under SB 446</u>	<u>Increase</u>
Board of License Commissioners – Chairman	\$18,000	\$20,000	\$2,000
Board of License Commissioners – Member	17,000	18,000	1,000
Administrator for the Board	40,705	43,000	2,295
Attorney for the Board	15,500	26,000	10,500

Note: The salary for the board's attorney does not include any additional compensation included in the attorney's contract.

The salary adjustments for the members and chairman of the Prince George's County Board of License Commissioners do not take effect until the beginning of the next term of office.

Current Law: The annual salary for members of the board of license commissioners is \$17,000, with the chairman receiving \$18,000. The board's administrator may receive an annual salary of \$40,705. The board's attorney receives an annual salary of \$15,500 and the Prince George's County Council must pay all court costs and expenses incurred by the attorney.

The county council must pay for all expenses of the board of license commissioners upon the submission of an annual budget. In that budget, the salary of members of the board must be approved as prescribed in statute; however, all other expenses, including the compensation of other personnel, are at the discretion of the county council.

Background: The salaries for all positions covered by the bill were last changed by Chapter 318 of 1994. This Act increased the salaries for the members of the board from \$16,500 to \$17,000; the chairman's salary increased from \$17,500 to \$18,000; the administrator's salary increased from \$39,520 to \$40,705; and the attorney's salary increased from \$15,000 to \$15,500.

The members and chairman of the board are appointed by the Governor with the advice and consent of the Senate, and serve for three years. The terms of office for the members and the chairman of the board of license commissioners are staggered; consequently, the next term of office begins on June 1, 2007 for two members; June 1, 2008 for the chairman and one member; and June 1, 2009 for one member.

Local Fiscal Effect: Prince George's County personnel expenditures could increase by \$17,148 in fiscal 2007 and \$24,866 in fiscal 2010. This estimate assumes a constant fringe benefits contribution rate of 32.3%. **Exhibit 1** shows the increased compensation for the members and chairman of the board of license commissioners, accounting for the staggered terms of office and for the board's administrator and attorney.

Prince George's County advises that the board of license commissioners pays the board's attorney \$42,000 annually – \$15,500 as provided in statute and \$26,500 as provided in the attorney's contract. Funds for both components are paid from the county's general fund. The Prince George's County Board of License Commissioners advises that the \$26,500 compensation for the board's attorney as provided in the contract for fiscal 2006 has not yet been approved by Prince George's County.

Prince George's County expenditures could increase to the extent that the board of license commissioners approves additional compensation for the board's attorney and it is approved by the county council. Since it is unknown what future compensation the board of license commissioners would approve for its attorney, a precise fiscal impact on county expenditures regarding future compensation for the board's attorney cannot be reliably quantified.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Prince George's County, Department of Legislative Services

Fiscal Note History: First Reader - March 8, 2006
ncs/hlb Revised - Senate Third Reader - April 4, 2006

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Exhibit 1
Increased Compensation for the Prince George's County Board of License Commissioners
Fiscal 2007 – 2011

<u>Position</u>	<u>Next Term of Office</u>	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>FZY 2011</u>
Chairman	2008	\$0	\$221	\$2,646	\$2,646	\$2,646
Member	2007	110	1,323	1,323	1,323	1,323
Member	2007	110	1,323	1,323	1,323	1,323
Member	2008	0	110	1,323	1,323	1,323
Member	2009	<u>0</u>	<u>0</u>	<u>110</u>	<u>1,323</u>	<u>1,323</u>
Subtotal		\$221	\$2,977	\$6,725	\$7,938	\$7,938
Administrator		3,036	3,036	3,036	3,036	3,036
Attorney		<u>13,892</u>	<u>13,892</u>	<u>13,892</u>	<u>13,892</u>	<u>13,892</u>
Total		\$17,148	\$19,905	\$23,653	\$24,866	\$24,866

Note: This estimate assumes a fringe benefits contribution rate of 32.3% as advised by the county, and accounts for the period between June 1 and July 1 of the year the new term of office begins. Numbers may not sum due to rounding.
