

**Department of Legislative Services**  
 Maryland General Assembly  
 2008 Session

**FISCAL AND POLICY NOTE**  
**Revised**

Senate Bill 536

(Chair, Budget and Taxation Committee)

Budget and Taxation and Judicial Proceedings

Judiciary and Appropriations

**Drinking Driver Monitor Program - Fee**

This bill increases the monthly fee for the Drinking Driver Monitor Program from \$45 to \$55 and removes the termination date of the fee so all program participants would be required to pay the fee after fiscal 2010. The bill also authorizes a court, in addition to the Division of Parole and Probation, to wholly or partially exempt a program participant from paying the fee for the same reasons that DPP is authorized to wholly or partially waive the program participation fee under current law.

The bill takes effect July 1, 2008.

**Fiscal Summary**

**State Effect:** Special fund revenues and expenditures decrease by \$2.5 million in FY 2009 and 2010 to account for potential fee waivers, despite the increased DDMP fee. This bill also effectuates a \$1.4 million general fund reduction in the 2009 budget bill; therefore, maintaining the current DDMP would require a general fund expenditure increase of \$3.9 million in FY 2009. Out-years after FY 2010 reflect the impact of eliminating the termination provision and continuing to assess the higher fee to program participants. Out-years assume stable caseload and no further changes in fees.

(\$ in millions)	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013
SF Revenue	(\$2.5)	(\$2.5)	\$4.0	\$4.0	\$4.0
GF Expenditure	3.9	2.5	(4.0)	(4.0)	(4.0)
SF Expenditure	(2.5)	(2.5)	4.0	4.0	4.0
Net Effect	(\$3.9)	(\$2.5)	\$4.0	\$4.0	\$4.0

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

**Local Effect:** None.

**Small Business Effect:** None.

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## **Analysis**

**Current Law:** All supervisees placed in DDMP by the Division of Parole and Probation are subject to a \$40 monthly supervision fee and charged a monthly program fee of \$45. The \$45 DDMP monthly program fee is scheduled to terminate on June 30, 2010. DPP must pay all DDMP fees into the DDMP Fund. DPP may exempt a supervisee wholly or partly from the DDMP fee if the supervisee has diligently tried but has been unable to obtain employment sufficient to pay the fee, or the supervisee is a higher education or vocational student and the certification status was submitted to DPP by the institution. A supervisee with a handicap that limits employment, a supervisee who supports dependents and for whom payment of the fee would be a hardship, or a supervisee with other extenuating circumstances is also eligible for a partial or complete fee waiver.

**Background:** Special program fees for DDMP were established by the Budget Reconciliation and Financing Act of 2005 (Chapter 444). The fees were set at \$45 per month, a level expected to generate \$7.6 million annually and allow DDMP to be self-supporting. However, the fees have only generated about \$6.5 million annually, resulting in general fund deficiency appropriations of \$1.0 million in fiscal 2006 and \$1.5 million in fiscal 2007 that were used to cover the full operating costs of the program. Similarly, the proposed fiscal 2009 State budget includes a \$1.5 million general fund deficiency appropriation for fiscal 2008 to again cover the difference between DDMP expenditures and the program's revenues.

DDMP participants pay a \$45 monthly fee currently, in addition to the \$40 monthly supervision fee assessed to all DPP supervisees. Enactment of the legislation would increase total DDMP participant payments from \$85 to \$95 per month.

**State Fiscal Effect:** The Department of Legislative Services (DLS) advises that the courts, which currently have the authority to waive the supervision fee of \$40 for DPP supervisees who have similar employment hardships or other extenuating circumstances, waive the fee for about 48% of supervisees. DLS expects a similar rate of waivers to take place if courts are authorized to waive the DDMP program participation fee. While the court could authorize partial as well as whole waivers, the extent to which partial waivers would occur cannot be reliably estimated. This estimate assumes that the entire participation fee would be waived for 48% of participants by the courts.

Accordingly, DDMP special fund revenues and expenditures could decrease by an estimated \$2.5 million in fiscal 2009 and 2010, accounting for the impact of the \$10 fee increase and the waiver of current and increased fees under court authority. This estimate assumes that the payments will be waived at a rate of about 48% and that the collection rate from those required to pay the fee will remain at 73%, resulting in an overall collection rate of 38%. Thus, with the combined impact of the waiver and fee increase to maintain the current DDMP, general fund expenditures would increase correspondingly to cover program costs. However, the proposed fiscal 2009 State budget reduces general fund expenditures for DDMP by \$1.4 million, contingent on legislation increasing the DDMP fee.

Currently, DDMP fees are scheduled to terminate after fiscal 2010. The bill eliminates the termination date, meaning fee revenues would continue to help finance DDMP after fiscal 2010. Thus, DDMP special fund fee revenues and expenditures would increase by about \$4.0 million annually beginning in fiscal 2011, reducing general fund expenditures by an equivalent amount.

**Additional Comments:** Along with the fiscal 2009 budget bill (SB 90), this bill – as well as SB 182, SB 527, SB 540, SB 545, and SB 983 – represents part of the budget plan adopted by the Senate.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** HB 1285 (Chair, Appropriations Committee) – Judiciary and Appropriations.

**Information Source(s):** Judiciary (Administrative Office of the Courts), Maryland Department of Transportation, Department of Public Safety and Correctional Services, Department of Legislative Services

**Fiscal Note History:** First Reader - February 26, 2008  
mll/ljm Revised - Senate Third Reader - March 18, 2008

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