

Department of Legislative Services
Maryland General Assembly
2021 Session

FISCAL AND POLICY NOTE
Third Reader

House Bill 990

(Delegate Krebs)

Health and Government Operations

Education, Health, and Environmental Affairs

**Maryland Department of Emergency Management – Establishment and Transfer
of Maryland 9-1-1 Board**

This bill establishes the Maryland Department of Emergency Management (MDEM) as a principal department of the Executive Branch of State government and as the successor to the Maryland Emergency Management Agency (MEMA). All duties and responsibilities associated with MEMA's existing functions continue under MDEM. The bill also transfers the Maryland 9-1-1 Board from the Department of Public Safety and Correctional Services (DPSCS) to MDEM. Employees transferred under the bill are transferred without any change in pay and retain all rights, status, and merit system and retirement status they may have on the date of transfer. The bill also makes a series of conforming changes.

Fiscal Summary

State Effect: The transfer of existing MEMA and Maryland 9-1-1 Board personnel, duties, revenues, and expenditures to MDEM has no net effect on State finances. General fund expenditures for MDEM increase by \$212,100 in FY 2022 for fiscal and administrative staff and office rent. Future year expenditures reflect annualization and ongoing costs.

(in dollars)	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026
Revenue	\$0	\$0	\$0	\$0	\$0
GF Expenditure	\$212,100	\$251,100	\$258,200	\$266,900	\$275,900
Net Effect	(\$212,100)	(\$251,100)	(\$258,200)	(\$266,900)	(\$275,900)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary:

Secretary of Emergency Management

The head of MDEM is the Secretary of Emergency Management, who must be appointed by the Governor with the advice and consent of the Senate. The Secretary (1) serves without a fixed term and may be removed by the Governor; (2) is entitled to the salary provided in the State budget; and (3) must devote full time to the duties assigned to the Secretary.

Transfer of MEMA to MDEM

In every law, executive order, rule, regulation, policy, or document created by an official, an employee, or a unit of the State, the names and titles of those agencies and officials mean the names and titles of the successor agency or official.

The bill does not affect the term of office of an appointed or elected member of any board, commission, office, department, agency, or other unit. An individual who is a member of a unit on the bill's effective date must remain for the balance of the term to which appointed or elected, unless the member sooner dies, resigns, or is removed under provisions of law.

The bill specifies that the continuity of every board, commission, office, department, agency, or other unit is retained by MDEM. All files, furniture, fixtures, records, other properties, credits, liabilities, and obligations are also retained by MDEM.

Documents, including letterhead and business cards, reflecting the renaming of MEMA to MDEM may not be used until all documents already in print have been used.

Transfer of Maryland 9-1-1 Board to MDEM

All the functions, powers, duties, assets, liabilities, and records of the Maryland 9-1-1 Board in DPSCS must be transferred to the board in MDEM. All the functions, powers, and duties of the Secretary of Public Safety and Correctional Services with respect to the board must be transferred to the Secretary of Emergency Management.

A member of the Maryland 9-1-1 Board in DPSCS before the bill's effective date continues to serve on the board in MDEM for the remainder of the member's term.

Current Law:

Maryland Emergency Management Agency

MEMA, which is a part of the Military Department, is responsible for coordinating the State response in any major emergency or disaster. This includes supporting local governments as needed or requested and coordinating assistance with the Federal Emergency Management Agency and other federal partners. MEMA manages many of the federal grants that fund a broad range of initiatives leading to enhanced protection from and responses to the full range of natural and man-made disasters that could threaten the State's citizens.

Maryland 9-1-1 Board, Generally

The Maryland 9-1-1 Board (previously known as the Emergency Number Systems Board), is the agency responsible for administering the 9-1-1 Trust Fund and overseeing the State's 9-1-1 system. Its responsibilities include, among other things, (1) dispersing funds to local governments from the 9-1-1 Trust Fund; (2) reviewing and approving or disapproving requests for reimbursement of the costs of enhancing 9-1-1 systems; (3) ensuring the inspection of public safety answering points (PSAPs); (4) auditing counties to ensure that 9-1-1 trust funds are being used for authorized purposes; and (5) establishing training standards for PSAP personnel based on national best practices and related to Next Generation 9-1-1.

State Fiscal Effect: The transfer of existing MEMA personnel, duties, revenues, and expenditures to MDEM has no net effect on State finances. The Governor's proposed fiscal 2022 budget includes \$57.3 million for MEMA (\$35.3 million in federal funds, \$19.3 million in special funds, \$2.3 million in general funds, and \$0.3 million in reimbursable funds). It includes 63 regular positions and 12 contractual positions that transfer to MDEM as a result of the bill. MEMA indicates that it does not expect MDEM to have to relocate, so moving costs are not anticipated.

The transfer of existing Maryland 9-1-1 Board personnel, duties, revenues, and expenditures to MDEM also has no net effect on State finances. The Governor's proposed fiscal 2022 budget for the board includes \$183.8 million in special funds. It includes six regular positions that transfer to MDEM as a result of the bill. Any costs to relocate the board to MDEM are assumed to be minimal and absorbable within existing resources.

MDEM requires three additional positions to carry out critical administrative functions previously administered through the Military Department and DPSCS, such as procurement and accounting. Therefore, general fund expenditures increase by \$212,098 in fiscal 2022, which accounts for the bill's October 1, 2021 effective date. This estimate

reflects the cost of hiring one procurement officer, one accountant, and one fiscal services officer. It includes salaries, fringe benefits, one-time start-up costs, and ongoing operating expenses, including office rent. As there is not enough office space to house the Maryland 9-1-1 Board staff that are transferred under the bill, MDEM must rent additional office space.

Positions	3.0
Salaries and Fringe Benefits	\$184,104
Rent	11,250
Other Operating Expenses	<u>16,744</u>
Total FY 2022 State Expenditures	\$212,098

Future year expenditures reflect full salaries with annual increases and employee turnover and ongoing operating expenses.

Additional Information

Prior Introductions: None.

Designated Cross File: SB 658 (Senator Kagan, *et al.*) - Education, Health, and Environmental Affairs.

Information Source(s): Department of Budget and Management; Military Department; Department of Legislative Services

Fiscal Note History: First Reader - February 17, 2021
rh/mcr Third Reader - March 23, 2021

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