

Department of Legislative Services
 Maryland General Assembly
 2010 Session

FISCAL AND POLICY NOTE

House Bill 344 (Delegate Mizeur, *et al.*)
 Rules and Executive Nominations

Maryland Open Government Act

This bill requires that bill hearings conducted by standing committees of the General Assembly and meetings of the Board of Public Works (BPW) be broadcast live over the Internet. It also requires that the results of roll call votes taken by standing committees be posted on the General Assembly web site when the committee’s report on the bill is made available. The bill makes other changes relating to committee hearings and BPW meetings. Finally, the bill repeals a fee charged for access to up-to-the-minute information on the General Assembly’s web site and increases the registration fee paid by registered lobbyists from \$100 to \$145.

Fiscal Summary

State Effect: General fund expenditures increase by at least \$195,000 in FY 2011 for the Department of Legislative Services (DLS) and by \$147,500 for BPW to allow for live video streaming of committee hearings and BPW meetings. Special fund revenues for the State Ethics Commission increase by \$141,300 in FY 2011 due to the lobbyist registration fee increase, but excess special fund balances (\$137,300 in FY 2011) revert to the general fund each year. General fund revenues decrease by \$105,600 annually beginning in FY 2011 due to the elimination of user fees for up-to-the-minute web site services. Out-year fiscal effects reflect annualization, stable projected fee revenues and information technology costs, and inflation for other State operating expenses.

(in dollars)	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
GF Revenue	\$31,700	\$19,000	\$5,800	(\$8,000)	(\$22,300)
SF Revenue	\$141,300	\$141,300	\$141,300	\$141,300	\$141,300
GF Expenditure	\$342,500	\$75,000	\$75,000	\$75,000	\$75,000
SF Expenditure	\$137,300	\$124,600	\$111,400	\$97,600	\$83,300
Net Effect	(\$306,800)	(\$39,300)	(\$39,300)	(\$39,300)	(\$39,300)

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

Local Effect: None.

Small Business Effect: None.

Analysis

Bill Summary: Legislative bill hearings conducted by standing committees of the General Assembly and BPW meetings must be broadcast live over the Internet.

To the extent practicable, committees must post the order of bills to be heard at a bill hearing on the General Assembly web site at least 24 hours before the hearing. Members of the public wishing to testify on a bill must be allowed to sign up electronically on the General Assembly's web site from the time the bill is assigned a hearing date until two hours before the hearing.

In addition to broadcasting its meetings, BPW must archive the meeting broadcasts on its web site. It must also publish on its web site a list of proposed budget actions to be considered at a board meeting at least two weeks before the meeting, and accept public comment on those actions.

Results of roll call votes taken by standing committees must be posted on the General Assembly web site when the committee's report on the bill is made available. The posting must include how each member voted, on a bill, amendment, or, motion, and which members made and seconded the motion.

The fees charged for access to up-to-the minute information on the General Assembly's web site is repealed and the registration fee paid by registered lobbyists is increased from \$100 to \$145.

Current Law/Background:

Standing Committees

There are 10 standing committees in the General Assembly responsible for hearing and acting on bills: 6 in the House of Delegates and 4 in the Senate. Under Rule 38 of both the rules of the House of Delegates and the rules of the Senate, final standing committee votes on bills are recorded by individual member. Any member of a standing committee may also request that results of any other votes taken by a standing committee (*e.g.*, amendments or motions) be recorded by individual member, but generally those votes are not recorded. Under the rule, every recorded committee vote is forwarded to

DLS as part of the permanent public record. Usually within 24 hours of a standing committee's final action on a bill, notice of that action is posted on the General Assembly web site. Upon request, committee voting records are available to the public from the DLS information desk.

Beginning with the 2010 legislative session, copies of recorded committee votes for final action on bills are posted on the General Assembly web site, generally within 24 hours of the committee's vote. The committee's voting sheet is electronically scanned and then posted along with other information on the status of the bill. Other votes (motions, amendments) are not posted.

Roll call vote tallies taken on bills, amendments, or motions made on the floor of either chamber are posted on the web site in real time, but individual members' votes are available after about 24 hours. However, roll call votes taken on the floor of either chamber are recorded electronically through a system that is linked to the General Assembly's web site. By contrast, committee votes are recorded manually by committee staff because none of the standing committee hearing rooms is equipped with an electronic voting system.

Board of Public Works

BPW controls State procurement, with the exception of capital expenditures by the Maryland Department of Transportation or the Maryland Transportation Authority. BPW meets every two weeks to review and approve State contracts and other transactions. In addition, State law authorizes the Governor to reduce an appropriation by up to 25% with BPW approval. Funds may be reduced under this provision only when the Governor finds an appropriation is "unnecessary" or when the reduction results from legislative action on the budget bill. Certain restrictions are placed on this authority. The Governor may not reduce Legislative or Judicial Branch appropriations, appropriations for payment of the principal or interest on State debt, or appropriations for public schools. From fiscal 1991 through 1993, the Governor used this authority to reduce appropriations six times to allow the State to address its fiscal problems. This authority was also used to make reductions to the fiscal 2002, 2003, 2004, 2009, and 2010 budgets to address shortfalls in revenue estimates. The Governor may also use this authority to allocate "across-the-board" reductions made by the General Assembly.

Lobbyist Registration

Lobbyists in the State must register annually with the State Ethics Commission and pay an annual registration fee of \$100. The registration fee is credited to the Lobbyist Registration Fund, which is used to defray the expenses associated with regulating lobbyists in the State. Any balance remaining in the fund at the end of the fiscal year

reverts to the general fund. Fund revenues from the registration fee were \$282,000 in fiscal 2009, and are projected to be approximately \$314,000 in the proposed fiscal 2011 State budget.

Registered lobbyists are subject to financial disclosure and other reporting requirements as well as restrictions on their interactions with public officials.

State Fiscal Effect:

Voting Records and Hearing Schedules

In general, DLS can carry out the provisions regarding posting of committee votes and hearing schedules and allowing online registration for bill testimony with existing budgeted resources. DLS notes, however, that the order of bill hearings is at the discretion of the respective committee chair and is subject to change at any time.

Posting of committee voting sheets during the 2010 legislative session was carried out at the direction of the presiding officers in both houses, and DLS implemented that mandate with existing resources. Expanding the requirement to include all procedural and amendment votes requires committee staff to record more votes than they currently do. That requirement may slow down and extend committee deliberations by requiring roll call instead of voice votes on each motion and amendment. It also requires the DLS library and information desk to scan and post more voting records on the General Assembly web site. Those tasks can be carried out with existing budgeted resources, although it may result in resources being shifted from other priorities. Over time, the volume of voting records scanned and posted may require additional electronic storage capacity for DLS.

Live Streaming of Committee Hearings and BPW Meetings

The House of Delegates standing committee hearings rooms are already equipped to transmit their proceedings via live streaming video, but neither the Senate standing committee hearing rooms nor the BPW meeting room are equipped. Equipping the Senate rooms with necessary technology is estimated to cost approximately \$150,000 for cameras, computer servers, and necessary software. Additional expenditures of \$20,000 at the outset for firewalls and \$25,000 annually for expanded bandwidth to allow transmission of the hearings are also necessary. These expenditures would allow for 50 simultaneous feeds to be shared among the House and Senate rooms; any additional feeds require additional expenditures. Operation and maintenance of the system can be handled with existing budgeted resources.

Unlike DLS's Office of Information Systems, the Governor's Reception Room, which hosts most BPW meetings, does not have any of the technological infrastructure in place to stream live video or the human resources to operate and maintain a transmission system. Initial equipment costs are estimated to be \$110,000 for cameras, a digital video recorder, an audio mixer, a web server, and software. Legislative Services believes ongoing operations and maintenance can be overseen by the Department of Information Technology with existing resources, but must be carried out by a contractor at a cost of approximately \$50,000 annually.

This estimate does not include the cost of equipping the Joint Hearing Room (JHR) of the General Assembly, which is occasionally used for bill hearings involving more than one standing committee. JHR is currently not equipped to transmit video signals over the Internet. If it is determined that JHR is covered by the bill's requirement, additional costs comparable to the cost of equipping the Governor's Reception Room would be incurred.

General Assembly and State Ethics Commission Fees

Most features on the General Assembly web site are available at no cost, but up-to-the-minute functionality, which allows users to access bill status updates in real time, costs \$800 a year. Otherwise, bill status updates are provided within 24 hours of any action on a bill. In fiscal 2009, the fee generated \$105,600 in general fund revenues for DLS. Under the bill, that fee is eliminated. As the fee has remained constant, it is assumed that foregone revenue from the fee's elimination also remains constant in future years.

The State Ethics Commission estimates the actual cost of regulating and monitoring registered lobbyists to be \$318,000 in fiscal 2011. That figure is slightly above the \$314,000 in projected revenues. The commission notes that the Lobbyist Registration Fund has not had a fiscal year-end balance in recent years. An increase in the lobbyist registration fee to \$145 would raise an estimated \$141,300 in additional annual revenue for the fund beginning in fiscal 2011. Based on the commission's projection of the cost of regulating lobbyists, this would generate a fiscal 2011 balance of \$137,300, which reverts to the general fund. Out-year balances are smaller assuming stable revenue from the fee increase and 4% annual increases in the cost of regulating lobbyists (salaries and other operating expenses for the commission).

Additional Comments: The Department of Budget and Management notes that the requirement to post BPW agenda items two weeks before the meeting may delay contracts, funding authorizations, and other transactions critical to State operations.

Additional Information

Prior Introductions: None.

Cross File: SB 407 (Senator King, *et al.*) - Rules.

Information Source(s): Board of Public Works, State Ethics Commission, Department of Budget and Management, Department of Legislative Services

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ncs/lgc

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