

Department of Legislative Services  
 Maryland General Assembly  
 2011 Session

FISCAL AND POLICY NOTE

House Bill 1296 (Delegate Rosenberg)  
 Judiciary

District Court - Electronic Transmission of Eviction-Related Documents

This bill requires the District Court to transmit an electronic copy of a judgment for possession entered or a warrant of restitution issued in an eviction proceeding to the sheriff's office of the county in which the property is located.

Fiscal Summary

**State Effect:** General fund expenditures increase by \$207,400 in FY 2012 for additional equipment and computer upgrades for the Judiciary. Future year estimates reflect annualization. Revenues are not affected.

(in dollars)	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	207,400	109,100	110,200	111,300	112,400
Net Effect	(\$207,400)	(\$109,100)	(\$110,200)	(\$111,300)	(\$112,400)

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

**Local Effect:** Potential minimal expenditures for some jurisdictions for printing and computer costs associated with receiving the electronically transmitted documents.

**Small Business Effect:** None.

Analysis

**Current Law:** When a tenant fails to pay rent, the landlord is entitled to repossession of the premises through filing an action in District Court. If the court finds in favor of the landlord, the court must order that possession of the premises be given to the landlord

within four days after trial (judgment for possession). If the judgment is in favor of the landlord and the tenant fails to pay the past due rent and late fees within specified timeframes, the landlord may apply for a “warrant of restitution,” which serves as the eviction order. The sheriff’s offices in Baltimore City and the counties are responsible for evictions.

**Background:** The Administrative Office of the Courts (AOC) is developing a unified computerized case management system. This system will include the District Court and electronic filing and delivery of documents are part of the plans for this system. AOC is currently reviewing bids and intends to have a pilot program in operation within 18 months after the selection of a vendor. Barring any interruptions, the statewide system may be in operation by 2015 or 2016, approximately three years after the conclusion of the pilot program.

**State Fiscal Effect:** General fund expenditures increase by a minimum of \$207,400 in fiscal 2012, which accounts for the bill’s October 1, 2011 effective date. This estimate reflects the cost of purchasing equipment as well as computer network upgrades to process the documents as required by the bill. The information and assumptions used in calculating the estimate are stated below:

- Currently the forms impacted by this bill are multi-carbonized forms that are manually processed and distributed to the sheriff’s offices for service. Each judgment and warrant of restitution will now have to be scanned and then electronically submitted. Although statistics regarding the number of judgments of possessions are not kept, the District Court does advise that 229,118 warrants of restitution were processed in fiscal 2010.
- Due to the high-volume of documents involved, a designated scanner will need to be purchased for each clerk’s office and two scanners will be necessary for higher-volume courts, such as those in Baltimore City, and Baltimore, Prince George’s, and Montgomery counties. The District Court estimates the cost of the scanners to be a minimum of \$126,400, which includes the scanner and wiring.
- The District Court also advises that network enhancements in the form of additional bandwidth will be necessary to accommodate the electronic processing of the large volume of documents as required by the bill. The Judiciary estimates these enhancements will cost an additional \$108,000 annually.

Not included in the estimate above are potential personnel costs, as courts that handle a large volume of evictions may require additional staff to scan the documents and verify receipt. *For illustrative purposes only*, the salary and fringe benefits for each additional

District Clerk that is hired in fiscal 2012 equals \$35,461, which accounts for the bill's October 1, 2011 effective date.

Future year expenditures are estimated at a minimum of \$109,000 to reflect network enhancements in order to process the documents electronically.

**Local Fiscal Effect:** Baltimore City advises that compliance with the bill would cost less than \$5,000. Howard County advises that the bill has no fiscal impact.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** Baltimore City, Howard County, Judiciary (Administrative Office of the Courts), Department of Legislative Services

**Fiscal Note History:** First Reader - March 15, 2011  
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