



THE PRINCE GEORGE'S COUNTY GOVERNMENT


Office of Audits and Investigations


September 20, 2022

FISCAL AND POLICY NOTE

TO: Robert J. Williams, Jr.
Council Administrator

William M. Hunt
Deputy Council Administrator

THRU: Josh Hamlin 
Director of Budget and Policy Analysis

FROM: Cassandra Fields 
Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CR-091-2022, 911 Fee Increase

CR-091-2022 (*Proposed and introduced by:* The Chair of the Council at the request of the County Executive)

Assigned to the Government Operations and Fiscal Policy (GOFP) Committee

A RESOLUTION CONCERNING THE 911 CHARGE for the purpose of approving an increase in the additional charge for switched local exchange access service, commercial mobile radio service, and other 911 accessible service within the County.

Fiscal Summary

Direct Impact:

Expenditures: None likely.

Revenues: Increased revenue estimated at \$8.4 million.

Indirect Impact:

None likely.

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Legislative Summary:

CR-091-2022, proposed by the Chair at the request of the County Executive, was introduced by Council Members Hawkins, Harrison, and Medlock on September 6, 2022, and referred to the Government Operations and Fiscal Policy (GOFP) Committee. CR-091-2022 would increase the current additional charge of seventy-five cents (\$0.75) to one dollar and forty-cents (\$1.40) per month to all current bills for switched local exchange access service, commercial mobile radio service, or other 9-1-1 accessible service within the County in order to fully cover the County's 9-1-1 operating expense.

Current Law/Background:

In addition to the State 9-1-1 fee, the State's Public Safety Article, Section 1-311 of the Annotated Code of Maryland, allows the governing body of each county, to impose a county 9-1-1 fee to be added to all current bills rendered for 9-1-1-accessible service in the county. If revenues attributable to the county 9-1-1 fee for a fiscal year do not provide the revenues necessary to cover a county's operational costs for the system for that fiscal year, the county may, for the following fiscal year, impose a county 9-1-1 fee, sufficient to cover the County's project operational costs for the system.¹

The amount of the county 9-1-1 fees may not exceed a level necessary to cover the total eligible maintenance and operation costs of the county. After imposing, repealing, or modifying a county 9-1-1 fee, the county shall certify the amount of the county 9-1-1 fee to the Public Service Commission; the Maryland 9-1-1 Board; and Comptroller, no later than 60 days before the implementation of the change and after a public hearing.²

CR-64-2003, approving an increase in the additional charge for switched local exchange access service, commercial mobile radio service and other 9-1-1 accessible service within the County, was passed and became effective October 1, 2003. It increased the County's charge from \$0.50 to \$0.75 per month per bill for 9-1-1 service.³ The fee has not been modified since that time.

Resource Personnel:

- David B. Juppe, Office of Management and Budget
 - Stanley A. Earley, Office of Management and Budget
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¹ [§ 1-311. County 9-1-1 fee](#)

² Id.

³ [LZIS – CR-063-2003](#)

Discussion/Policy Analysis:

In FY 2020, the County completed an audit of revenue and expenditures associated with providing 9-1-1 services within the County. The audit indicated that the General Fund was supporting the operations for the Public Safety Answering Point (PSAP) in the amount of \$8.38 million in-excess-of actual revenue received. To generate enough revenue to cover this shortfall, the County needed to revise the fee schedule to recuperate the costs of providing actual services. This equated to an additional \$0.65 per line, or a total revised fee of \$1.40.

Fiscal Impact:

Direct Impact

Adoption of CR-091-2022 will have a favorable direct fiscal impact of approximately \$8.4 million (\$8,359,893). Adoption would have a neutral impact on operations to the extent that the increased fee would cover the actual cost of operations associated with the County's 9-1-1 system. The Audit that was conducted for FY 2020 (July 1, 2019-June 30, 2020) reflected that the total Revenue received by the County was \$9.7 million, whilst the total Operating Expenses were \$18.02 million; thereby leaving a deficit of \$8.4 million.⁴

Indirect Impact

Adoption of CR-091-2022 is not likely to have an indirect fiscal impact.

Appropriated in the Current Fiscal Year Budget

No.

Effective Date of Proposed Legislation:

The proposed Resolution shall be retroactively effective to September 1, 2022, after the requisite public hearing and notification to the appropriate agencies.

If you require additional information, or have questions about this fiscal impact statement, please call me.

⁴ Actual Receipts and Expenditures Report, FY 2020, provided by the Office of Management and Budget, September 7, 2022.