

Chapter 642

(House Bill 828)

AN ACT concerning

Business Occupations – Oil and Gas Land Professionals – Registration

FOR the purpose of prohibiting a person from operating as an oil or gas land professional in the State unless the person registers with and obtains a registration certificate from the Department of Labor, Licensing, and Regulation; requiring a person to register as a land professional by submitting a certain form and a certain fee to the Department; requiring the Department to assign a registration number and issue a registration certificate to a certain person; providing for the expiration and renewal of a certain registration; requiring a land professional to provide certain proof to a property owner before obtaining any mineral rights in oil or gas from the property owner; requiring the Department to adopt certain regulations to implement this Act; requiring the Department to develop a means for providing public access to certain information; establishing certain penalties; defining certain terms; and generally relating to the registration of oil and gas land professionals in the State.

BY adding to

Article – Business Occupations and Professions

Section 10.5–101 through 10.5–107 to be under the new title “Title 10.5. Oil and Gas Land Professionals”

Annotated Code of Maryland

(2010 Replacement Volume and 2012 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Business Occupations and Professions

TITLE 10.5. OIL AND GAS LAND PROFESSIONALS.

10.5–101.

(A) IN THIS TITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) (1) “LAND PROFESSIONAL” MEANS A PERSON THAT, ACTING ON THE PERSON’S OWN BEHALF OR ON BEHALF OF A PROSPECTIVE LESSEE OR

BUYER, NEGOTIATES WITH A PROPERTY OWNER FOR THE ACQUISITION OF MINERAL RIGHTS IN OIL OR GAS IN THE STATE.

(2) “LAND PROFESSIONAL” DOES NOT INCLUDE A PERSON THAT NEGOTIATES FOR THE ACQUISITION OR DIVESTITURE OF A LESSEE’S INTEREST IN AN EXISTING LEASE FOR MINERAL RIGHTS IN OIL OR GAS.

(C) (1) “MINERAL RIGHTS IN OIL OR GAS” MEANS PROPERTY RIGHTS THAT ALLOW THE HOLDER OF THE RIGHTS TO ENTER ONTO OR UNDER THE PROPERTY OF ANOTHER PERSON FOR THE EXTRACTION OF CRUDE OIL, NATURAL GAS, OR THE CONSTITUENTS OF CRUDE OIL OR NATURAL GAS.

(2) “MINERAL RIGHTS IN OIL OR GAS” INCLUDES AN OIL OR GAS LEASE.

10.5–102.

A PERSON MAY NOT OPERATE AS A LAND PROFESSIONAL IN THE STATE UNLESS THE PERSON REGISTERS WITH THE DEPARTMENT AND IS ISSUED A REGISTRATION CERTIFICATE UNDER THIS TITLE.

10.5–103.

(A) A PERSON SHALL REGISTER AS A LAND PROFESSIONAL BY SUBMITTING TO THE DEPARTMENT:

(1) AN INITIAL REGISTRATION APPLICATION ON THE FORM REQUIRED BY THE DEPARTMENT; AND

(2) AN INITIAL REGISTRATION FEE SET BY THE DEPARTMENT.

(B) THE DEPARTMENT SHALL ASSIGN A REGISTRATION NUMBER AND ISSUE A REGISTRATION CERTIFICATE TO EACH PERSON THAT MEETS THE REQUIREMENTS OF SUBSECTION (A) OF THIS SECTION.

(C) A REGISTRATION UNDER THIS TITLE IS VALID FOR 2 YEARS FROM THE EFFECTIVE DATE OF THE REGISTRATION AND MAY BE RENEWED BY SUBMITTING TO THE DEPARTMENT:

(1) A REGISTRATION RENEWAL APPLICATION ON THE FORM REQUIRED BY THE DEPARTMENT; AND

- (2) A REGISTRATION RENEWAL FEE SET BY THE DEPARTMENT.

10.5-104.

BEFORE OBTAINING ANY MINERAL RIGHTS IN OIL OR GAS FROM A PROPERTY OWNER, A LAND PROFESSIONAL SHALL PROVIDE TO THE PROPERTY OWNER PROOF THAT THE LAND PROFESSIONAL IS REGISTERED UNDER THIS TITLE.

10.5-105.

THE DEPARTMENT SHALL ADOPT REGULATIONS THAT:

(1) ESTABLISH A REGISTRATION FORM FOR THE INITIAL AND RENEWAL REGISTRATION OF A LAND PROFESSIONAL;

(2) SET FEES FOR THE ISSUANCE OF AN INITIAL REGISTRATION AND FOR A REGISTRATION RENEWAL;

(3) PROVIDE FOR THE ASSIGNMENT OF A REGISTRATION NUMBER AND THE ISSUANCE OF A REGISTRATION CERTIFICATE TO EACH REGISTERED LAND PROFESSIONAL; AND

(4) ESTABLISH ANY OTHER REQUIREMENTS AND PROCEDURES NECESSARY TO IMPLEMENT THIS TITLE.

10.5-106.

THE DEPARTMENT SHALL DEVELOP A MEANS FOR PROVIDING PUBLIC ACCESS TO RELEVANT INFORMATION RELATING TO EACH PERSON REGISTERED UNDER THIS TITLE.

10.5-107.

(A) A PERSON THAT VIOLATES ANY PROVISION OF THIS TITLE OR ANY REGULATION ADOPTED UNDER THIS TITLE IS GUILTY OF A MISDEMEANOR AND ON CONVICTION IS SUBJECT TO:

(1) FOR A FIRST VIOLATION, A FINE OF NOT LESS THAN \$500 BUT NOT EXCEEDING \$1,000; AND

(2) FOR A SECOND OR SUBSEQUENT VIOLATION, A FINE OF NOT LESS THAN \$1,000 BUT NOT EXCEEDING \$2,000.

(B) ANY FINES COLLECTED UNDER THIS SECTION SHALL BE PAID INTO THE GENERAL FUND OF THE STATE.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect June 1, 2013.

Approved by the Governor, May 16, 2013.