

Department of Legislative Services
Maryland General Assembly
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FISCAL AND POLICY NOTE
Third Reader

House Bill 208
Economic Matters

(St. Mary's County Delegation)

Education, Health, and Environmental Affairs

St. Mary's County - Electricians and Board of Electrical Examiners - Repeal

This bill repeals the Board of Electrical Examiners and provisions related to the licensing and regulation of electricians in St. Mary's County.

Fiscal Summary

State Effect: Under the assumptions discussed below, there is no effect on State finances or operations. However, if St. Mary's County does not adopt a local ordinance to license and regulate electricians in the county, general fund revenues from additional State master electrician licenses increase minimally beginning in FY 2018 and general fund expenditures may increase for the Department of Labor, Licensing, and Regulation (DLLR) to hire a part-time investigator beginning as early as FY 2018.

Local Effect: Under the assumptions discussed below, St. Mary's County finances and operations are not materially affected. However, if St. Mary's County does not adopt a local ordinance to license and regulate electricians, the associated county revenues and expenditures decrease.

Small Business Effect: Minimal.

Analysis

Current Law: The Maryland Master Electricians Act governs the licensing and regulation of master electricians in the State through the State Board of Master Electricians in combination with local licensing boards, local inspections, and local permits. The Act and its associated requirements are unaffected by the bill.

The State Board of Master Electricians in DLLR issues master electrician licenses to qualified individuals under the Maryland Master Electricians Act. Each county is required to either (1) adopt regulations for the licensing and regulation of master electricians that have qualifications comparable to State qualifications, or (2) require a State license for providing electrical services as a master electrician *and* enforce the Maryland Master Electricians Act.

In a local jurisdiction that requires a local license, the State license does not authorize the provision of electrical services but serves only as a mechanism for obtaining licenses in each local jurisdiction. In the jurisdictions that do not have local licensing requirements, (Garrett and Allegany counties), an electrician must have a State license to provide electrical services as a master electrician.

Local Government Authority to License and Regulate Electricians

Specified counties, including St. Mary's County, may adopt an electrical code, provide for inspections to enforce the code, and impose permit and inspection fees. In accordance with the Maryland Master Electricians Act, the governing body of a county, by ordinance, may:

- provide for the general licensing of electricians;
- license and establish classifications of electricians;
- establish powers and duties of electrical inspectors, including the authority to issue permits and registrations;
- provide for penalties for a violation of the ordinance;
- establish a Board of Electrical Examiners; and
- establish powers and duties of the Board of Electrical Examiners.

These provisions are unaffected by the bill.

Background: The State Board of Master Electricians shares licensing authority with county governments, all but two of which have a licensing program for master electricians. The local policing of the electrical profession occurs primarily through locally issued permits and locally conducted inspections. Every jurisdiction in Maryland has a building permit office that is generally separate from the local licensing board.

St. Mary's County Board of Electrical Examiners and Related Laws

St. Mary's County advises that the local law repealed by the bill was first enacted in 1939 and last amended in 1990. In a memorandum to the St. Mary's County Commissioners dated November 17, 2016, the county attorney recommended that the local law be repealed and that the county adopt an ordinance under the authority of the commissioners pursuant

to the Maryland Master Electricians Act and §§ 13-910 and 13-911 of the Local Government Article authorizing adoption of a local electrical code and local licensing of electricians.

State Fiscal Effect: If St. Mary's County acts on the recommendation of the memorandum from the county attorney and adopts an ordinance for the licensing and regulation of electricians to coincide with the repeal of the local law by the bill, then State finances and operations are not materially affected. Effects associated with repeal of the local law by the bill, in the absence of an ordinance, are discussed below.

State law allows master electricians to obtain local licenses without having State licenses if their sole practice is limited to one county. In the absence of a local license, St. Mary's County master electricians would be required to obtain a State master electrician license. DLLR estimates that 450 master electricians are licensed in the county, approximately 20% of whom possess only the local license. These individuals would be required to obtain State licenses to continue to practice in the electrical industry. State licenses are \$20 and renewed biennially. Therefore, general fund revenues would increase by \$1,800 in fiscal 2018 and minimally thereafter from initial and renewal fees.

Currently, the State Board of Master Electricians defers to the local jurisdictions for complaint investigation and reporting. If the intent of the bill is to repeal the local board without replacement, then the State board would be responsible for investigations of complaints filed within St. Mary's County. As the State board currently does not employ an investigator, if there were sufficient complaints, general fund expenditures would increase beginning as early as fiscal 2018 for a part-time investigator to act in the absence of a local investigative body. DLLR has estimated the cost of such an investigator at approximately \$22,000 to \$24,000 annually.

Local Fiscal Effect: If St. Mary's County acts on the recommendation of the memorandum from the county attorney and adopts an ordinance for the licensing and regulation of electricians to coincide with the repeal of the local law by the bill, then county finances and operations would not be materially affected, as the county would continue to license and regulate electricians.

If an ordinance is not adopted, then county expenditures related to the licensing and regulation of electricians would decrease, as would the associated revenues.

Additional Information

Prior Introductions: None.

Cross File: SB 163 (Senator Waugh) - Education, Health, and Environmental Affairs.

Information Source(s): Department of Labor, Licensing, and Regulation; St. Mary's County; Department of Legislative Services

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