

SENATE BILL 21

C2, J1

9lr0060

(PRE-FILED)

By: **Chair, Finance Committee (By Request – Departmental – Labor, Licensing and Regulation)**

Requested: October 25, 2018

Introduced and read first time: January 9, 2019

Assigned to: Finance

A BILL ENTITLED

1 AN ACT concerning

2 **Department of Labor, Licensing, and Regulation – State Occupational**
3 **Mechanical Licensing Boards’ Fund – Elevator Safety Review Board**

4 FOR the purpose of adding the Elevator Safety Review Board to the list of occupational
5 boards that contribute to the State Occupational Mechanical Licensing Boards’
6 Fund; repealing certain licensee fee amounts; repealing the requirement that certain
7 fees be paid into the Elevator Safety Review Board Fund; authorizing the Board to
8 set by regulation certain fees based on certain calculations; requiring the Board to
9 publish a certain schedule of fees; requiring the Board to pay certain fees to the
10 Comptroller; requiring the Comptroller to distribute certain fees to the State
11 Occupational Mechanical Licensing Boards’ Fund; repealing the Elevator Safety
12 Review Board Fund; requiring that certain fees in effect on a certain date shall
13 remain in full force and effect until certain other fees are adopted and become
14 effective; transferring money remaining in the Elevator Safety Review Board Fund
15 to the State Occupational Mechanical Licensing Boards’ Fund; and generally
16 relating to the Elevator Safety Review Board and the State Occupational Mechanical
17 Licensing Boards’ Fund.

18 BY repealing and reenacting, with amendments,
19 Article – Business Regulation
20 Section 2–106.9
21 Annotated Code of Maryland
22 (2015 Replacement Volume and 2018 Supplement)

23 BY repealing and reenacting, without amendments,
24 Article – Business Regulation
25 Section 2–106.10
26 Annotated Code of Maryland
27 (2015 Replacement Volume and 2018 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 BY repealing
2 Article – Public Safety
3 Section 12–824 and 12–824.1
4 Annotated Code of Maryland
5 (2018 Replacement Volume)

6 BY adding to
7 Article – Public Safety
8 Section 12–824
9 Annotated Code of Maryland
10 (2018 Replacement Volume)

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

13 **Article – Business Regulation**

14 2–106.9.

15 (a) In this section, “Fund” means the State Occupational Mechanical Licensing
16 Boards’ Fund.

17 (b) This section applies to the following occupational licensing boards:

18 (1) the State Board of Master Electricians established under Title 6 of the
19 Business Occupations and Professions Article;

20 (2) the State Board of Stationary Engineers established under Title 6.5 of
21 the Business Occupations and Professions Article;

22 (3) the State Board of Plumbing established under Title 12 of the Business
23 Occupations and Professions Article; [and]

24 (4) the State Board of Heating, Ventilation, Air–Conditioning, and
25 Refrigeration Contractors established under Title 9A of this article; **AND**

26 **(5) THE ELEVATOR SAFETY REVIEW BOARD ESTABLISHED UNDER**
27 **TITLE 12, SUBTITLE 8, PART III OF THE PUBLIC SAFETY ARTICLE.**

28 (c) (1) There is a State Occupational Mechanical Licensing Boards’ Fund in
29 the Department.

30 (2) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of
31 the State Finance and Procurement Article.

32 (d) (1) Except as otherwise provided by law, each occupational licensing board

1 described in subsection (b) of this section shall pay all fees collected to the Comptroller.

2 (2) The Comptroller shall distribute the fees to the Fund.

3 (e) The Fund shall be used to cover the actual documented direct and indirect
4 costs of fulfilling the statutory and regulatory duties of each occupational licensing board
5 described in subsection (b) of this section.

6 (f) The Secretary or a designee of the Secretary shall administer the Fund.

7 (g) The legislative auditor shall audit the accounts and transactions of the Fund
8 as provided in § 2–1220 of the State Government Article.

9 (h) At the end of each fiscal year, any unspent and unencumbered portion of the
10 Fund in excess of \$100,000 shall revert to the General Fund of the State.

11 (i) Any investment earnings of the Fund shall be credited to the General Fund of
12 the State.

13 2–106.10.

14 (a) (1) In consultation with each board specified under § 2–106.9 of this
15 subtitle, the Secretary shall annually calculate the direct and indirect costs attributable to
16 each board.

17 (2) Each board shall establish fees based on the calculations provided by
18 the Secretary under this section.

19 (3) Except for the examination fees under § 12–303(2)(i) of the Business
20 Occupations and Professions Article, each fee established by an individual board may not
21 be increased annually by more than 12.5% of the existing and corresponding fee of the
22 board.

23 (b) In order to establish fees that more equitably distribute the costs associated
24 with the operation of each board among similar boards, the Secretary may average the
25 direct and indirect costs of one or more boards provided that the boards consent to having
26 their direct and indirect costs averaged together.

27 **Article – Public Safety**

28 [12–824.

29 (a) The Board shall establish fees for the application, issuance, and renewal of
30 licenses issued under Part III of this subtitle.

31 (b) The total amount of fees established under subsection (a) of this section may
32 not exceed, for the 2–year term of the license:

1 (1) \$100 per year for an elevator mechanic, elevator renovator mechanic,
2 or accessibility lift mechanic; and

3 (2) \$150 per year for an elevator contractor or elevator renovator
4 contractor.

5 (c) Each fee for the application, issuance, and renewal of licenses collected by the
6 Board shall be paid into the Elevator Safety Review Board Fund established under this
7 subtitle.]

8 **12-824.**

9 (A) **THE BOARD MAY SET BY REGULATION REASONABLE FEES FOR ITS**
10 **SERVICES.**

11 (B) **THE FEES CHARGED SHALL BE:**

12 (1) **SET SO AS TO PRODUCE FUNDS TO APPROXIMATE THE COST OF**
13 **MAINTAINING THE BOARD; AND**

14 (2) **BASED ON THE CALCULATIONS PERFORMED BY THE SECRETARY**
15 **OF LABOR, LICENSING, AND REGULATION UNDER § 2-106.10 OF THE BUSINESS**
16 **REGULATION ARTICLE.**

17 (C) **THE BOARD SHALL PUBLISH A SCHEDULE OF THE FEES SET BY THE**
18 **BOARD.**

19 (D) (1) **THE BOARD SHALL PAY ALL FEES COLLECTED UNDER THIS TITLE**
20 **TO THE COMPTROLLER.**

21 (2) **THE COMPTROLLER SHALL DISTRIBUTE THE FEES TO THE STATE**
22 **OCCUPATIONAL MECHANICAL LICENSING BOARDS' FUND ESTABLISHED UNDER §**
23 **2-106.9 OF THE BUSINESS REGULATION ARTICLE.**

24 [12-824.1.

25 (a) In this section, "Fund" means the Elevator Safety Review Board Fund.

26 (b) There is an Elevator Safety Review Board Fund.

27 (c) The purpose of the Fund is to cover the actual documented direct and indirect
28 costs of fulfilling the statutory and regulatory duties of the Board.

29 (d) The Commissioner shall administer the Fund.

1 (e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of
2 the State Finance and Procurement Article.

3 (2) The State Treasurer shall hold the Fund separately and the
4 Comptroller shall account for the Fund.

5 (f) The Fund consists of:

6 (1) revenue distributed to the Fund under this subtitle;

7 (2) money appropriated in the State budget to the Fund;

8 (3) investment earnings of the Fund; and

9 (4) any other money from any other source accepted for the benefit of the
10 Fund.

11 (g) The Fund may be used only to cover the actual documented direct and indirect
12 costs of fulfilling the statutory and regulatory duties of the Board.

13 (h) (1) The State Treasurer shall invest the money of the Fund in the same
14 manner as other State money may be invested.

15 (2) Any investment earnings of the Fund shall be paid into the Fund.

16 (i) Expenditures from the Fund may be made only in accordance with the State
17 budget.

18 (j) Any balance in the Fund at the end of June 30 of each fiscal year in excess of
19 10% of the actual expenses of operating the Elevator Safety Review Board shall revert to
20 the General Fund of the State.

21 (k) The Legislative Auditor shall audit the accounts and transactions of the Fund
22 as provided in § 2–1220 of the State Government Article.

23 (l) On or before October 1, 2009, and each year thereafter, subject to § 2–1246 of
24 the State Government Article, the Board shall report to the Senate Budget and Taxation
25 Committee, the Senate Finance Committee, the House Appropriations Committee, and the
26 House Economic Matters Committee on the implementation of the Fund.]

27 SECTION 2. AND BE IT FURTHER ENACTED, That the fees set forth in Title 12,
28 Subtitle 8, Part III of the Public Safety Article in effect on September 30, 2019, shall remain
29 in full force and effect until the fees authorized to be set by the Elevator Safety Review
30 Board under this Act are adopted and become effective.

31 SECTION 3. AND BE IT FURTHER ENACTED, That all money remaining in the

1 Elevator Safety Review Board Fund shall be transferred to the State Occupational
2 Mechanical Licensing Boards' Fund on October 1, 2019.

3 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
4 October 1, 2019.