

House Bill 1285

Date:March 8, 2022Committee:Economic Matters CommitteeBill Title:Maryland Electricians Act – RevisionsRe:Letter of Information

This bill alters the Maryland Electricians Act by (1) requiring the State Board of Electricians to credit successful completion of specified apprenticeship programs toward the experience required for licensure as a master electrician or journeyperson electrician; (2) modifying the examination requirement for applicants for a journeyperson electrician license; and (3) altering general liability and property insurance requirements for licensees employed by another licensee who maintains the required coverage.

The Department would like to request that the Committee consider an amendment to address an issue that has arisen regarding master licensure to ensure that the Board is authorized to allow flexibility in licensure as the laws for other mechanical licensing boards provide, such as the Boards of Plumbing and HVACR Contractors.

Prior to the implementation of statewide licensing, it had been the practice of many master electricians to inactivate a State master electrician license and maintain an active *journey license issued by a local jurisdiction*. Accordingly, the statutory requirement in Business Occupations and Professions Article, §6-604, Annotated Code of Maryland, that a master license holder maintain their own insurance did not apply and they could work under the insurance provided by their employer. The Board is not authorized, nor equipped, to issue multiple license classifications to a single individual, even if one of the licenses is inactive. Consequently, these electricians cannot convert a local journey license to a State license while also maintaining an inactive State master license. The Board suggests an amendment that will allow an electrician who intends to work but will not enter into contracts on behalf of a business to maintain an active master license without the requirement to maintain insurance currently required under §6-604. At the request of numerous licensees, the Board suggests that this provision should be amended to reflect similar language as exists in Business Occupations and Professions Article, §12-501(a) (Plumbing) and Business Regulation Article, §9A-402(a) (HVACR).

The amendment the Board has suggested, which is attached here as drafted by Board Counsel for your convenient reference, would authorize the Board to issue a master license indicating that an individual is or is not insured to contract work to allow electricians to continue to work lawfully without being required to purchase insurance that is already provided by an employer or business. The changes mirror the analogous provisions applicable to the Plumbing and HVACR Boards.

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While SB604 does propose changes to this section, the Department feels the language, as drafted, does not adequately harmonize with the other mechanical licensing boards authority, does not grant the authority to display certain information on the license ("insured to contract work" vs "not insured to contract work"), requires the board to collect and maintain personal insurance or an employer's insurance for each licensee which has to be maintained as it is a public record under the PIA (which is not a current practice), and may have the unintended effect of not providing adequate information on the license for a local jurisdiction to be able to determine whether a permit applicant is qualified to to be issued a permit. To that end, we respectfully propose the following language.

Suggested Amendment:

§6–604.

(a) This section does not apply to a State licensee on inactive status.

(b) A master electrician who is licensed by the State Board [and provides electrical services or], a person to whom a master electrician licensed by the State Board assigns a [local] LICENSE OR registration under this title [shall], OR ANOTHER PERSON WHO ENGAGES IN THE BUSINESS OF PROVIDING ELECTRICAL SERVICES MAY NOT CONTRACT TO PROVIDE ELECTRICAL SERVICES UNLESS THE ELECTRICAL WORK OF THE LICENSEE, INCLUDING COMPLETED OPERATIONS, IS COVERED BY:

- (1) [maintain] general liability insurance in the amount of at least \$300,000; AND
- (2) [maintain] property damage insurance in the amount of at least \$100,000[; and
- (3) submit proof of the required insurance to the State Board].

(c) (1) [An applicant for a State license shall submit proof of the insurance required under this section to the State Board with the license application.] THE INSURANCE REQUIRED UNDER THIS SECTION MAY BE BOUGHT:

(I) BY A HOLDER OF A MASTER ELECTRICIAN LICENSE; OR

(II) BY THE PERSON WHO ENGAGES IN THE BUSINESS OF PROVIDING ELECTRICAL SERVICES AND EMPLOYS THE HOLDER OF THE MASTER ELECTRICIAN LICENSE.

(2) [The State Board may not issue a State license to an applicant to whom the insurance requirements of this section would apply unless the applicant submits proof of the insurance.] www.labor.maryland.gov



THE INSURANCE REQUIREMENT OF THIS SECTION IS NOT MEANT FOR WORK THAT A MASTER ELECTRICIAN LICENSE HOLDER DOES OUTSIDE THE SCOPE OF EMPLOYMENT FOR THE PERSON WHO CARRIES THE INSURANCE.

(D) (1) A LICENSED APPRENTICE OR LICENSED JOURNEYPERSON IN THE EMPLOY OF A MASTER LICENSEE NEED NOT OBTAIN SEPARATE INSURANCE WHILE PROVIDING OR ASSISTING IN PROVIDING ELECTRICAL SERVICES UNDER THE CONTROL AND SUPERVISION OF THE LICENSEE.

(2) SUBJECT TO THE RESTRICTIONS OF § 6-310 OF THIS TITLE REGARDING INACTIVE STATUS, INACTIVE LICENSEES WHO HAVE HAD THEIR INACTIVE STATUS APPROVED BY THE BOARD NEED NOT OBTAIN INSURANCE WHILE MAINTAINING INACTIVE STATUS.

[(d)] (E) Unless an applicant meets the insurance requirements of this section, the State Board may not renew a State license of the applicant to whom the insurance requirements of this section would apply.

[(e) If the insurance required under this section is canceled, the insurer shall notify the State Board within 10 days after the date of cancellation.]

(F)(1) AN APPLICANT FOR ANY LICENSE UNDER THIS TITLE SHALL SUBMIT PROOF OF THE INSURANCE REQUIRED UNDER THIS SECTION TO THE BOARD WITH THE LICENSE APPLICATION.

(2) UNLESS THE APPLICANT SUBMITS PROOF OF INSURANCE, THE BOARD MAY NOT ISSUE ANY LICENSE TO AN APPLICANT TO WHOM THE INSURANCE REQUIREMENTS OF THIS SECTION APPLY.

(G) A HOLDER OF A MASTER, MASTER RESTRICTED, OR LIMITED LICENSE SHALL GIVE THE BOARD NOTICE OF THE CANCELLATION OF INSURANCE AT LEAST 10 DAYS BEFORE THE EFFECTIVE DATE OF THE CANCELLATION.

[(f)] (H) If a local jurisdiction requires [an applicant for a local license] A MASTER ELECTRICIAN OR OTHER PERSON WHO ENGAGES IN THE BUSINESS OF PROVIDING ELECTRICAL SERVICES to execute a bond to the local jurisdiction, the applicant may satisfy the bond requirement by submitting proof of the insurance required under this section.

(I) THE BOARD SHALL SPECIFY ON EACH LICENSE WHETHER THE LICENSE HOLDER MEETS THE INSURANCE REQUIREMENTS OF THIS SECTION.

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