

**Maryland General Assembly  
Department of Legislative Services**

**Proposed Regulation  
Department of the Environment  
(DLS Control No. 15-229)**

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## **Overview and Legal and Fiscal Impact**

The regulation eliminates the asbestos license application and renewal fee for businesses that employ two or less employees and reduces the license application and renewal fee for businesses that employ three or more employees.

The regulation presents no legal issues of concern.

Special fund revenues decrease minimally beginning in fiscal 2016 as a result of reducing and eliminating application and renewal fees related to asbestos licenses.

## **Regulation of COMAR Affected**

### **Department of the Environment:**

Air Quality: Control of Asbestos: COMAR 26.11.21.10

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## **Legal Analysis**

### **Background**

On September 15, 2015, Governor Larry Hogan announced a plan to reduce or eliminate a number of fees across State government. This regulation is part of that plan. Additional information regarding Governor Hogan's fee reduction initiative may be found [here](#).

A business must be licensed by the Department of the Environment before a business may remove or encapsulate asbestos in the State. Such businesses are required to pay license application and renewal fees to the department.

### **Summary of Regulation**

The regulation eliminates the \$125 asbestos license application and renewal fee for businesses that employ two or less employees and reduces, from \$750 to \$625, the license application and renewal fee for businesses that employ three or more employees.

### **Legal Issue**

The regulation presents no legal issues of concern.

## **Statutory Authority and Legislative Intent**

The department cites §§ 6-411 and 6-413 of the Environment Article as statutory authority for the regulation. Section 6-411 requires a business to pay the application fee set by the department when applying for a license to remove or encapsulate asbestos. Section 6-413 requires a business to pay the renewal fee set by the department when applying for a renewal of a license to remove or encapsulate asbestos.

This authority is correct and complete. The regulation complies with the legislative intent of the law.

## **Fiscal Analysis**

Special fund revenues decrease minimally beginning in fiscal 2016 as a result of reducing and eliminating application and renewal fees related to asbestos licenses.

## **Agency Estimate of Projected Fiscal Impact**

The department advises that the regulation has minimal impact on the State or local governments. The department estimates that the regulation results in a reduction in Clean Air Fund revenues of approximately \$19,375 to \$20,625 annually from the \$125 reduction in asbestos license application and renewal fees. This estimate is based on the elimination of the \$125 application and renewal fee for approximately 25 to 30 businesses with two employees or fewer, and the reduction of the fee from \$750 to \$625 for approximately 130 to 135 businesses with three or more employees. The Department of Legislative Services concurs.

## **Impact on Budget**

There is no material impact on the State operating or capital budget. The fiscal 2015 closing balance of the Clean Air Fund was \$3.3 million. Thus, the decrease in fee revenue can likely be absorbed with existing resources.

## **Agency Estimate of Projected Small Business Impact**

The department advises that the regulation has minimal or no economic impact on small businesses in the State. The Department of Legislative Services concurs.

## **Contact Information**

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