

**Maryland General Assembly  
Department of Legislative Services**

**Proposed Regulation  
Department of Natural Resources  
(DLS Control No. 15-232)**

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

The regulation reduces the annual renewal fee for forest products operator licenses to more closely conform to the cost of processing the transaction.

The regulation presents no legal issues of concern.

Special fund revenues decrease by approximately \$5,000 annually.

## **Regulation of COMAR Affected**

### **Department of Natural Resources:**

Forest and Parks: Licensed Forest Products Operator:  
COMAR 08.07.08.05

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## **Legal Analysis**

### **Background**

State law requires any person engaged in a forest products business to hold a forest products operator license issued by the Department of Natural Resources. This requirement applies to all sawmills, pulpwood and logging contractors, and firewood dealers operating in the State. Other businesses, such as mulch suppliers, land clearing companies, tree removal companies, and lumber brokers, may also receive a forest products operator license. License holders must follow certain best practices, such as leaving forest land in a condition favorable for regrowth, in order to maintain their licensed status.

On September 15, 2015, Governor Larry Hogan announced a plan to reduce or eliminate a number of fees across State government. This regulation, which reduces the renewal fee for forest products operator licenses, is part of that plan. The department advises that the reduced fee more closely conforms to the cost of processing the license renewals. Additional information regarding Governor Hogan's fee reduction initiative may be found [here](#).

### **Summary of Regulation**

The regulation reduces the renewal fee for forest products operator licenses from \$30 per year to \$20 per year.

## **Legal Issue**

The regulation presents no legal issues of concern.

## **Statutory Authority and Legislative Intent**

The department cites § 5-608 of the Natural Resources Article as statutory authority for the regulation. Section § 5-608 requires all forest products businesses in the State to be licensed by the department. Subsection (a)(2)(iii) of this section requires an applicant for a forest products operator license to pay to the department a fee “set by the [d]epartment in an amount not to exceed the cost of carrying out this section.” Subsection (f) of this section gives the department broad authority to adopt implementing regulations.

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

## **Fiscal Analysis**

Special fund revenues decrease by approximately \$5,000 annually.

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

The department advises that special fund (Forest or Park Reserve Fund) revenues decrease by approximately \$5,000 annually due to reduced license renewal fees collected from licensed forest products operators. The Department of Legislative Services concurs.

## **Impact on Budget**

There is no material impact on the State operating or capital budget.

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

The department advises the regulation has a meaningful economic impact on small businesses in the State. The Department of Legislative Services disagrees; it is assumed that \$10 in annual savings for each licensed forest products operator only has a minimal economic impact on small businesses in the State.

## **Contact Information**

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