

**Department of Fiscal Services**  
 Maryland General Assembly

**FISCAL NOTE**  
**Revised**

House Bill 371 (Chairman, Economic Matters Committee)  
 (Departmental - Labor, Licensing, and Regulation)

Economic Matters

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**State Board of Heating, Ventilation, Air-Conditioning, and Refrigeration  
 Contractors - Qualifications of Applicants**

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This departmental bill authorizes the State Board of Heating, Ventilation, Air-Conditioning, and Refrigeration Contractors to permit those who apply to the board before July 1, 1997 to take the journeyman licensing examination, if the board determines the applicant has three years of work experience comparable to existing requirements. In addition, the bill provides that the board may credit an applicant with up to six years of work experience which fails to meet current State standards if the board believes the work provided comparable experience.

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**Fiscal Summary**

**State Effect:** General fund revenues could increase by about \$16,300 in FY 1997. Future year revenue projections reflect the biennial renewal fees which are due in even-numbered years and growth. General fund expenditures could increase by about \$14,600 in FY 1997, which represents the one-time cost of licensing applicants.

(in dollars)	FY 1997	FY 1998	FY 1999	FY 2000	FY 2001
GF Revenues	\$16,300	\$32,500	\$800	\$34,100	\$1,600
GF Expenditures	14,600	0	0	0	0
Net Effect	\$1,700	\$32,500	\$800	\$34,100	\$1,600

*Note: ( ) - decrease; GF - general funds; FF - federal funds; SF - special funds*

**Local Effect:** None.

**Small Business Effect:** The Department of Labor, Licensing, and Regulation has determined that the bill has a meaningful impact on small business (attached). Fiscal Services concurs with this assessment.

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### Fiscal Analysis

**State Revenues:** The Department of Labor, Licensing, and Regulation estimates that approximately 650 applicants will meet the revised qualifications for journeyman licenses and apply for a license before July 1, 1997. The licensing fee for a journeyman license is \$50 which must be prorated to reflect the time remaining in the licensing term. The State will collect about \$16,250 in licensing fees in fiscal 1997 which will be deposited into the general fund. The licenses must be renewed in fiscal 1998 and fiscal 2000. Future year projections reflect the biennial renewal pattern with growth at 5%.

**State Expenditures:** The Department of Labor, Licensing, and Regulation will need a contractual employee for a period of nine months in fiscal 1997 to license the 650 applicants. The cost of this contractual employee will be about \$14,600, which includes salaries of about \$11,900.

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**Information Source(s):** Department of Labor, Licensing, and Regulation

**Fiscal Note History:** First Reader - January 29, 1996  
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