

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

House Bill 526 (Delegates Harkins and Fry)

Economic Matters

Referred to Economic and Environmental Affairs

Maryland Plumbing Act - State Board of Plumbing - Civil Penalties

This amended bill authorizes the State Board of Plumbing to impose a fine of up to \$1,000 for each violation of the requirement that individuals who provide or assist in providing plumbing or propane gas services have a license. The board may determine the amount of the fine (up to \$1,000) based on specified factors.

Fiscal Summary

State Effect: Potential increase in general fund revenues based on the bill's penalty provision depending upon the number and amount of fines assessed. Potential increase in general fund expenditures based on the number of hearings held as a result of alleged violations.

Local Effect: None.

Small Business Effect: Minimal impact on small businesses. This bill discourages unlicensed plumbers from providing plumbing or propane gas services by authorizing fines of up to \$1,000 a day for each day a violation occurs. To the extent that nonlicensed plumbers do not provide such services, licensed plumbers could realize increased business. There are 8,000 licensed plumbers in the State, the majority of whom are small businesses.

Fiscal Analysis

State Revenues: General fund revenues could increase by a minimal amount due to the penalty provision. The Department of Labor, Licensing, and Regulation (DLLR) estimates that there are approximately three to five complaints filed annually about individuals providing plumbing or propane gas service without a license. Violators could be fined up to \$1,000 for each violation of providing service without a license.

State Expenditures: General fund expenditures would increase based on the cost of providing administrative hearings. It is estimated that no more than three of these cases would be heard by the Office of Administrative Hearings annually. Each of these hearings would cost up to \$400.

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

Fiscal Note History: First Reader - February 5, 1997

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