

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE
Revised

Senate Bill 217 (Senator Haines)
Economic and Environmental Affairs

**Heating, Ventilation, Air-Conditioning, and Refrigeration Services - Local
Licensure of Individuals Licensed by the State Board**

This bill provides that a subdivision of the State that requires a local license to provide heating, ventilation, air-conditioning, or refrigeration services (HVCAR) may not (1) deny a local HVACR license to an individual already licensed by the State Board of Heating, Ventilation, Air-Conditioning, and Refrigeration Contractors; and (2) require a State licensed individual to take an examination.

Fiscal Summary

State Effect: None.

Local Effect: Revenue decrease of \$7,200 for Anne Arundel County in FY 1998. No change in expenditures.

Small Business Effect: Minimal effect on small businesses as discussed below.

Fiscal Analysis

Local Revenues: Two counties, Prince George's and Anne Arundel, require a local HVACR license in order to operate or perform work in these counties. Anne Arundel County also requires a local examination which could no longer be required of State licensees under this bill. Anne Arundel County anticipates an annual revenue loss of \$7,200 based on (1) 160 examinations administered in 1996; (2) a cost of \$75 per examination; and (3) 60% of local licenses are held by companies outside the county who are already licensed by the State and would no longer have to take the local examination. Prince George's County does not anticipate any fiscal impact as a result of the legislation.

Small Business Effect: There are 11,000 State HVACR licensees in Maryland, the majority

of which are employed by small businesses. Prohibiting a local government from requiring an examination for a HVACR license will have a minimal positive impact on small businesses to the extent that State licensees seek local licensure. Further, the bill requires local governments to issue an HVACR license to any individual licensed by the State board regardless of the subdivision in which the applicant resides. Thus, the bill could have a minimal positive impact on HVACR small businesses by easing the administrative burden on State licensees, and eliminating the \$75 fee associated with the examination for local licensure in Anne Arundel County.

Information Source(s): Anne Arundel County; Baltimore City; Carroll County; Dorchester County; Prince George's County; Department of Labor, Licensing, and Regulation

Fiscal Note History: First Reader - February 6, 1997
ncs Revised - Corrected - February 12, 1997

Analysis by: Shelley Finlayson
Reviewed by: John Rixey

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 841-3710
(301) 858-3710