

Department of Legislative Services

Maryland General Assembly

1999 Session

FISCAL NOTE

House Bill 1003 (Delegates Mitchell and Eckardt)

Economic Matters

**Heating, Ventilation, Air-Conditioning, and Refrigeration Contractors -
Journeyman Restricted License**

This bill creates a journeyman restricted license issued by the State Board of Heating, Ventilation, Air-Conditioning, and Refrigeration Contractors (HVACR) to provide HVACR services while under the direction and control of a licensed contractor in one of the following areas: (1) heating - forced air systems; (2) heating - hydronic systems; (3) ventilation; (4) air-conditioning; or (5) refrigeration.

The bill requires an applicant for a journeyman restricted license to pass an examination administered by the board, and to have held an apprentice license for at least three years and to have completed at least 1,875 hours of training. The board may waive the examination requirement for an individual who is licensed in another state to provide services as a journeyman restricted contractor, and for an individual who has successfully completed an apprentice program approved by the Apprenticeship and Training Council. The board may award credit for specified work experience if the applicant fails to meet the training and apprenticeship requirements.

A restricted journeyman licensee employed by a master, master restricted, or limited licensee does not need to obtain separate insurance while providing services under the control and supervision of the licensee.

Fiscal Summary

State Effect: General fund expenditures could increase by approximately \$52,000 in FY 2000 only. Minimal increase in general fund revenues each year from licensing fees.

Local Effect: None.

Small Business Effect: Potential meaningful. Creating specialized licensing categories could increase the pool of journeymen available to small businessmen contractors.

Fiscal Analysis

State Effect: There are approximately 4,700 journeymen licensees in Maryland. The fee for a journeyman license is currently \$20. It is assumed that some restricted journeymen will hold more than one restricted license. The bill authorizes the board to set the licensing fee, and the Department of Labor, Licensing, and Regulation (DLLR) advises that it would set a \$20 fee. As a result, general fund revenues should increase minimally each year.

General fund expenditures could increase by approximately \$52,000 in fiscal 2000. This estimate includes: (1) \$20,000 to incorporate the new licensing categories into DLLR's mainframe computer and establish the electronic licensing program; (2) \$30,000 to develop an examination for each of the restricted journeymen license categories; and (3) \$2,000 in printing costs.

Information Source: Department of Labor, Licensing, and Regulation

Fiscal Note History: First Reader - February 26, 1999

dmm/jr

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