

Department of Legislative Services

Maryland General Assembly

2002 Session

FISCAL NOTE

House Bill 1013

(Chairman, Environmental Matters Committee)

(Departmental – Natural Resources)

Environmental Matters

Natural Resources - Tree Experts

This departmental bill increases application/examination, examination retake, and renewal fees for licensed “tree experts,” establishes a time limit of one year for passing the required examination, requires a licensee to submit specified information to the Department of Natural Resources (DNR) to be eligible for license renewal, and repeals the requirement that licenses be renewed annually. The bill also modifies the definition of “tree expert” and provides specified exemptions from the licensing requirement for related professions.

Fiscal Summary

State Effect: Special fund revenue increase of approximately \$12,400 in FY 2003 and \$16,500 annually thereafter from the bill’s new fee structure. DNR could handle the bill’s changes with existing budgeted resources.

(in dollars)	FY 2003	FY 2004	FY 2005	FY 2006	FY 2007
SF Revenue	\$12,400	\$16,500	\$16,500	\$16,500	\$16,500
Expenditure	\$0	\$0	\$0	\$0	\$0
Net Effect	\$12,400	\$16,500	\$16,500	\$16,500	\$16,500

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: DNR has determined that this bill will have minimal or no impact on small business (attached). Legislative Services concurs with this assessment.

Analysis

Bill Summary: Fees would be raised as follows: (1) application/examination fee -- from \$30 to \$50; (2) examination retake fee -- from \$20 to \$30; and (3) license renewal fee -- from \$10 to \$40. Renewal of licenses would be subject to proof of attendance at seminars, conferences, or other training programs as required by DNR. The licensee must submit the documentation by January 1 of each year licensed. The bill also provides that proof of workers' compensation, liability, and property damage insurance are required upon renewal.

"Tree expert" includes those who provide consultation regarding the treatment for trees, install tree support systems in trees, and remove, trim, prune, or fertilize trees. The bill provides an exception to the license requirement for a nurseryman, dealer, or broker performing maintenance at a plant nursery, a volunteer or professional firefighter engaged in fire suppression activity, a licensed forester engaged in forestry, and a licensed contractor engaged in installing or maintaining trees planted under a contract guarantee in accordance with specified provisions of law.

The bill also modifies DNR's authority to penalize tree experts found guilty of any fraud or deceit in obtaining a license or found guilty of negligence or wrongful conduct in the practice of tree culture or care by providing that DNR may reprimand any licensee, place any licensee on probation, or suspend or revoke the license of a licensee.

Current Law: "Tree expert" means a person who holds himself out as being skilled in the science of tree care and who, whether in his/her own business or as the employee of another person and whether under the title of arborist, tree specialist, tree surgeon, tree expert, or otherwise, engages in the business or work of the treatment, and care, of trees for compensation by making diagnoses, prescribing, and supervising the treatment for trees.

A person may not engage in the work or business of a tree expert without a tree expert license. DNR must issue a license to any applicant who pays the application fee, is at least 18 years old, meets specified education and experience requirements, and passes an examination given by DNR. An employee under the supervision of a licensed tree expert may not be required to have a license in his own name. Every licensee shall carry and show proof of liability and property damage insurance, in the form and amount required by DNR at the time it issues the license. The application fee for the license is \$30. An applicant who fails any examination shall pay an additional fee of \$20 for each subsequent examination. A tree expert license shall be renewed annually. The annual renewal fee is \$10. Fees are paid into the State Treasury for DNR's use.

DNR must prepare and conduct examinations as often as necessary, but at least once a year if there are any applicants. A candidate who has passed the examination in all but one of the subjects given may be reexamined in that subject only at any subsequent examination held, and if he passes that subject he is considered to have passed the examination. DNR may decide to reexamine an unsuccessful candidate in every subject.

DNR may permanently revoke or temporarily suspend the license of any licensed tree expert who is found guilty of any fraud or deceit in obtaining the license, or guilty of negligence or wrongful conduct in the practice of tree culture or care. A license may not be revoked or suspended until after the licensee has a hearing before DNR. Notice of the cause for suspension or revocation and the hearing date shall be sent to the licensee at least 20 days before the hearing.

Background: In 1996 DNR, in coordination with the Maryland Community Forest Council, the Maryland Arborist Association, and the Mid-Atlantic Chapter of the International Society of Arboriculture, conducted a comprehensive study of the State's tree care industry. One of the findings of the study was the strong desire expressed by Maryland's tree care industry for greater enforcement by DNR related to the Tree Expert Law.

DNR reports that due to increasing population density, growth of the urban forest and urban land use, and growth in commercial tree care as an industry, more citizens are using tree experts, resulting in more complaints and enforcement relating to the industry. DNR advises that the proposed fee increase is needed to cover departmental costs for testing, retesting, license renewal, complaint investigation, and program administration. The current fees have been in place since 1982.

State Revenues: Under the current fee structure for applications/examinations, exam retakes, and license renewals, DNR generates approximately \$6,640 annually in special fund revenues. Under the bill's proposed fee structure, special fund revenues would increase by an estimated \$16,520 annually beginning in fiscal 2004, as shown below:

<u>Fee</u>	<u>Current Fee</u>	<u>Current Revenue</u>	<u>Proposed Fee</u>	<u>Proposed Revenue</u>	<u>Increase in Revenue</u>
Applic./Exam	\$30	\$600	\$50	\$1,000	\$400
Exam Retake	20	800	30	1,200	400
Renewal	10	5,240	40	20,960	15,720
Total		\$6,640		\$23,160	\$16,520

This estimate is based on the following assumptions:

- 20 new applicants will apply for a license each year;
- all applicants will partially retake the required examination twice;
- the total number of licenses renewed each year will remain constant at fiscal 2002 levels, or about 524 (due to turnover in the industry);
- DNR will continue to renew licenses on an annual basis; and
- the bill's changes to the definition of a tree expert and exemptions from the licensing requirements will not have any impact on the total number of licenses issued (DNR advises that the definition change is an attempt to prevent illegal activity and will not result in any additional licenses issued; and the bill's exemptions merely codify current practice).

Because the bill takes effect October 1, 2002, special fund revenues would increase by an estimated \$12,390 in fiscal 2003.

Additional Information

Prior Introductions: SB 63 of 1999 would have modified provisions relating to the licensing and examination of tree experts. The bill passed the Senate with amendments but received an unfavorable report by the House Environmental Matters Committee. SB 95/HB 503 of 1998 would have modified the definition of tree expert to include specified individuals. HB 503 passed the House with amendments; both bills received an unfavorable report by the Senate Economic and Environmental Affairs Committee.

Cross File: None.

Information Source(s): Department of Natural Resources, Department of Legislative Services

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lc/jr

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