

Department of Legislative Services
Maryland General Assembly
2002 Session

FISCAL NOTE
Revised

House Bill 488 (Chairman, Economic Matters Committee)
Economic Matters

Finance

**Board of Boiler Rules and Board of Examining Engineers - Sunset Extension and
Program Evaluation**

This bill extends the termination date for the Board of Boiler Rules from July 1, 2003 to July 1, 2014. The chair of the board will be selected from among its members.

The termination date for the Board of Examining Engineers is extended from July 1, 2002 to July 1, 2004, and the board and the Department of Labor, Licensing, and Regulation (DLLR) must report to the Senate Education, Health, and Environmental Affairs Committee and the House Economic Matters Committee, on or before October 1, 2003, on the proposed structure and implementation of a statewide Stationary Engineers Licensing Program.

The bill is effective July 1, 2002.

Fiscal Summary

State Effect:

Board of Boiler Rules: State finances for the Board of Boiler Rules would continue beyond FY 2003. The proposed FY 2003 budget projects \$200,000 in revenues generated by boiler safety inspections, and \$885,000 in expenditures for boiler safety operations. Out-year revenues and expenditures are expected to remain relatively constant. General fund expenditures made for the benefit of the board are reimbursed from the Workers' Compensation Commission through an annual tax assessment on insurance companies.

State Board of Stationary Engineers: State finances for the Board of Examining Engineers would continue beyond FY 2003. The proposed FY 2003 budget projects \$84,970 in general fund revenues generated from fees, and the FY 2003 budget allowance for the board is \$56,955. Out-year revenues and expenditures are expected to remain relatively constant.

Local Effect: The bill is not expected to have a material impact on local government operations or finances.

Small Business Effect: Potential minimal.

Analysis

Current Law: The Board of Boiler Rules advises State regulators on the construction, operation, installation, maintenance, repair, and inspection of boilers. Safety inspectors employed by the State and the insurance industry verify that boilers have been installed and are being maintained in compliance with regulations.

The Board of Examining Engineers has regulatory authority over licensed stationary engineers in Baltimore City. The board was established by Chapter 448, Acts of 1892, and the enacting statute is found in Article 4, Subtitle 4 of the Code of Public Local Laws of Baltimore City. The board is housed in the Division of Occupational and Professional Licensing within DLLR. The purpose of the board is to promote safety and efficiency in the operation, use, and inspection of steam and power generators, heating plants, hoisting machines, boilers, and pressure valves. The board regulates stationary engineers by examination, licensure, limited disciplinary action, and adoption of standards of performance.

Although the board was established to regulate stationary engineers within Baltimore City, DLLR advises that the board licenses stationary engineers throughout the State, usually for insurance purposes. All stationary engineers who work for the State are required to be licensed regardless of where they work.

Initial examination for licensure is \$55, and license fees are \$10-\$20, depending on license grade.

All fees, fines, and penalties collected by the board are paid into the general fund.

Background: The authority for the Board of Boiler Rules is subject to the Maryland Program Evaluation Act, known as the “sunset law,” which provides a system of periodic

legislative review of the regulatory, licensing, and other governmental activities of various units of State government.

This bill arises out of the sunset evaluation of the Board of Boiler Rules, with a concurrent analysis of the Board of Examining Engineers, performed by the Department of Legislative Services (DLS) during 2001. In its report, DLS recommended that the board be continued and its termination date extended to July 1, 2014. DLS also recommended the repeal of the authority for the Board of Examining Engineers and, in its place, the creation of a State Board of Stationary Engineers that would also be subject to sunset review.

Additional Information

Prior Introductions: None.

Cross File: None, but SB 455 (Senator Pinsky) (Chairman, Licensing and Regulatory Affairs) is substantially similar.

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

Fiscal Note History: First Reader - February 28, 2002
mam/cer Revised - House Third Reader - March 21, 2002

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