Department of Legislative Services

Maryland General Assembly 2006 Session

FISCAL AND POLICY NOTE Revised

Senate Bill 123 (Chairman, Education, Health, and Environmental Affairs Committee) (By Request – Departmental – Natural Resources)

Education, Health, and Environmental Affairs

Environmental Matters

Natural Resources - Tree Experts - Licensing

This emergency departmental bill modifies the requirements that must be met before a person may obtain a tree expert license. Specifically, it • reduces the number of years of required experience from five to three; • replaces the requirement for obtaining practical experience with a less stringent requirement by crediting experience working as or with a tree expert; • allows persons to submit various documents as proof of the required experience; • and modifies provisions regarding the applicability and procedures of the tree expert examination.

The bill's provisions regarding eligibility to obtain a tree expert license sunset on May 31, 2007.

Fiscal Summary

State Effect: Special fund revenues from application and renewal fees would likely increase, but any such increase cannot be reliably estimated at this time. Although the bill's changes to the exam procedures could result in a decrease in exam retake fees, the net effect of the bill would likely still be an overall increase in special fund revenues. Any increase in workload due to additional licensees would be handled with existing staff.

Local Effect: None.

Small Business Effect: The Department of Natural Resources (DNR) has determined that this bill will have a meaningful impact on small business (attached). Legislative

Services concurs with this assessment. (The attached assessment does not reflect amendments to the bill.)

Analysis

Bill Summary: Applicants claiming eligibility under the experience requirement provisions would not be required to pass the examination given by DNR. The bill also modifies the exam procedures by providing that a candidate who fails a subject may be reexamined in that subject only within one year of the initial examination; currently, a candidate that fails more than one subject must retake the entire exam.

Current Law/Background: A person may not engage in the work of 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. The application fee is \$30. An applicant who fails any examination is required to pay an additional fee of \$20 for each subsequent examination. The annual license renewal fee is \$10. Fees are paid into the State Treasury for DNR's use.

Chapter 197 of 2005 modified the definition of "tree expert" to include persons who represent themselves to the public as skilled in the trimming, pruning, thinning, cabling, shaping, removing, or reducing the crown of trees. This change thus made those entities subject to regulation by DNR. However, because the experience and education requirements were not modified under Chapter 197, several individuals who are now required to be licensed as a result of Chapter 197 do not meet the requirements necessary to obtain a license.

In an effort to address this issue, in August 2005 DNR held a meeting with representatives of various tree care industry trade associations and nonprofit organizations, as well as a representative group of businesses affected by Chapter 197. Attendees agreed upon inclusion of a grandfathering provision that would allow examinees to demonstrate that they had been working for a legitimate tree company for three years, without that time having to have been under the supervision of a license holder.

DNR advises that the changes to the exam procedures are intended to facilitate examinees' passage of the exam and align the exam process with other State licensing exams.

State Revenues: In fiscal 2005, DNR received \$12,788 in licensing fees (this includes application fees, renewal fees, and exam retake fees). By modifying the eligibility requirements, special fund revenues from application and renewal fees would increase, but any such increase cannot be reliably estimated at this time. The increase would be most pronounced in fiscal 2006 and 2007, when affected entities would apply to be licensed (\$30 fee); increased revenues would continue in the out-years from license renewal fees (\$10 fee). Because there is no registry of or trade association for unlicensed tree experts, the number of affected businesses is unknown. However, based on anecdotal information, DNR advises that the number of affected businesses is thought to be significant (possibly in the hundreds).

The bill's changes to the examination procedures could result in a decrease in special fund revenues from exam retake fees (\$20 fee). Any such decrease cannot be reliably estimated at this time. However, based on information provided by DNR, the net effect of the bill would still likely be an overall increase in special fund revenues.

Additional Information

Prior Introductions: None.

Cross File: None.

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

Services

Fiscal Note History: First Reader - January 23, 2006

mll/ljm Revised - Senate Third Reader - March 25, 2006

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