# **Department of Legislative Services**

Maryland General Assembly 2011 Session

### FISCAL AND POLICY NOTE Revised

Senate Bill 235

(Chair, Education, Health, and Environmental Affairs Committee)

Education, Health, and Environmental Affairs

**Economic Matters** 

#### State Board of Master Electricians - Sunset Extension and Revision

This bill extends the termination date of the State Board of Master Electricians by 10 years to July 1, 2023, and requires evaluation of the board by July 1, 2022. The bill changes statutory provisions related to the regulation of electricians and includes a related reporting requirement.

The bill takes effect July 1, 2011.

### **Fiscal Summary**

**State Effect:** General fund revenues and expenditures for the board are maintained beyond FY 2013. The Governor's proposed FY 2012 budget includes \$102,703 for board operations. The Department of Labor, Licensing, and Regulation (DLLR) advises that the bill's reporting requirements can be handled with existing budgeted resources.

Local Effect: None.

**Small Business Effect:** Potential meaningful for licensed master electricians who will have to meet continuing education requirements established by the board.

# **Analysis**

**Bill Summary:** The bill requires individuals licensed with the State Board of Master Electricians to meet continuing education requirements as a condition of license renewal. The board must adopt the specific continuing education requirements for licensed electricians by regulation.

Uncodified language requires the board to submit a report by October 1, 2012, to specified committees of the General Assembly that addresses the following:

- whether or not local jurisdictions are meeting the reporting requirements established by Chapter 163 of 2002;
- the implementation of continuing education requirements for master electricians;
- DLLR's findings on the appropriate membership for the board, including whether it remains feasible to have three consumer member positions; and
- whether to limit the number of employees that may work under a qualified license.

#### **Current Law/Background:**

Maryland Program Evaluation Act

The State Board of Master Electricians is 1 of approximately 70 regulatory entities and activities currently subject to periodic evaluation under the Maryland Program Evaluation Act. The Act establishes a process better known as "sunset review" as most entities evaluated are also subject to termination, including the board, which is scheduled to terminate July 1, 2013. During the 2010 interim, the Department of Legislative Services (DLS) conducted a full evaluation of the board under the Act and developed two sets of alternatives for action. The bill addresses one set of recommendations developed by DLS during the evaluation.

Regulation of Electricians Shared Between State and Local Jurisdictions

Chapter 731 of 1984 created the Maryland Statewide Electrical Licensing Board to provide for statewide licensure of master electricians and to facilitate the process of obtaining the local license needed to conduct electrical work in Maryland jurisdictions. The board was also charged with exploring reciprocity with other states. Chapter 648 of 1988 changed the name to the State Board of Master Electricians. The board shares licensing authority with county governments, all but two of which have a licensing program for master electricians. Counties with local licensing laws are required to establish licensing qualifications comparable to those required by the State board. In the two jurisdictions that do not have local licensing regulations, Garrett and Allegany counties, an electrician must have a State license to provide electrical services as a master electrician or be the representative of another person who engages in the business of providing electrical services.

The State master electrician's license is a passport rather than a performance license. A State license does not grant a licensee the right to provide electrical services in most jurisdictions; instead, it merely facilitates the process of obtaining a local license needed

to conduct electrical work in a specific jurisdiction or in Delaware or Virginia, with which the State has reciprocity agreements.

#### Continuing Education Is Not Required

Although 34 states – including Delaware and Virginia – require some type of continuing education for electricians, Maryland does not. The purpose of continuing education is to provide an educational program through which electricians can continually enhance their competence, update their knowledge and skills to keep pace with new technology, and remain qualified to engage in activities for which they are licensed. Seven counties in the State require continuing education of their licensees: Caroline, Cecil, Dorchester, Harford, Prince George's, Queen Anne's, and Wicomico.

### Enforcement Primarily through Permits and Inspections at the Local Level

Statute requires local jurisdictions to enforce licensing requirements. The local policing of the electrical profession primarily occurs through locally issued permits and locally conducted inspections. Every jurisdiction in Maryland has a building permit office that is generally separate from the local licensing board.

The primary function of a permit office is to issue a permit that gives the right to perform specific electrical work on a designated site or project. Permit offices are advised of the nature and scope of the electrical work and identify the licensed master electrician responsible for supervising the project. The permit office sends an inspector to each ongoing project to ensure that work on the project complies with applicable building and electrical codes. Noncompliance with electrical standards is normally addressed between the inspector and the licensed electrician, who is expected to bring the project up to code. If the electrician does not remedy the problem, the inspector may report the violation to the local licensing board. A citation may also be issued.

When informal enforcement is unsuccessful, a local board may take appropriate formal disciplinary action against a licensee. Formal disciplinary action may include suspending or revoking a license or monetary penalties.

In its October 2010 sunset review of the State Board of Master Electricians, DLS found that many jurisdictions do not report some or all formal disciplinary actions to the State board, which is required by Chapter 163 of 2002. Most jurisdictions also do not report annual complaint information to the State board, as required, or to other jurisdictions.

### **Additional Information**

Prior Introductions: None.

Cross File: HB 361 (Chair, Economic Matters Committee) – Economic Matters.

**Information Source(s):** Maryland Association of Counties; Baltimore City; Howard, Montgomery, and Prince George's counties; Department of Labor, Licensing and

Regulations; Department of Legislative Services

**Fiscal Note History:** First Reader - February 16, 2011

mc/mcr Revised - Correction - February 18, 2011

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