

Department of Legislative Services

Maryland General Assembly
2020 Session

FISCAL AND POLICY NOTE
Third Reader - Revised

House Bill 1533

(Delegate Clark)

Environment and Transportation

Education, Health, and Environmental Affairs

Marine Contractor License – Performance of Services – Licensing Requirements and Fees

This bill repeals an existing exemption for an individual who is employed by the State from the requirement to obtain a marine contractor license issued by the Marine Contractors Licensing Board within the Maryland Department of the Environment (MDE). However, an individual who is employed by an agency of the State or a county or municipality in the State may perform specified marine contractor services within the scope of his/her employment without having to obtain a license. In addition, a State or local government employee who performs marine contractor services within the scope of his/her employment and must be licensed is exempt from paying license or testing fees.

Fiscal Summary

State Effect: Potential minimal decrease in special fund revenues from license and testing fees due to the bill's exemption for local government employees who otherwise would have paid those fees. The bill has an operational impact and may also result in a minimal increase in State expenditures for any State agencies whose employees must now obtain a license, as discussed below.

Local Effect: Potential minimal decrease in local expenditures to the extent that local governments would otherwise obtain a license and incur associated costs. Local revenues are not affected.

Small Business Effect: None.

Analysis

Bill Summary: An individual who is employed by an agency of the State or a county or municipality in the State may perform marine contractor services while performing the duties of his/her employment without having to obtain a marine contractor license if the individual is performing marine contractor services for (1) the construction of a tide gate designed to prevent the encroachment of saltwater; (2) the routine maintenance, repair, or replacement of a tidal impoundment dike, an agricultural drainage ditch, a highway drainage ditch, a roadside drainage ditch, or an outlet for a roadside drainage ditch; or (3) any other marine contractor service that the board determines would present a *de minimis* risk to human health or the environment.

Current Law: The Marine Contractors Licensing Board is responsible for the licensing and regulation of individuals and entities that provide marine contractor services in the State. “Marine contractor services” means construction, demolition, installation, alteration, repair, or salvage activities located in, on, over, or under State or private tidal wetlands. Furthermore, “marine contractor services” includes (1) dredging and filling; (2) the construction, demolition, installation, alteration, repair, or salvage of structures, including boathouses, boat or other personal watercraft lifts or ramps, slips, docks, floating platforms, moorings, piers, pier access structures, pilings, wetland observation platforms, wetland walkways, and wharfs; and (3) the construction, demolition, installation, alteration, repair, or salvage of stabilization and erosion control measures, including revetments, breakwaters, bulkheads, groins, jetties, stone sills, marsh establishments, and beach nourishment or other similar projects.

Individuals, or the entities they work for, must have a license prior to performing or soliciting marine contractor services in the State. However, an individual who is employed by an agency of the federal government or the State is not required to obtain a license. Additionally, a residential or commercial property owner may perform marine contractor services on their own property without having to obtain a license.

To qualify for a license, applicants must meet specified requirements, including having at least two years of experience as a full-time marine contractor or demonstrating similar contractor experience, having a federal tax identification number, passing a written marine contractor test, and having specified insurance. Applicants must provide specified information, complete a specified application form, and pay a license application fee set by the board. License fees are currently set at \$550, and licenses are valid for two years.

To renew a marine contractor’s license, a licensee needs to submit satisfactory proof of completion of 12 hours of approved continuing education at the time of renewal, as specified. License renewal fees are also \$550.

State Expenditures: The bill repeals the existing marine contractor licensing exemption for State employees. However, State employees are still exempt from licensing and exam fees, and certain marine contractor services performed by State employees are exempt from the licensing requirements. Thus, the bill primarily has an operational impact on any State employees that must obtain a marine contractor license under the bill; however, there could also be a minimal increase in expenditures for affected agencies. The bill is anticipated to primarily affect employees of the Maryland Department of Transportation, the Department of Natural Resources, the Maryland Environmental Service, and MDE.

Additional Information

Prior Introductions: None.

Designated Cross File: None.

Information Source(s): Baltimore City; Harford and Montgomery counties; Maryland Association of Counties; Maryland Municipal League; Maryland Department of the Environment; Department of Natural Resources; Department of Legislative Services

Fiscal Note History: First Reader - February 28, 2020

rh/lgc Third Reader - March 17, 2020

Revised - Amendment(s) - March 17, 2020

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