

# SUNSET REVIEW: EVALUATION OF THE STATE BOARD OF MASTER ELECTRICIANS



DEPARTMENT OF LEGISLATIVE SERVICES  
OCTOBER 2010

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# **Sunset Review: Evaluation of the State Board of Master Electricians**

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**Department of Legislative Services  
Office of Policy Analysis  
Annapolis, Maryland**

**October 2010**

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**OFFICE OF POLICY ANALYSIS**  
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Director

October 29, 2010

The Honorable Thomas V. Mike Miller, Jr.  
The Honorable Michael E. Busch  
Honorable Members of the General Assembly

Ladies and Gentlemen:

The Department of Legislative Services (DLS) has completed its evaluation of the State Board of Master Electricians as required by the Maryland Program Evaluation Act. This evaluation process is more commonly known as “sunset review” because the agencies subject to review are usually subject to termination; typically, legislative action must be taken to reauthorize them. Last year, DLS conducted a preliminary evaluation of the board. Statute requires the Legislative Policy Committee (LPC) to decide whether an entity should be waived from full evaluation based on the recommendations contained in the preliminary evaluation. LPC determined that the board should undergo full evaluation, primarily to examine the efficacy of maintaining multiple licensing mechanisms at the State and local levels.

This report has been prepared to assist the committees designated to review the board – the Senate Education, Health, and Environmental Affairs Committee and the House Economic Matters Committee – in making their recommendations to the full General Assembly. The board is scheduled to terminate on July 1, 2013.

DLS finds that there is a continued need for regulation of the electrical industry and that the board generally complies with its statutory and regulatory mandate. However, as currently designed, shared licensing between the State and local jurisdictions is failing to adequately protect citizens and is hindering the efficient provision of electrical services across county lines. To address this issue, DLS recommends allowing the current board to terminate and be replaced by a new board with statewide regulatory authority. To facilitate the transition to statewide licensing, DLS recommends creating a workgroup to examine establishing multiple licensing levels, implementing continuing education requirements, determining whether to limit the number of employees working under a qualified agent license, and transitioning from the current system to a statewide system. DLS also recommends special funding, or fee-setting authority, to assist the board in meeting its expanded responsibilities.

The Honorable Thomas V. Mike Miller, Jr.  
The Honorable Michael E. Busch  
Honorable Members of the General Assembly  
October 29, 2010  
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If a new board is not established, then DLS recommends enforcing current reporting requirements, requiring continuing education for license renewal, and considering alternative membership rules for the board. In total, DLS offers 7 recommendations, including recommending that the board's termination date be extended by 10 years to July 1, 2023, if the current board is not allowed to terminate. Draft legislation to implement the recommended statutory changes is included as an appendix to the report.

Finally, we would like to acknowledge the cooperation and assistance provided by the board; its staff; and by the Department of Labor, Licensing, and Regulation throughout the review process. The board was provided a draft copy of the report for factual review and comment prior to its publication; its written comments are included as an appendix to this report.

Sincerely,

Warren G. Deschenaux  
Director

WGD/EMW/ncs

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## Executive Summary

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Pursuant to the Maryland Program Evaluation Act, the Department of Legislative Services (DLS) has evaluated the State Board of Master Electricians, the State entity charged with regulating the practice of master electricians in Maryland. The board is scheduled to terminate July 1, 2013. The seven recommendations in this evaluation are summarized below.

Electricians may be licensed by the State, counties, and municipalities, as State law specifically permits counties and municipalities to establish licensing boards. At the State level, the master electrician's license serves as a passport rather than a performance license; 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. Although a master electrician may obtain a license in another jurisdiction on the basis of having a local master electrician's license, the State license provides another means – or passport – for practicing in other areas. Instead of taking more than one county exam and then taking advantage of reciprocity arrangements, an electrician may take the State exam and waive into any Maryland jurisdiction, Delaware, and Virginia.

Because the State license serves only as a passport license, county regulation of licensees is very important but has been shown to be inconsistent. While some counties actively pursue electricians who provide substandard service, others are less active in disciplining licensees. Also, a survey of county officials revealed that most counties offer different types of licenses.

Five counties offer a journeyman license, three offer an apprentice license, and several other licenses are available at the county level. The requirements for these licenses vary across county lines, which can be confusing for consumers and those seeking to gain entry into the electrical field because it is difficult to understand the many different licensing structures throughout the State. It has also proven difficult to maintain proper communication about enforcement and other regulatory activities among the various licensing entities.

Thus, as currently designed, shared licensing between the State and local jurisdictions is failing to provide a consistent statewide standard on which consumers and electricians can rely. To ensure that electricians are operating in a safe manner throughout the State, a uniform licensing system needs to be in place across the State. Additionally, electricians should be able to cross county lines under a consistent set of licensing rules and without having to pay for multiple licenses.

A statewide continuing education requirement is also necessary. With the constant technological changes that affect electrical work, continuing education requirements for electricians not only make sense but are increasingly common; they have been established outside Maryland by 34 states, and inside Maryland by seven counties. A majority of counties would like to see the State board be more involved with continuing education to ensure a consistent standard across the State.

Industry observers have also questioned the wisdom of allowing an unlimited



number of electricians to work under the authority of a qualified agent.

Another issue to address is the way the board is structured. The State Board of Master Electricians consists of nine members appointed by the Governor with the advice and consent of the Senate. Six represent the industry and must hold an active State master electrician's license. The remaining three members represent consumer interests. To ensure statewide representation on the board, each industry member must represent one of six geographical regions designated in statute. There is great disparity among the total populations represented because each region only has one representative on the board regardless of population. In addition, the board's three consumer positions are vacant.

**Recommendation 1:** The State Board of Master Electricians should be allowed to terminate and should be replaced by a new State Board of Electricians established in statute. The new board should have statewide regulatory authority that reflects current industry standards and an effective date of July 1, 2013, to coincide with the termination of the existing board. Records and staffing should be transferred to the new board as appropriate. The newly created board should carry a termination date of July 1, 2021, and be subject to the Maryland Program Evaluation Act.

**Recommendation 2:** The new State Board of Electricians should have authority over multiple licensing levels, in accordance with findings made by a diverse stakeholder workgroup to be convened by the Department of Labor, Licensing, and Regulation's (DLLR)

**Division of Occupational and Professional Licensing. The workgroup should:**

- **consider the types of licenses to be regulated by the board, including master, master inactive, qualified agent, journeyman, restricted, limited, apprentice, and other licenses;**
- **propose continuing education requirements for renewal of licensure;**
- **consider appropriate membership for the board;**
- **consider whether to limit the number of employees that may work under any qualified agent or successor license;**
- **recommend how to preempt the right of a county or municipality to maintain local boards and to license electricians, including a process for eliminating local boards and licensing systems;**
- **consider how to grandfather certain local licenses for a limited period after the establishment of the new State board until State licensing can be fully implemented;**
- **report to the Senate Education, Health, and Environmental Affairs Committee and the House Economic Matters Committee on the above items by October 1, 2012; and**
- **provide draft legislation with uncodified language implementing the recommendations of the workgroup and facilitating preparations for the new State Board of Electricians to the committees on the above items by October 1, 2012.**

Several local officials have voiced concern about the State board's capacity to respond to issues effectively due to its limited role and resources. The board operates with direct assistance from four DLLR staff persons, none of whom works exclusively for the board. Until approximately two years ago, an executive director responsible for a total of four boards and commissions oversaw and assisted with board operations. The executive director position, however, became vacant in February 2009 and remained vacant until it was eliminated as part of cost containment measures. The Division of Occupational and Professional Licensing advises that, since losing the executive director position due to cost containment, supporting the board has become more difficult.

As seen with other boards, special funding benefits boards by ensuring that there is adequate staffing and a strong information technology agenda. Special funding also alleviates concerns that revenue from licensing fees would not be used to regulate electricians because the fees should represent only what is necessary to operate the board.

**Recommendation 3: The Division of Occupational and Professional Licensing should seek special funding authority for the new State Board of Electricians so that it can maintain more control over its enhanced regulatory activities. If special funding is not feasible, the new board should seek fee-setting authority to more adequately recoup funding for its operations. The division should also study methods of tying the cost of licensing fees to the cost of regulating electricians.**

Because a switch to statewide licensing would represent a significant change in the

regulation of the State's electricians, DLS makes several recommendations for the future operation of the board in the event that the General Assembly chooses to adopt legislation to continue the State Board of Master Electricians in its current form. The need for some regulation of electricians by the State remains, and in the absence of exclusive statewide licensing of all electricians, industry groups favor continuing the State board because it provides some standardized regulation and makes it easier to navigate local licensing bureaucracies.

Information sharing between local jurisdictions and the State remains poor. The jurisdictional requirements of Chapter 163 of 2002 are not being consistently met, and only 13 jurisdictions indicate that some or all formal disciplinary actions are reported to the State board. The overwhelming majority do not report annual complaint information to the State board, as required, or to other jurisdictions or consumers. If the current board is allowed to continue, the board should enforce the reporting requirements that require a county or municipality to report disciplinary action against a licensee, and complaints by a certain date.

Additionally, as discussed above, as technology rapidly changes, the State should require continuing education to ensure that electricians maintain and expand their skills and knowledge. The State should also address issues with the structure of the board, and consider whether to limit the number of employees that may work under any qualified license.

**Recommendation 4: If the General Assembly rejects Recommendations 1-3, it should extend the termination date for the State Board of Master Electricians to**

**July 1, 2023. Additionally, uncodified language should be adopted requiring the board to report to the appropriate standing committees of the General Assembly on or before October 1, 2012, on the implementation of the recommendations contained in this sunset evaluation report as adopted by the committees.**

**Recommendation 5: The State Board of Master Electricians should enforce the current reporting requirements established in Chapter 163 of 2002.**

**Recommendation 6: The General Assembly should adopt legislation to require master electricians to participate in continuing education as a requirement for licensure renewal. The State Board of Master Electricians should adopt**

**regulations that establish guidelines for continuing education requirements. The board should seek input from interested parties in determining the requirements for continuing education.**

**Recommendation 7: The Division of Occupational and Professional Licensing should consider appropriate membership for the board, including whether it remains feasible to have three consumer member positions. The division should also study whether to limit the number of employees that may work under a qualified license. The division should report its findings to the Senate Education, Health, and Environmental Affairs Committee and the House Economic Matters Committee by October 1, 2012.**

# Chapter 1. Introduction

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## Electricity and Electricians

Electricity serves a vital purpose in modern society. It provides the power needed to operate everyday items such as lights, heating and air conditioning systems, refrigerators, computers, and telecommunications equipment. While electricity is beneficial, it is also dangerous. The improper installation of electric powered devices can lead to fire and electric shock, and result in significant property damage, or even death or injury.

National standards, such as the National Electrical Code, have been developed to provide a uniform environment for the use and installation of electric powered devices. The electrical profession has evolved to provide specific training in the knowledge and application of the National Electrical Code. Therefore, to safeguard the life, health, and property of the public, state and local governments have determined that only qualified electricians should be allowed to install, repair, or alter electrical wiring, fixtures, appliances, and other apparatuses that generate, transmit, transform, or otherwise use electrical energy or power.

## Maryland Electricians in Greater Demand

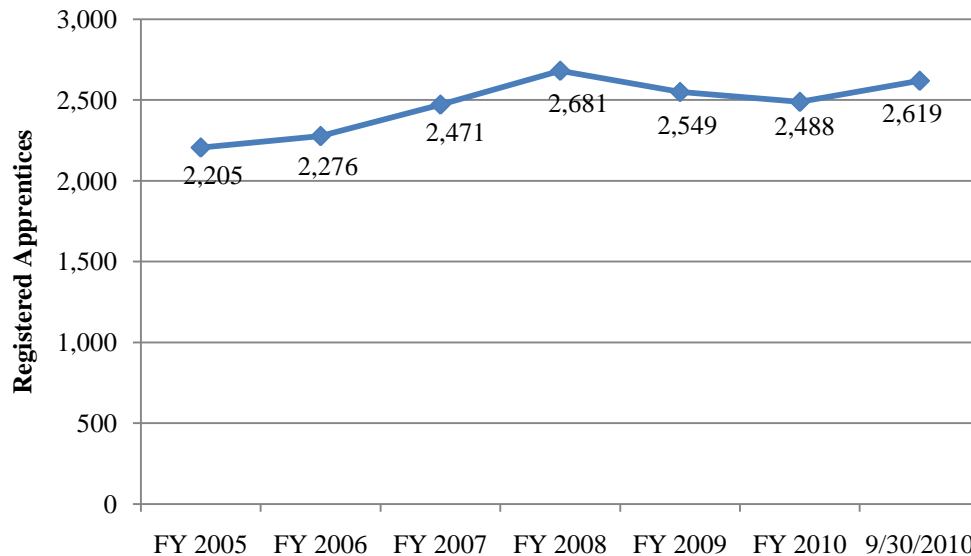
According to the U.S. Bureau of Labor Statistics, in 2008 there were 694,900 electrician jobs in the United States. The national demand for electrical workers will rise to more than 777,900 by 2018, 83,000 more than were employed in 2008. Maryland has one of the highest concentrations of electricians, with 6.195 electricians per thousand workers. According to the U.S. Bureau of Labor Statistics, there were 15,510 electricians employed in Maryland in May 2009.

Although the recession has likely slowed the retirements of many experienced electricians, future retirements among electricians are certain to be significant among the most experienced workers. Meanwhile, the work electricians will be asked to perform is changing rapidly due to emerging technologies like solar power and wind energy. As the demand for renewable energy increases, so too will the demand for electricians who can competently facilitate its supply and operation. Additionally, while the housing market may have declined, the home improvement market has increased as people remain in their homes longer. The people remaining in their homes are deciding to make alterations that may include the addition or enlargement of a room. Such upgrades often require a qualified electrician for the installation or alteration of electrical outlets and circuitry.

As demonstrated by **Exhibit 1**, the number of registered electrician apprentices in Maryland was higher in June 2010 than the same time in 2005, with the numbers hitting a high point in 2008. Because of a need for highly skilled workers, many companies use apprenticeships as a method to train employees in the knowledge necessary to become a skilled worker. This means the number of apprenticeships available is dependent on the current training

needs of the industry. Therefore, as industry needs increase, so does the number of electrical apprentices. Most apprenticeship programs take three to six years to complete and require at least 2,000 hours of yearly training and 144 hours of yearly instruction. The length of the apprenticeship depends on the type of occupation and the organization sponsoring the apprenticeship. The rise in the number of apprentices may not keep pace with the increased demand if a large number of veteran electricians retire soon, as is expected.

**Exhibit 1**  
**Registered Electrician Apprentices in Maryland**  
**Fiscal 2005-2010**



Source: Department of Labor, Licensing, and Regulation

## **The State Board of Master Electricians**

In 1906, the General Assembly established the Board of Electrical Examiners and Supervisors. Although administered by the State, the board only licensed and regulated electricians working in Baltimore City, the State's sole urban center at that time. The board terminated in 1983 with the expectation that Baltimore City would assume responsibility for the board since its jurisdiction was confined to the city. To accomplish this aim, the transfer of board records to any successor board created by Baltimore City, which is now the Board of Electrical Examiners & Supervisors of Baltimore City, became effective April 30, 1983, under Baltimore City Council Ordinance No. 931.

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 again to the Maryland State Board of Master Electricians to achieve uniformity among the names of other occupational boards. 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.

## Regulation in the United States

Electricians are regulated, in some capacity, in most states (see **Appendix 3**). Of the 50 states, as well as the District of Columbia, 75% have a state board that is responsible for licensing electricians or electrical contractors throughout the state. A small percentage of states, 37%, utilize local licensing. Of that percentage, 63% of the states, including Maryland, have some combination of statewide and local licensure of electricians, and 37% of the states rely solely on local licensure of electricians. In contrast to Maryland, 78% of the states license other types of electricians in addition to master electricians. Also, 67% of states require some type of continuing education for licensees. While Maryland is not alone in using a combination of State and local licensing, it is in a definite minority of states that only offer one type of license.

## Sunset Review Process

This evaluation was undertaken under the auspices of the Maryland Program Evaluation Act (§ 8-401 *et seq.* of the State Government Article), which establishes a process better known as “sunset review” because most of the agencies subject to review are also subject to termination. Since 1978, the Department of Legislative Services (DLS) has evaluated about 70 State agencies according to a rotating statutory schedule as part of sunset review. The review process begins with a preliminary evaluation conducted on behalf of the Legislative Policy Committee (LPC). Based on the preliminary evaluation, LPC decides whether to waive an agency from further (or full) evaluation. If waived, legislation to reauthorize the agency typically is enacted. Otherwise, a full evaluation typically is undertaken the following year.

The State Board of Master Electricians last underwent a full evaluation as part of sunset review in 2001. The 2001 full evaluation determined that there was a continued need for government oversight of master electricians, and that the board was well run and received few complaints from the public or the profession regarding its licensees. As a result, DLS recommended that the board’s termination date be extended by 10 years, that the board serve as a

central repository of disciplinary actions taken against electricians at the State and local levels, and that master electricians report the number and location of all other licenses held. Chapter 163 of 2002 extended the board's termination date to July 1, 2013, and established the following reporting requirements:

- a county or municipal corporation that requires a local license must report a disciplinary action against a licensee to the State board within 30 days of commencing the action;
- upon receipt of notice of a disciplinary action against a licensee, the State board must provide notice of the disciplinary action to each local licensing jurisdiction; and
- by December 1 of each year, each local licensing jurisdiction must submit to the State board the number of complaints against master electricians who are licensed in the local jurisdiction.

Since the full evaluation in 2001, Chapter 163 of 2002 was the only statutory change that has affected board operations. Chapter 445 of 2010 does not affect board operations but does affect electricians. Chapter 445 prohibits counties or municipal corporations from requiring electricians who already display a license number to display additional license numbers on company vehicles.

## **Research Activities**

To complete this evaluation, DLS staff collected and analyzed data from a wide array of sources, including:

- reviewing State statutes and regulations regarding electricians;
- analyzing State, county, and municipal data on the regulation of electricians;
- interviewing board members and staff from the Department of Labor, Licensing, and Regulation (DLLR), the Office of the Attorney General, and the State Board of Master Electricians;
- interviewing licensees and representatives of union and nonunion industry groups;
- attending multiple board meetings and reading minutes of past board meetings;
- analyzing license, financial, and complaint data;

- surveying local government officials, including representatives from all counties and two municipalities, to analyze regulation of electricians at the local level, including licensing, enforcement methods, relationships with the State board, opinions about regulation, and continuing education requirements; and
- researching occupational and licensing trends nationwide for the electrical industry.

## **Report Organization**

**Chapter 2** of this report discusses local regulation of electricians. **Chapter 3** presents the structure of the board and its regulatory activities and describes the board's programs and budgetary information. **Chapter 4** presents findings and related recommendations.

As supplements to the report, **Appendix 1** contains a roster of the current members of the board. **Appendix 2** contains results from the survey of local officials. **Appendix 3** contains a chart of electrician licensing in the United States. **Appendix 4** lists Maryland population by jurisdiction. **Appendix 5** contains draft legislation to implement the statutory recommendations contained in the report. The State Board of Master Electricians reviewed a draft of the report and provided written comments included as **Appendix 6**. Appropriate factual corrections and clarifications have been made throughout the document. Therefore, references in board comments may not reflect the published version of the report.





## Chapter 2. Local Regulation of Electricians

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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. Although a master electrician can obtain a license in another jurisdiction on the basis of having a local master electrician's license, the State license provides another means – or passport – for practicing in other areas. Instead of taking more than one county exam and then taking advantage of reciprocity arrangements, an electrician may take the State exam and waive into any Maryland jurisdiction, Delaware, and Virginia.

State law permits counties and municipalities to establish licensing boards. A local license is required in each county other than Allegany and Garrett counties, and in Gaithersburg, Annapolis, Frederick, and Rockville, which issue licenses based on the possession of another license. All counties that require a local license also maintain a board charged with licensure and testing. The law also requires municipalities to either enforce the provisions of the Maryland Master Electricians Act, establish local licensing qualification requirements that are comparable or stricter than the State's, or adopt the regulations of the municipality's county; among municipalities, only the City of Frederick has a board. Because most master electricians work throughout the State and occasionally in other states, it is not uncommon for master electricians, or even certain other electricians, to hold multiple licenses. The multiple licenses require master electricians to pay a fee for each local license. The multiple fees likely translate into higher costs for consumers. **Appendix 2** contains a summary of local requirements for electricians in Maryland.

Local licensing of electricians predates statewide licensing, with most jurisdictions establishing a local licensing authority over 40 years ago. But, as **Appendix 2** demonstrates, electricians who practice in different Maryland jurisdictions do so within a maze of different licensing laws. Fees vary significantly from one county to another. The fees for a master electrician's license, for instance, range from a low of \$25 per year in Cecil County to as high as \$140 per year plus a 10% automation enhancement fee in Montgomery County.

### State Efforts to Change Local Licensing

Because of statewide efforts, the variations in local electrical licensing laws do not present an insurmountable obstacle for Maryland master electricians. In 1976, the General Assembly required jurisdictions to waive examination requirements for qualified applicants holding a license from another jurisdiction. Prior to 1976, some jurisdictions were reluctant to issue reciprocal licenses because of real, or perceived, disparities in the difficulty level of examinations. This perception gave way to concerns that local boards were failing to process applications for reciprocal licenses in a timely manner. Therefore, the goal of reciprocity was not being met.

The Maryland Uniform Electrical Licensing Examination Committee (MUELEC) facilitated the implementation of the reciprocity law. Committee members volunteered to develop a test bank of questions for all examinations offered by local jurisdictions, which helped ensure the same minimum qualifications for license holders across jurisdictions, and eased jurisdictions' concerns about issuing reciprocal licenses. MUELEC members continue to revise the test bank of questions, which is based on the 2008 National Electrical Code, the most recent version of the code. The code is updated every three years. Although most counties use the 2008 code, four still enforce the 2002 version of that code, while another uses the 2005 code. An independent but related committee, the Maryland Electrical Legislative Group (MELG), addresses other issues of concern to the industry, such as changes to the State's laws.

The introduction of the State's master electrician's license in 1984 provided an additional vehicle for obtaining a reciprocal license. Master electricians, as the name implies, possess the broadest range of experience, knowledge, and skills within the profession to provide electrical services in all aspects of the electrical trade.

## **Other Licenses Offered**

Individuals without extensive experience in conducting electrical work may operate under more limited or restricted licenses in each county that offers licenses. Although the definitions, license names, and requirements vary from county to county, restricted licenses typically permit an electrician to conduct work on specific systems such as air conditioning, heating, and low-voltage signaling. Limited licenses generally specify that an electrician work on a particular type of property, such as single-family homes.

Journeyman licenses, typically given to experienced electricians trained in all phases of electrical construction installation in various building styles and maintenance of equipment after installation, are less common. Journeymen typically enjoy more flexibility in conducting electrical work. Only five counties – Calvert, Charles, Harford, Montgomery, and Prince George's – offer journeyman licenses. In Montgomery County, a journeyman electrician's license is required for electrical work performed without the supervision of a master electrician or another journeyman. A journeyman may supervise up to three unlicensed electrical workers. In Prince George's County, however, a journeyman is merely allowed to perform electrical work under the direct supervision of a master electrician. To qualify in either Montgomery or Prince George's counties, an electrician must pass an exam and have worked at least four years under a master electrician.

Other counties, including Caroline, Dorchester, Somerset, Wicomico, and Worcester, offer general licenses. General licenses are also typically contingent on passing an examination. The years of practice requirements vary from two to four years. Despite no longer being available to new applicants, general licenses are grandfathered in Talbot County. Calvert, Montgomery, and Prince George's counties are the only counties that offer apprentice licenses.

## **Information Sharing Is Poor**

Information sharing about regulatory activity, especially enforcement activity, is not as effective as it should be. This is particularly true when it comes to the flow of information between local and State officials. Although most jurisdictions interact with other counties a few times a year through MUELEC and MELG, information is infrequently shared between counties and the State, from county-to-county, or from county-to-public.

As highlighted in the 2009 preliminary evaluation, Chapter 163 of 2002 required, among other things, that by December 1 of each year, each licensing jurisdiction submit to the State board the number of complaints against master electricians who are licensed in the local jurisdiction. The board, however, had not collected or compiled the data for annual reports on complaints against master electricians in local jurisdictions. After the board made its initial data request to the local jurisdictions after the enactment of Chapter 163, reporting by local jurisdictions was sparse. Subsequently, the board did not request the information annually, and the local jurisdictions did not submit it. At the conclusion of the preliminary evaluation, the Division of Occupational and Professional Licensing acknowledged the importance of reminding jurisdictions of their responsibilities under Chapter 163 of 2002.

Only six jurisdictions reported sending their total number of complaints to the State in 2008 or 2009. On the other hand, nine jurisdictions reported receiving some type of information from the State about enforcement activities in 2008 and 2009. Only 13 counties report that they send some or all enforcement action information to the State board. The flow of information between the State and counties, therefore, may be inconsistent.

Local officials mostly perceive their relationship with the State board as good or excellent. When asked to rate their relationship with the State board as excellent, good, fair, poor, or not applicable, 13 of 23 county officials rated it as good or excellent. Only five rated it as fair or poor, and one official rated it as between good and fair. Alarming, however, four rated the relationship as not applicable, and several other respondents qualified their responses by saying that they interacted with the State infrequently. Several officials also voiced concern about the State board's capacity to respond to issues effectively due to its limited role and resources.

## **Local Enforcement Is Inconsistent**

Local enforcement methods vary among counties. Most jurisdictions report that they attempt to resolve issues through informal, rather than formal, action. Most licensing jurisdictions have the authority to issue fines; all may suspend and/or revoke licenses. Some also have other enforcement tools such as injunctions and criminal penalties. The number of enforcement actions taken by counties typically increases with the number of electricians under the county's jurisdiction. Several small jurisdictions reported no enforcement actions in 2008 and 2009. In Baltimore County, however, where 3,934 electricians are licensed, there were

31 formal enforcement actions. Anomalies, however, do exist. In the jurisdiction with the most electricians, Montgomery County with 6,459 licensed electricians, there were no formal enforcement actions in 2008 and 2009. It appears that, in spite of otherwise prolific licensing activities, certain jurisdictions either do not enforce their laws aggressively or rely more heavily on informal enforcement mechanisms than others.

## **Licensing Fees Generate Significant Revenue for the Counties**

In counties that license electricians, licensing fees generate revenues that often are not spent on regulation of the industry. **Exhibit 2.1** shows fiscal 2010 licensing fee revenue for counties that license electricians. Fiscal 2010 revenue ranges from a low of \$7,300 in St. Mary's County to a high of almost \$266,000 in Montgomery County.

The revenue from licensing fees often exceeds the expenditures of the county's electrical board. Unfortunately, expenditure data for local electrical boards is not reported consistently by the counties. Several counties report little or no expenditures for their boards because the boards are volunteer in nature, with little to no reimbursements for members required. Other counties include in their expenditure data the salaries for staff assigned to the board, while others reflect those costs in budgets for other entities, especially where staff members are shared among boards or departments. Based on the data shown in **Exhibit 2.2**, which provides expenditure data reported by selected counties, even those with large expenditures have revenues that far exceed what they spend.

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**Exhibit 2.1**  
**Revenue from Electrician Licensing Fees**  
**Fiscal 2010**

<u>County</u>	<u>Revenues</u>
Anne Arundel	\$103,505.00
Baltimore City	143,000.00
Baltimore	168,162.50
Calvert	25,000.00
Carroll	16,968.00
Caroline <sup>1</sup>	NA
Cecil <sup>2</sup>	NA
Charles	74,403.00
Dorchester	11,250.00
Frederick	57,000.00
Harford	39,435.00
Howard	121,225.00
Kent	7,410.00
Montgomery	265,889.00
Prince George's	148,000.00
Queen Anne's	19,805.00
Somerset	7,680.00
St. Mary's	7,300.00
Talbot	19,265.00
Washington	12,000.00
Wicomico	26,205.00
Worcester	33,100.00

<sup>1</sup>Caroline County does not track revenue from electrical licenses separately from revenue collected for other trade licenses.

<sup>2</sup>Cecil County will not begin receiving licensing revenue until 2011.

Source: Department of Legislative Services' Survey of Local Government Officials

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**Exhibit 2.2**  
**Revenue and Expenditures for Select Licensing Boards**  
**Fiscal 2010**

<u>County</u>	<u>Revenues</u>	<u>Expenditures</u>	<u>Difference</u>
Baltimore	\$168,162	\$16,590	\$151,572
Charles	74,403	40,250	34,153
Dorchester	11,250	1,290	9,960
Frederick	57,000	0	57,000
Harford	39,435	720	38,715
Howard	121,225	0	121,225
Kent	7,410	1,060	6,350
Montgomery	265,889	22,785	243,104
Prince George's	148,000	487	147,512
Washington	12,000	0	12,000
Wicomico	26,205	0	26,205
Worcester	33,100	2,800	30,300

Source: Department of Legislative Services' Survey of Local Government Officials

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### **Opinions on Greater State Role in Licensing**

Several organizations support a stronger State role in the regulation of electricians. Those organizations are Independent Electrical Contractors (IEC) Chesapeake, a trade association for nonunion, "open-shop" electrical contractors in the Washington, Northern Virginia, and Baltimore Metropolitan areas; the International Brotherhood of Electrical Workers Local 24, which represents electrical workers in the Baltimore area and on the Eastern Shore; and MELG. The stronger State role would include State-controlled master and journeyman licensing as well as continuing education requirements. Support also exists for a consistent, statewide apprenticeship program.

Not surprisingly, support for the takeover of licensing by the State is low among counties that derive revenue from licensing fees for electricians. Out of all county officials surveyed, 15 responded that the best level to license electricians is at the State and local level, as is the current practice. Five other officials responded that only local jurisdictions should regulate electricians. However, three officials answered that regulating electricians is best done only at the State level. Municipal officials who were interviewed expressed support for also licensing journeymen at the State level.

## Chapter 3. The State Board of Master Electricians

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Section 6-102 of the Business Occupations and Professions Article states that the purpose of regulating electricians is to “safeguard the life, health, property, and public welfare of the citizens of the State.” As outlined in **Chapter 2**, local jurisdictions retain broad rights to regulate the quality and character of electrical work.

The State Board of Master Electricians is located in the Division of Occupational and Professional Licensing within the Department of Labor, Licensing, and Regulation (DLLR). In addition to licensing master electricians, the board has the power to hold hearings, administer oaths, issue subpoenas, and take testimony. The board may deny a State license to an applicant, reprimand a licensee, or suspend or revoke a State license. The board also notifies each local board or building official of a suspended, revoked, or reinstated license.

### Board Structure Does Not Reflect Population Distribution

The State Board of Master Electricians consists of nine members appointed by the Governor with the advice and consent of the Senate. Six represent the industry and must hold an active State master electrician’s license. The remaining three members represent consumer interests. To ensure statewide representation on the board, each industry member must represent one of six geographical regions designated in statute.<sup>1</sup> A provision prohibiting consumer members from residing in the same county as another member of the board ensures additional geographical distribution of membership. By law, the board must annually elect a chair, vice-chair, and a secretary from its members. Board members serve three-year staggered terms and may not be reappointed for more than two consecutive terms. A roster of board members is shown in **Appendix 1**.

**Exhibit 3.1** shows the population distribution for each geographic region of the Maryland State board. Based on the chart, region 5, which comprises Montgomery and Prince George’s counties, has the largest total population. Region 2 comprises Caroline, Dorchester, Kent, Queen Anne’s, Somerset, Talbot, Wicomico, and Worcester counties and has the smallest population. There is great disparity among the total populations represented because each region only has one representative on the board regardless of population.

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<sup>1</sup> The six geographical regions designated in statute are (1) Baltimore City; (2) Caroline, Dorchester, Kent, Queen Anne’s, Somerset, Talbot, Wicomico, and Worcester counties; (3) Baltimore, Cecil, and Harford counties; (4) Anne Arundel, Calvert, Charles, and St. Mary’s counties; (5) Montgomery and Prince George’s counties; and (6) Allegany, Carroll, Frederick, Garrett, Howard, and Washington counties.



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**Exhibit 3.1**  
**2010 Estimated Geographic Distribution by Region**

<u>Region</u>	<u>Regional Population</u>
1	637,418
2	339,180
3	1,133,124
4	855,646
5	1,806,160
6	927,950

Note: Estimates as of March 2010, except for Baltimore City, whose estimates are as of June 2010.

Source: U.S. Census Bureau

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## **Licensing Requirements**

To obtain a State license as a master electrician, the applicant must have seven years of experience providing electrical services for all types of electrical equipment and apparatus, under the supervision of a master electrician or a similarly qualified employee of a governmental unit. With the board's approval, the applicant may count up to three years of formal education and training toward the experience requirement. All applicants, except those seeking inactive status, must maintain general liability insurance of at least \$300,000 and property damage insurance of at least \$100,000. The law also states that individuals may satisfy local jurisdictions' requirements for surety bonds by submitting proof of the insurance needed to obtain a State license.

Applicants must pass an examination at the State or local level. Except under certain circumstances, applicants holding local licenses are exempt from the State examination requirement. The State examination is administered by a private testing service. Applicants taking the examination pay a \$65 examination fee to PSI Examination Services. The testing service offers examinations Monday through Friday, by appointment, at six locations throughout the State: Baltimore, College Park, Crofton, Hagerstown, Lanham, and Salisbury. The examination questions are from a test bank developed by The Maryland Uniform Electrical Licensing Examination Committee (MUELEC), and the examinations are graded by PSI. One of the board's main responsibilities involves reviewing examination responses under dispute by an applicant. A passing grade of 70% is required to qualify for a license as a master electrician.

## The Board Licenses Three Categories of Master Electricians

The State board licenses only master electricians and offers three categories of this license: active, inactive, and qualified agent. License categories and fees are shown in **Exhibit 3.2**. The board issues staggered, two-year licenses that may be continually renewed as long as applicants remain qualified.

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### Exhibit 3.2 Schedule of Fees: State Board of Master Electricians

<u>Category</u>	<u>Original</u>	<u>Renewal</u>
Active Master License	\$20	\$25
Inactive Master License*	20	50
Qualified Agent (Assignment to Company)	20	25

\*Inspectors with active licenses can change to inactive status without paying a fee. They may also renew their inactive license free of charge.

Source: Laws of Maryland (BOP §§ 6-309 through 6-311)

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An “active” status license allows the holder to obtain reciprocal licenses and provide electrical services in the counties that do not have local electrical boards. There were 1,396 active licensed master electricians in the State as of October 2010.

The board also offers “inactive” licenses. These electricians typically work under the supervision of a licensed “active” master electrician. In these cases, the individual is exempt from the State’s licensing requirement, and the licensed master electrician assumes responsibility for all work performed by that individual. For many, despite the higher renewal fee, the inactive license is a cost-saving option because general liability insurance is not required. The State board had 1,004 inactive licensees as of October 2010. The department maintains data on a subset of inactive licenses held by inspectors. Inspectors who work at local permit and inspections offices typically do not provide electrical services and, as such, do not need an active license. Most inspectors possess the qualifications needed to conduct electrical work and may wish to maintain an inactive license. Of the 1,004 inactive licenses, 42 had been issued to inspectors.

“Qualified agent” licenses represent the third category of license, with 2,711 licensees as of October 2010. Qualified agents assign their license to a person who provides electrical services. Under the exemptions provided by law, individuals working for the company may conduct electrical work, and the qualified agent assumes responsibility for that work. The law does not limit the number of electricians who may work under the authority of a qualified agent. Nevertheless, all electrical work requiring a permit must occur under the supervision of an active master electrician.

**Exhibit 3.3** shows the number of licensees in each of the three categories at year end for fiscal 2009 and 2010, as well as more recent numbers for October 2010. Combining numbers for each category of license, there are 5,111 active and inactive State master electrician licensees in Maryland. The board also keeps track of 3,129 expired licenses. Individuals with expired licenses, who apply for reinstatement within two years of expiration, meet the renewal requirements, and pay the appropriate fee, can obtain a current license without taking the examination. Because so many master electricians carry multiple licenses, or may not hold a State license, the exact number of electricians in Maryland is not known.

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**Exhibit 3.3**  
**State Board of Master Electricians**  
**Number of Licensees**  
**2009-2010**

<u>Category</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>October 2010</u>
Active Master License	1,360	1,388	1,396
Inactive Master License	913	996	1,004
Qualified Agent (Assignment to Company)	2,670	2,704	2,711
<b>Total</b>	<b>4,943</b>	<b>5,088</b>	<b>5,111</b>

Source: State Board of Master Electricians

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### **Continuing Education Is Not Required**

Although 34 states 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. With the constant technological changes that affect electrical work, continuing education requirements for electricians are increasingly common. One major area that is adding to the need for continuing education is the growing area of “green” technology. With the development of wind-generated electricity, electric cars, solar-powered homes, and “green” buildings, the need for electricians to be up-to-date on the latest advances is important.

**Exhibit 3.4** displays the seven counties in Maryland that have continuing education requirements. A majority of counties surveyed would like to see the State board be more involved with continuing education to ensure a consistent standard across Maryland.

**Appendix 3** sets out the 34 states that currently have continuing education requirements. The states that have reciprocity with Maryland – Delaware and Virginia – are among the states with a continuing education requirement. Virginia requires a master electrician to fulfill three hours annually for renewal. Delaware requires 10 hours of an approved continuing education course during each two-year renewal period, of which five hours must relate to the National Electric Code.

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**Exhibit 3.4**  
**County Continuing Education Requirements**

<u>County</u>	<u>Hours Required</u>	<u>Applicable Years</u>	<u>Online Courses Allowed</u>	<u>Out-of-county Courses Allowed</u>	<u>Out-of-state Courses Allowed</u>
Caroline	10	2	X	X	X
Cecil	5	1	X	X	X
Dorchester	5	2	X	X	X
Harford	10	2		X	X
Prince George's	10	2	X	X	X
Queen Anne's	10	2	X	X	X
Wicomico	10	2	X	X	X

Source: Department of Legislative Services' Survey of Local Government Officials

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In Maryland, many local community colleges offer classes for electricians. Additionally, the International Brotherhood of Electrical Workers offers an apprenticeship program and advanced training courses.

## **Enforcement**

### **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. Not all jurisdictions perform their own inspections, however. Economies of scale result in many smaller jurisdictions contracting out the inspection

function. Allegany County is an example of a jurisdiction that does not have an electrical board but does have a permit office, and the inspections are contracted out to two separate companies.

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. According to the survey of local government officials, it is rare for complaints to reach the disciplinary level. The goal of most local jurisdictions is not to discipline, but rather to bring the work into compliance. However, in the event that a board must discipline an electrician, it is usually in the form of a suspension.

The jurisdictional requirements of Chapter 163 of 2002 are not being consistently met. Only 13 jurisdictions indicate that some or all formal disciplinary actions are reported to the State board. The overwhelming majority do not report annual complaint information to the State board, as required, or other jurisdictions, or consumers. Most jurisdictions are willing to share information with other jurisdictions and consumers when requested.

Several local officials expressed a desire to have the State board more involved in the handling and resolution of formal complaints. A commonly held perception exists that, from an enforcement perspective, State responsibility for enforcement would produce greater compliance with electrical laws than local enforcement currently engenders.

### **Low Complaint Volume**

The State board plays a limited role in complaint resolution and enforcement. DLLR staff processes most of the complaint activity that reaches the board. Most complaints concern the amounts charged by electricians, the timeliness with which electricians complete their work, or the quality of the workmanship. If an issue merits review by the State board, staff requests a written complaint. For complaints that fall under the jurisdiction of a local board, DLLR staff makes a referral to the appropriate jurisdiction.

Upon receipt of a written complaint that warrants State action, the department notifies the electrician and requests a response within 10 days after the electrician receives notification. The department also sends a letter of acknowledgment to the complainant. The executive director reviews the information provided by the complainant and the electrician. The executive director may also ask a division investigator to collect additional information concerning the complaint.

The executive director presents the complaint and the accompanying information to the board members and legal counsel at a board meeting. The members and counsel discuss possible courses of action and, if the matter warrants formal action, the board refers the case to the board's assistant Attorney General for review. Upon approval by the Attorney General's Office, the board holds a formal hearing.

Because most complaints fall under the jurisdiction of local boards, the department receives a limited number of complaints and, consequently, rarely takes disciplinary action against licensees. Between 2006 and October 2010, the board received 103 complaints. Only 7 complaints underwent review by the board; departmental staff referred the remaining 96 complaints to local jurisdictions. The seven complaints reviewed by the board resulted in no further action because they ultimately fell outside of the board's authority. Section 6-316 of the Business Occupations and Professions Article limits the grounds for which an enforcement action may be taken. Most complaints revolve around competency or quality of workmanship. The board does not have authority under the statute to enforce such complaints; therefore, it must refer them to the appropriate local board.

A summary of written complaints and complaints referred to local jurisdictions appears in **Exhibit 3.5**.

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**Exhibit 3.5**  
**Complaints**  
**2006-2010**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010*</u>
Written Complaints Received	24	32	26	9	12
Complaints Referred to Local Jurisdictions	22	30	26	9	9

\*This number is as of October 6, 2010.

Source: State Board of Master Electricians

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### **Limited Resources for Limited Authority**

The General Assembly has a policy that regulatory bodies should, to the extent feasible, be self-supporting; however, boards should not charge licensees significantly more than necessary to maintain operations and cover the costs associated with regulation. **Exhibit 3.6** shows revenue and expenditure trends over several years. Despite expenditures slightly exceeding revenues in fiscal 2010, modest increases in revenues from licensing fees over the past few years allow the board to typically cover the costs of its work. The board's limited revenues and expenditures reflect its limited authority.

**Exhibit 3.6**  
**Fiscal History of State Board of Master Electricians**  
**Fiscal 2007 – Projected 2011**

	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>	<u>Projected FY 2011</u>
<b>Total Revenues</b>	<b>\$122,139</b>	<b>\$161,915</b>	<b>\$123,406</b>	<b>\$111,125</b>	<b>\$125,000</b>
<b>Total Costs</b>	<b>\$105,488</b>	<b>\$110,472</b>	<b>\$121,470</b>	<b>\$113,345</b>	<b>N/A</b>
Direct Costs	65,599	72,937	85,187	98,361	100,198
O&P Allocation <sup>1</sup>	30,773	27,783	25,820	N/A	N/A
Legal Costs <sup>2</sup>	N/A	N/A	N/A	5,011	N/A
DLLR Indirect	9,116	9,752	10,463	9,973	N/A
<b>Surplus/(Gap)</b>	<b>\$16,651</b>	<b>\$51,443</b>	<b>\$1,936</b>	<b>(\$2,210)</b>	<b>N/A</b>

O&P: Occupational and Professional Licensing

<sup>1</sup> DLLR no longer makes this allocation for general funded boards as of 2009.

<sup>2</sup> DLLR began allocating legal costs for general funded boards in 2009.

Source: Department of Labor, Licensing, and Regulation, Division of Occupational and Professional Licensing

The board operates with direct assistance from four DLLR staff persons, none of whom works exclusively for the board. One deputy commissioner provides policy direction and management for all boards and commissions within the division. He has oversight over operational support services such as personnel services, information technology, budget and procurement, and legislative affairs. Until approximately two years ago, an executive director responsible for a total of four boards and commissions, oversaw and assisted with board operations. The board has access to division investigators to collect information about complaints. The executive director position, however, became vacant in February 2009 and remained vacant until it was eliminated as part of cost containment measures.

DLLR subsequently created the Office of Home and Mechanical Services within the Division of Occupational and Professional Licensing, with an assistant commissioner who directly oversees board operations while also providing oversight for certain other occupational and professional licensing boards. An assistant Attorney General provides legal counsel for the State Board of Master Electricians as well as four other boards and commissions within the division. The board also shares an administrative secretary who supports the board's day-to-day functions with the State Board of Stationary Engineers. The Division of Occupational and Professional Licensing advises that, since losing the executive director position due to cost containment, supporting the board has become more difficult.

## Chapter 4. Findings and Recommendations

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### **The Board of Master Electricians Does Not Effectively Regulate Electricians in Maryland**

The electrical industry in Maryland is growing and becoming increasingly more technical and specialized. Historically, local jurisdictions have been able to regulate electricians as they saw appropriate, relying on the fees collected from licensing as a source of revenue and to cover the costs associated with regulating the industry. While moving to a system of statewide regulation removes a source of funding from county budgets, the higher demand for various types of electrical services and reduced need for distinctions in laws across county lines makes it more appropriate to regulate electricians on a statewide basis.

County licensing engenders inconsistent laws and unnecessary fees. The survey of county officials highlighted the variation in laws among the counties. While most counties are enforcing the 2008 National Electric Code, there are four counties enforcing the 2002 code and one enforcing the 2005 code. Additionally, only seven counties require continuing education for renewal of licensure. The survey of county officials also spotlighted the variation among fees that an electrician is responsible for paying. For example, a master electrician licensed in both Montgomery and Prince George's counties must pay a total of \$368 for two-year licenses in both counties. Montgomery County charges \$280 for a two-year license, plus a 10% fee, while Prince George's County only charges \$60 for the same two-year license. Inconsistent laws and duplicative fees place a financial and operational burden on licensees because electricians must pay differing fees and follow different guidelines in each jurisdiction where they seek employment.

Moreover, merely providing a passport license to master electricians fails to adequately protect Maryland citizens from incompetent or untrustworthy electrical contractors, especially less experienced, and often unlicensed, contractors who practice under the umbrella of a master electrician. Because the State license serves only as a passport license, county regulation of licensees is very important but has been shown to be inconsistent. While some counties actively pursue electricians who provide substandard service, others are less active in disciplining licensees. Also, the survey of county officials revealed that most counties offer different types of licenses. Five counties offer a journeyman license, three offer an apprentice license, and several other licenses are available at the county level. The requirements for these licenses vary across county lines, which can be confusing for consumers and those seeking to gain entry into the electrical field because it is difficult to understand the many different licensing structures throughout the State.

Therefore, as currently designed, shared licensing between the State and local jurisdictions is failing to provide a consistent statewide standard on which consumers and electricians can rely. The system is also failing to adequately or effectively serve official State policy objectives: to regulate individuals who provide electrical services and to safeguard the life, health, property, and public welfare of the citizens of the State. The statewide demand for



electricians is increasing, and the growth of specialized areas of technical expertise is making the industry more complex. To ensure that electricians are operating in a safe manner throughout the State, a uniform licensing system needs to be in place across the State. This can be accomplished by establishing a new State Board of Electricians modeled after other statewide regulatory licensing boards.

**Recommendation 1: The State Board of Master Electricians should be allowed to terminate and should be replaced by a new State Board of Electricians established in statute. The new board should have statewide regulatory authority that reflects current industry standards and an effective date of July 1, 2013, to coincide with the termination of the existing board. Records and staffing should be transferred to the new board as appropriate. The newly created board should carry a termination date of July 1, 2021, and be subject to the Maryland Program Evaluation Act.**

As the types of work electricians are asked to perform become more and more complex, the need for multiple licensing levels becomes more and more acute. Several counties have already established different types of multi-tiered licensing levels, but they vary, not only in name but also in definition. Electricians should be able to cross county lines under a consistent set of licensing rules, and without having to pay for multiple licenses. Establishing a consistent, multi-tiered statewide licensing system would also save consumers from bearing the brunt of multiple licensing fee pass-through costs and protect consumers by ensuring that electricians are competent. Safety could also be improved by limiting the number of employees that may work under a qualified agent license; industry observers have questioned the wisdom of not having a limit. Competency is also achieved by requiring continuing education for licensure renewal. Continuing education requirements allow electricians to keep their skills current as technology advances.

**Recommendation 2: The new State Board of Electricians should have authority over multiple licensing levels, in accordance with findings made by a diverse stakeholder workgroup to be convened by DLLR's Division of Occupational and Professional Licensing. The workgroup should:**

- **consider the types of licenses to be regulated by the board, including master, master inactive, qualified agent, journeyman, restricted, limited, apprentice, and other licenses;**
- **propose continuing education requirements for renewal of licensure;**
- **consider appropriate membership for the board;**
- **consider whether to limit the number of employees that may work under any qualified agent or successor license;**

- **recommend how to preempt the right of a county or municipality to maintain local boards and to license electricians, including a process for eliminating local boards and licensing systems;**
- **consider how to grandfather certain local licenses for a limited period after the establishment of the new State board until State licensing can be fully implemented;**
- **report to the Senate Education, Health, and Environmental Affairs Committee and the House Economic Matters Committee on the above items by October 1, 2012; and**
- **provide draft legislation with uncodified language implementing the recommendations of the workgroup and facilitating preparations for the new State Board of Electricians to the committees on the above items by October 1, 2012.**

The State board lacks the support to adequately meet its current responsibilities. One solution to the board's difficulties would be to establish special funding. The joint design boards – the State Board of Architects, State Board for Professional Engineers, State Board for Professional Land Surveyors, State Board of Examiners of Landscape Architects, and State Board of Certified Interior Designers – as well as Board of Public Accountancy, Real Estate Commission, and the Office of Cemetery Oversight are all special funded. In general, DLLR observes that special funding benefits boards by ensuring that they have adequate staff and a strong information technology agenda. Specifically, DLLR reports that the Board of Public Accountancy, which is now well-staffed and adequately funded, before special funding had the lowest staff support relative to a State budget of any public accountancy board in the United States.

Strong support exists on the board for a switch to a special fund to operate the activities of the board. Conventional opinion also holds that the primary reason local jurisdictions enjoy their electrical licensing responsibilities is because local licensing generates revenue. Industry advocates qualify their desire for an expanded State regulatory role with the reservation that electricians should not be used to generate revenue for government. Special funding would help address these concerns. Although the possibility remains that the State could, as it did in fiscal 2010 with the design boards, use the resources of a special fund in order to resolve general fund balance problems, special funds normally stay intact, and DLLR reports that special funded boards typically outperform general funded boards. Even on rare occasions when their accounts are utilized for general fund purposes, special funded boards retain adequate resources to regulate their licensees.

**Recommendation 3: The Division of Occupational and Professional Licensing should seek special funding authority for the new State Board of Electricians so that it can maintain more control over its enhanced regulatory activities. If special funding is not feasible, the new board should seek fee-setting authority to more adequately recoup funding for its operations. The division should also study methods of tying the cost of licensing fees to the cost of regulating electricians.**

## **Alternative Recommendations**

If the General Assembly chooses to adopt legislation providing for the continuation of the State Board of Master Electricians in its current form, the Department of Legislative Services makes several recommendations for the future operation of the board.

### **The Need for Some Regulation of Electricians by the State Remains**

Since it was created in 1984, the State Board of Master Electricians has met its charge of:

- establishing a consistent statewide exam taken by applicants for a master electrician license;
- standardizing criteria for a master's electrician's license statewide;
- entering into reciprocal agreements with other states (Maryland has agreements with Delaware and Virginia); and
- regulating master electricians working in counties without a local board.

The existence of a statewide license for master electricians has resulted in consistent testing, standardized licensing criteria, and reciprocal agreements with other states.

In the absence of exclusive statewide licensing of all electricians, industry groups favor the continuation of the current State board because it provides some regulation of their profession and makes it easier to navigate local licensing bureaucracies. Most local officials also favor continuing the State board, as well as an enhanced State role in continuing education. The State board also provides a backstop of support and expertise that several local officials would like to see bolstered, particularly in the area of complaint resolution. Concerns about qualified agent licensing and the structure of the board also remain.

**Recommendation 4: If the General Assembly rejects Recommendations 1-3, it should extend the termination date for the State Board of Master Electricians to July 1, 2023. Additionally, uncodified language should be adopted requiring the board to report to the appropriate standing committees of the General Assembly on or before October 1, 2012, on the implementation of the recommendations contained in this sunset evaluation report as adopted by the committees.**

**Recommendation 5: The State Board of Master Electricians should enforce the current reporting requirements established in Chapter 163 of 2002.**

**Recommendation 6: The General Assembly should adopt legislation to require master electricians to participate in continuing education as a requirement for licensure renewal.**

**The State Board of Master Electricians should adopt regulations that establish guidelines for continuing education requirements. The board should seek input from interested parties in determining the requirements for continuing education.**

The current board does not proportionately reflect the population disbursement of the State. The board's three consumer member positions are also vacant.

**Recommendation 7: The Division of Occupational and Professional Licensing should consider appropriate membership for the board, including whether it remains feasible to have three consumer member positions. The division should also study whether to limit the number of employees that may work under a qualified license. The division should report its findings to the Senate Education, Health, and Environmental Affairs Committee and the House Economic Matters Committee by October 1, 2012.**



## **Appendix 1. Members of the State Board of Master Electricians**

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### **Chair**

Angela B. Cornish

### **Vice-chair**

Frank Mancini

### **Secretary**

Michael Berg

### **Industry Members**

Michael Oles  
Peter Bowers  
Dennis Thomas

### **Consumer Members**

Vacant  
Vacant  
Vacant

### **Staff**

Steve Smitson, Assistant Commissioner  
Gae Herzberger, Administrative Secretary



## Appendix 2: Survey of Local Officials Regulating Electricians

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	<u>Local Board</u>	<u>Number of Electricians Licenses Offered</u>	<u>Insurance or Bond Requirements for Licensed Electricians</u>	<u>Continuing Education</u>	<u>Electrical Code Enforced</u>	<u>Formal Enforcement Actions 2008 and 2009</u>	<u>Total Licensed Electricians</u>
Allegany	N	N/A	N/A	N/A	Unknown	0	N/A
Anne Arundel	Y	3	Insurance	N	2002	6	1934
Baltimore	Y	3	N/A	N	2008	31	3934
Baltimore City	Y	4	Both	N	2005	0	1081
Calvert	Y	4	Insurance	N	2002	6	794
Caroline	Y	4	Insurance	Y	2008	0	208
Carroll	Y	3	Insurance	N	2008	2	967
Cecil	Y	2	Insurance	Y	2008	7	823
Charles	Y	3	Both	N	2008	13	1621
Dorchester	Y	3	Both	Y	2008	0	245
Frederick	Y	3	Bond	N	2008	0	916
Garrett	N	N/A	N/A	N/A	2008	0	N/A
Harford	Y	6	Insurance	Y	2008	10	1827
Howard	Y	3	Insurance	N	2008	140	1426
Kent	Y	4	Insurance	N	2008	0	231
Montgomery	Y	4	Insurance	N	2008	0	6459
Prince George's	Y	5	Insurance	Y	2002	1	1629
Queen Anne's	Y	2	Insurance	Y	2008	0	381
St. Mary's	Y	3	Insurance	N	2008	1*	445
Somerset	Y	3	Insurance	N	2008	0	179
Talbot	Y	3	Insurance	N	2008	3	398
Washington	Y	2	Insurance	N	2008	15	651
Wicomico	Y	3	Both	Y	2008	14	313
Worcester	Y	3	Insurance	N	2002	0	352

\* St Mary's County data for 2008 was unavailable.

Source: Department of Legislative Services' Survey of Local Government Officials





### Appendix 3. Electrician Licensing in the United States<sup>1</sup>

<u>States</u>	<u>Statewide Licensing of Electrical Work</u>	<u>Multiple Licensing Levels<sup>2</sup></u>	<u>State Board</u>	<u>Local Licensing of Electricians</u>	<u>Continuing Education Required</u>
Alabama	X	X	X	X	
Alaska	X	X			X
Arizona	X	X		X	
Arkansas	X	X	X		X
California	X	X	X		X
Colorado	X	X	X		
Connecticut	X	X	X		X
Delaware	X	X	X		X
District of Columbia	X	X	X		
Florida	X	X	X	X	X
Georgia	X	X	X		X
Hawaii	X	X	X		X
Idaho	X	X	X		X
Illinois				X	
Indiana				X	
Iowa	X	X	X	X	X
Kansas				X	
Kentucky	X	X			X
Louisiana	X	X	X	X	X
Maine	X	X	X		X
Maryland	X		X	X	
Massachusetts	X	X	X		X
Michigan	X	X	X	X	X
Minnesota	X	X	X		X
Mississippi	X		X	X	
Missouri				X	
Montana	X	X	X		X
Nebraska	X	X	X	X	X
Nevada	X		X		
New Hampshire	X	X	X		X
New Jersey	X	X	X		X
New Mexico	X	X			X
New York				X	
North Carolina	X	X	X		X
North Dakota	X	X	X		X

<u>States</u>	<u>Statewide Licensing of Electrical Work</u>	<u>Multiple Licensing Levels<sup>2</sup></u>	<u>State Board</u>	<u>Local Licensing of Electricians</u>	<u>Continuing Education Required</u>
Ohio				X	
Oklahoma	X	X	X		X
Oregon	X	X	X		X
Pennsylvania				X	
Rhode Island	X	X	X		X
South Carolina	X		X	X	
South Dakota	X	X	X		X
Tennessee	X	X	X	X	
Texas	X	X	X		X
Utah	X	X	X		X
Vermont	X	X	X		X
Virginia	X	X	X		X
Washington	X	X	X		X
West Virginia	X	X			
Wisconsin	X	X		X	X
Wyoming	X	X	X		X
Totals (51)	44	40	38	19	34

<sup>1</sup> Source: Mike Holt Enterprises, Inc. "State Electrical Contractor Licensing Boards", <http://www.mikeholt.com/statelicense.php>, August 2010

<sup>2</sup> Indicates the licensing of other types of electricians, including apprentice, journeymen, low voltage, and master electrician.

## Appendix 4. Population by Jurisdiction

<u>County</u>	<u>2008 Estimated*</u>	<u>2010 Projected**</u>
Allegany County	72,238	73,100
Anne Arundel County	512,790	520,300
Baltimore City <sup>1</sup>	636,919	644,850 <sup>2</sup>
Baltimore County	785,618	801,750
Calvert County	88,698	91,750
Caroline County	33,138	34,100
Carroll County	169,353	175,900
Cecil County	99,926	103,850
Charles County	140,764	144,950
Dorchester County	31,998	32,350
Frederick County	225,721	233,600
Garrett County	29,698	29,950
Harford County	240,351	248,450
Howard County	274,995	281,950
Kent County	20,151	20,300
Montgomery County	950,680	966,000
Prince George's County	820,852	862,800
Queen Anne's County	47,091	48,650
St. Mary's County	101,578	105,400
Somerset County	26,119	26,550
Talbot County	36,215	36,950
Washington County	145,384	149,250
Wicomico County	94,046	96,100
Worcester County	49,274	50,550
<b>Maryland</b>	<b>5,633,597</b>	<b>5,779,400</b>

\*Estimates as of March 2009 from U.S. Census Bureau.

\*\*Estimates as of December 2008 from Maryland State Data Center, Maryland Department of Planning.

<sup>1</sup>Estimates as of July 2009 from U.S. Census Bureau.

<sup>2</sup>Estimate as of February 2009 from Maryland Department of Planning



## **Appendix 5. Draft Legislation**

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Bill No.: \_\_\_\_\_  
Requested: \_\_\_\_\_  
Committee: \_\_\_\_\_

Drafted by: Johnston  
Typed by: Alan  
Stored –  
Proofread by \_\_\_\_\_  
Checked by  \_\_\_\_\_

By: **Chair, Education, Health, and Environmental Affairs Committee**

A BILL ENTITLED

1 AN ACT concerning

2 **Department of Labor, Licensing, and Regulation – Division of Occupational**  
3 **and Professional Licensing – State Board of Electricians**

4 FOR the purpose of requiring the Division of Occupational and Professional Licensing  
5 of the Department of Labor, Licensing, and Regulation to convene a certain  
6 group of interested and affected parties to make certain recommendations  
7 regarding the establishment of a State Board of Electricians; establishing the  
8 membership of the group; requiring the Secretary of Labor, Licensing, and  
9 Regulation to submit a certain report and draft legislation to the Senate  
10 Education, Health, and Environmental Affairs Committee and the House  
11 Economic Matters Committee on or before a certain date; requiring the Division  
12 to investigate the feasibility of certain special funding authority for a State  
13 Board of Electricians under certain circumstances; requiring the Division to  
14 investigate certain fee–setting authority for a State Board of Electricians under  
15 certain circumstances; requiring the Division to study certain methods of  
16 funding; and generally relating to the Department of Labor, Licensing, and  
17 Regulation, the Division of Occupational and Professional Licensing, and the  
18 regulation of electricians.

19 Preamble

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.





1           WHEREAS, The State Board of Master Electricians provides a master  
2 electrician's license that, in almost all counties and municipalities, merely enables  
3 electricians to obtain another license, rather than perform electrical work; and

4           WHEREAS, The electrical industry in Maryland is growing and becoming  
5 increasingly more technical and specialized; and

6           WHEREAS, A survey of county officials highlighted an inconsistent landscape  
7 of licensing laws, licensing fees, and electrical codes among counties across the State;  
8 and

9           WHEREAS, The wide variety of licensing laws across the State results in  
10 confusion for contractors, as well as higher costs for consumers; and

11           WHEREAS, The State Board lacks the support to adequately meet its current  
12 responsibilities; and

13           WHEREAS, Evidence suggests that the local jurisdictions recoup more revenue  
14 from licensing than they expend on fulfilling their licensing responsibilities; and

15           WHEREAS, Special funding could provide adequate support for a State  
16 electrical licensing board without extracting unnecessary revenue from contractors;  
17 and

18           WHEREAS, To ensure that electricians are operating in a safe manner and in a  
19 fair and consistent regulatory environment throughout the State, an  
20 effectively funded, uniform statewide licensing system is necessary; now, therefore,

21           SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
22 MARYLAND, That:

23           (a) (1) The Division of Occupational and Professional Licensing of the  
24 Department of Labor, Licensing, and Regulation shall convene a group of  
25 stakeholders, both public and private, and representatives of interested and affected  
26 parties to make recommendations regarding the establishment of a State Board of  
27 Electricians that:

1 (i) is subject to the Maryland Program Evaluation Act (sunset  
2 law);

3 (ii) has statewide regulatory authority;

4 (iii) has an effective date of July 1, 2013, to coincide with the  
5 termination of the State Board of Master Electricians; and

6 (iv) has a termination date of July 1, 2021.

7 (2) The group convened under paragraph (1) of this subsection shall  
8 include:

9 (i) affected county and municipal officials;

10 (ii) affected State agencies;

11 (iii) master, journeyman, qualified agent, and apprentice  
12 electricians;

13 (iv) union and nonunion industry representatives;

14 (v) representatives of the State Board of Master Electricians;  
15 and

16 (vi) consumers.

17 (3) The recommendations developed under this subsection for the  
18 establishment of a State Board of Electricians shall provide for multiple licensing  
19 levels, and shall include:

20 (i) the types of statewide licenses to establish, including  
21 State-administered master, master inactive, qualified agent, journeyman, restricted,  
22 limited, apprentice, and other licenses;

23 (ii) continuing education requirements for renewal of licenses;

24 (iii) appropriate membership for the new State Board;

1 (iv) whether to limit the number of employees that may work  
2 under a qualified agent or successor license;

3 (v) steps necessary to preempt the right of a county or  
4 municipality to maintain local boards and to license electricians, including a process to  
5 eliminate local boards and electrician licensing systems; and

6 (vi) how to grandfather certain local licenses for a limited period  
7 after the establishment of the new State Board until State licensing can be fully  
8 implemented.

9 (b) On or before October 1, 2012, the Secretary of Labor, Licensing, and  
10 Regulation shall submit to the Senate Education, Health, and Environmental Affairs  
11 Committee and the House Economic Matters Committee:

12 (1) a report, in accordance with § 2-1246 of the State Government  
13 Article, on the plans of the Division of Occupational and Professional Licensing to  
14 create and operate a new program for the statewide regulation of electricians under a  
15 State Board of Electricians; and

16 (2) legislation drafted for approval by the General Assembly that  
17 would enact the consensus recommendations developed under this section and  
18 facilitate preparations for the State Board of Electricians.

19 (c) The Division of Occupational and Professional Licensing shall:

20 (1) (i) investigate the feasibility of establishing special funding  
21 authority for the State Board of Electricians in order to maintain more control over its  
22 enhanced regulatory activities; or

23 (ii) if special funding is not feasible, investigate the feasibility of  
24 establishing fee-setting authority to more adequately recoup funding for the  
25 operations of the State Board of Electricians; and

26 (2) study methods of tying the cost of licensing fees to the cost of  
27 regulating electricians.

1lr0455

1           SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect  
2   June 1, 2011.



Bill No.: \_\_\_\_\_  
Requested: \_\_\_\_\_  
Committee: \_\_\_\_\_

Drafted by: Johnston  
Typed by: David  
Stored –  
Proofread by \_\_\_\_\_  
Checked by  \_\_\_\_\_

By: **Chair, Education, Health, and Environmental Affairs Committee**

A BILL ENTITLED

1 AN ACT concerning

2 **State Board of Master Electricians – Sunset Extension and Revision**

3 FOR the purpose of continuing the State Board of Master Electricians in accordance  
4 with the provisions of the Maryland Program Evaluation Act (sunset law) by  
5 extending to a certain date the termination provisions relating to the statutory  
6 and regulatory authority of the State Board; requiring the State Board to adopt  
7 regulations to establish continuing education requirements; conditioning the  
8 ability to renew a certain license on compliance with certain continuing  
9 education requirements; requiring that an evaluation of the State Board and  
10 the statutes and regulations that relate to the State Board be performed on or  
11 before a certain date; requiring the State Board, in conjunction with the  
12 Department of Labor, Licensing, and Regulation, to submit a certain report on  
13 or before a certain date; and generally relating to the State Board of Master  
14 Electricians.

15 BY repealing and reenacting, with amendments,  
16 Article – Business Occupations and Professions  
17 Section 6–205, 6–310(c), and 6–702  
18 Annotated Code of Maryland  
19 (2010 Replacement Volume)

20 BY repealing and reenacting, without amendments,

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EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 Article – State Government  
2 Section 8–403(a)  
3 Annotated Code of Maryland  
4 (2009 Replacement Volume and 2010 Supplement)

5 BY repealing and reenacting, with amendments,  
6 Article – State Government  
7 Section 8–403(b)(18)  
8 Annotated Code of Maryland  
9 (2009 Replacement Volume and 2010 Supplement)

10 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF  
11 MARYLAND, That the Laws of Maryland read as follows:

12 **Article – Business Occupations and Professions**

13 6–205.

14 In addition to any powers and duties set forth elsewhere, the State Board shall:

15 (1) twice a year hold a seminar and invite members from each local  
16 licensing jurisdiction to discuss any industry or licensing problems; and

17 (2) adopt regulations to establish:

18 (i) application and examination fees; [and]

19 **(II) CONTINUING EDUCATION REQUIREMENTS; AND**

20 [(ii)] **(III) application deadlines.**

21 6–310.

22 (c) Before a State license expires, the State licensee periodically may renew  
23 it for an additional 2–year term, if the State licensee:

24 (1) otherwise is entitled to be licensed;

1 (2) pays to the State Board a renewal fee of \$25; [and]

2 (3) COMPLIES WITH CONTINUING EDUCATION REQUIREMENTS  
3 ESTABLISHED BY THE STATE BOARD IN REGULATION; AND

4 [(3)] (4) submits to the State Board a renewal application on the  
5 form that the State Board provides.

6 6-702.

7 Subject to the evaluation and reestablishment provisions of the Maryland  
8 Program Evaluation Act, this title and all regulations adopted under this title shall  
9 terminate and be of no effect after July 1, [2013] **2023**.

10 **Article – State Government**

11 8-403.

12 (a) On or before December 15 of the 2nd year before the evaluation date of a  
13 governmental activity or unit, the Legislative Policy Committee, based on a  
14 preliminary evaluation, may waive as unnecessary the evaluation required under this  
15 section.

16 (b) Except as otherwise provided in subsection (a) of this section, on or before  
17 the evaluation date for the following governmental activities or units, an evaluation  
18 shall be made of the following governmental activities or units and the statutes and  
19 regulations that relate to the governmental activities or units:

20 (18) Electricians, State Board of Master (§ 6-201 of the Business  
21 Occupations and Professions Article: July 1, [2012] **2022**);

22 SECTION 2. AND BE IT FURTHER ENACTED, That, on or before October 1,  
23 2012, the State Board of Master Electricians, in conjunction with the Department of  
24 Labor, Licensing, and Regulation, shall submit a report to the Senate Education,  
25 Health, and Environmental Affairs Committee and the House Economic Matters  
26 Committee, in accordance with § 2-1246 of the State Government Article, on the  
27 status of nonstatutory alternative recommendations contained in the Sunset Review:



1 Evaluation of the State Board of Master Electricians conducted by the Department of  
2 Legislative Services, specifically:

3 (1) the enforcement of the reporting requirements established under  
4 Chapter 163 of the Acts of 2002;

5 (2) the implementation of continuing education requirements for  
6 master electricians;

7 (3) the findings of the Division of Occupational and Professional  
8 Licensing on appropriate membership of the State Board of Master Electricians,  
9 including whether it remains feasible to have three consumer member positions; and

10 (4) whether to limit the number of employees that may work under a  
11 qualified license.

12 SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
13 June 1, 2011.

**Appendix 6. Written Comments of the  
State Board of Master Electricians**

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October 28, 2010

Warren G. Deschenaux  
Director  
Department of Legislative Services  
Office of Policy Analysis  
Maryland General Assembly  
90 State Circle  
Annapolis, MD 21401-1991

Re: Board of Master Electricians Sunset Review

Dear Mr. Deschenaux:

Pursuant to your letter of October 14, 2010, I am pleased to present this response on behalf of the Department of Labor, Licensing and Regulation and the Board of Master Electricians Commission of Maryland regarding the draft sunset report forwarded to us for review and comment. As requested we have advised Andrew Johnston of any factual corrections to the draft. Our substantive response to the draft report is attached, with comments referenced by recommendation number.

The Department appreciates the professional manner in which Mr. Johnston and Erica White conducted the review. Please feel free to contact me if you have any questions regarding this response.

Sincerely,



Harry Loleas  
Deputy Commissioner

cc: Alexander M. Sanchez, Esq., Secretary  
Leonard Howie, Assistant Secretary  
Stanley J. Botts, Commissioner  
Steve Smitson, Assistant Commissioner  
Angela Cornish, Chair, Board of Master Electricians  
Jackie Lichter, Director of Legislative and Intergovernmental Affairs



COMMENTS OF  
THE DEPARTMENT OF LABOR, LICENSING AND REGULATION AND  
THE BOARD OF MASTER ELECTRICIANS  
REGARDING THE SUNSET EVALUATION OF  
THE BOARD BY THE DEPARTMENT OF LEGISLATIVE SERVICES  
OCTOBER 2010

**Recommendation 1: The Board of Master Electricians should be allowed to sunset and replaced by a new State Board of Electricians established in statute. The new board should have statewide regulatory authority that reflects current industry standards and an effective date of July 1, 2013, to coincide with the termination of the existing board. Records and staffing should be transferred to the new board as appropriate. The newly created board should carry a termination date of July 1, 2021, and be subject to the Maryland Program Evaluation Act.**

The Department of Labor, Licensing and Regulation and the Board of Master Electricians support the proposed change in the regulatory structure. It is especially necessary in the context of expanded licensing and regulation covering masters as well as journey, apprentice other subordinate categories.

**Recommendation 2: The new State Board of Electricians should establish multiple licensing levels, in accordance with findings made by a diverse stakeholder workgroup to be convened by DLLR's Division of Occupational and Professional Licensing. The workgroup should:**

- **implement continuing education requirements for renewal of licensure;**
- **consider the appropriateness of State-administered master, master inactive, qualified agent, journeyman, restricted, limited, apprentice, and other licenses;**
- **consider the best way to have the board represent the population of the State;**
- **consider whether to limit the number of employees that may work under any qualified agent license;**
- **establish a process to preempt the right of a county or municipality to maintain local boards and to license electricians, and eliminate local boards and licensing systems;**
- **consider how to grandfather certain local licenses for a few years after the establishment of the new State board until State licensing can be fully implemented;**
- **report to the appropriate standing committees of the General Assembly on the above items by October 1, 2012; and**
- **provide draft legislation with uncodified language implementing the recommendations of the workgroup and facilitating funding and preparations for the new State Board of Electricians to the appropriate standing committees of the General Assembly on the above items by October 1, 2012.**

This recommendation encompasses most of the major issues which have been part of discussions in recent years regarding updated regulation of electricians in Maryland, as well as issues that would be central to moving from bifurcated regulation to unified regulation under a new State Board. The suggested work group mirrors the approach used by the department in response to the most recent sunset report on Stationary Engineers, which similarly recommended the abolition of an outmoded statute and its replacement with a new statewide law and board. A stakeholder work group navigated through a number of contentious issues. A consensus was ultimately built and the new law enacted by the General Assembly. The division is prepared undertake such an effort with respect to electrical regulation if so tasked by the General Assembly.

**Recommendation 3: The division should seek special funding authority for the new State Board of Electricians so that it can maintain more control over its enhanced regulatory activities. If special funding is not feasible, the new board should seek fee-setting authority to more adequately recoup funding for its operations. The division should also study methods of tying the cost of licensing fees to the cost of regulating electricians.**

The board has strongly endorsed the enactment of special fund status. The department has historically supported special fund status, recognizing the need for sustained, adequate funding to accomplish the mandates that are part of examining, qualifying, licensing and regulating a business occupation or profession. Adequate staff and operating funds are even more imperative as the mandates cover more categories of licensure and there is heightened contact with applicants, the public and interested groups. The current severe constraints on budgets and expenditures can militate against special funding as the overarching needs and priorities of the state, preempt the ability to achieve its implementation for a program such as master electricians. The department will thoroughly analyze the general fund implications of a conversion to special funding. To whatever extent the overall budget situation permits, the department will advocate on the Board's behalf.

If special funding is not feasible, fee setting authority will be requested in an effort to more adequately recoup funding. The Division of Occupational and Professional Licensing will undertake the requested study to more adequately relate the direct and indirect costs of regulation to the licensing fees in place for master electricians.

## **Alternative Recommendations**

**Recommendation 4: If the General Assembly rejects Recommendations 1-4, it should extend the termination date for the State Board of Master Electricians to July 1, 2023. Additionally, uncodified language should be adopted requiring the board to report to the appropriate standing committees of the General Assembly on or before October 1, 2012, on the implementation of the recommendations contained in this sunset evaluation report as adopted by the committees.**

The department and the board agree that in the absence of support for the primary recommendations, that the existing framework should be continued, with the inclusion of a continuing education mandate and implementation of the alternate recommendations in the report. The department and the board will report on or before October 1, 2012 on the recommendations as finally determined by the Committees.

**Recommendation 5: The State Board of Master Electricians should enforce the current reporting requirements established in Chapter 163 of 2002.**

The department and the board recognize the need to secure compliance with the reporting requirements and will work with individual local governments and through involvement in MUELEC and other groups to assure that local regulators provide the required reports.

**Recommendation 6: The General Assembly should enact legislation to require master electricians to participate in continuing education as a requirement for licensure renewal. The State Board of Master Electricians should adopt regulations that establish guidelines for continuing education requirements. The board should seek input from interested parties in determining the requirements for continuing education.**

The Department and the board support a Continuing Education (CE) provision requiring masters to participate in CE as a condition of renewal. The requirement should be statewide and apply uniformly to all master electricians, whether they have a state or local license. DLLR commends the legislation authorizing the State Board for Professional Engineers to implement a program by regulation of continuing professional competence enacted in 2010, as a model (Chapter 124, Laws of 2010). We recommend that the number of hours required be specified in the legislation. The implementation of a successful CE program requires the type of consultation and input from stakeholders and interested parties that is requested in this recommendation

**Recommendation 7: The Division of Occupational and Professional Licensing should consider the best way to have the board represent the population of the State, and whether it remains feasible to have three consumer member positions. The division should report its findings to the appropriate standing committees of the General Assembly by October 1, 2012.**

The division will undertake the requested review regarding the Board's composition, including the best way to represent the state's population and the need to maintain three consumer members on the Board. The division will submit its report by October 1, 2012.



