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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**

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DEPARTMENT OF LEGISLATIVE SERVICES  
OFFICE OF THE EXECUTIVE DIRECTOR  
MARYLAND GENERAL ASSEMBLY

October 31, 2001

Karl S. Aro  
Executive Director

The Honorable Thomas V. Mike Miller, Jr.  
The Honorable Casper R. Taylor, Jr.  
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 since the agencies subject to evaluation are usually subject to termination; typically, legislative action must be taken to re-authorize them. This report was prepared to assist the Senate Education, Health, and Environmental Affairs Committee and House Economic Matters Committee, which are the committees designated to review the board, in making recommendations to the General Assembly. The board is currently scheduled to terminate on July 1, 2003.

DLS found that there is a need for government oversight of master electricians. Although regulation of master electricians in Maryland occurs at both the State and local levels, this cumbersome system is not unique to Maryland, and the State board offers some consistency statewide regarding the regulation of master electricians. DLS also found that the board is well run and receives few complaints from the public or the profession regarding its licensees. Therefore, we recommend that the board's termination date be extended by ten years. We also recommend that various reporting requirements related to licensure of master electricians be expanded, with the board serving as a central repository on disciplinary actions taken against electricians at the State and local levels. As a condition of licensure by the State, master electricians should also be required to report the number and location of all other licenses held. Draft legislation to implement the recommended statutory changes is included as an appendix to this report.

We would like to acknowledge the cooperation and assistance provided by the board members and staff throughout the review process. The board was provided a draft copy of the report for factual review and comment prior to its publication, and the board's written comments are included as an appendix to this report.

Sincerely,

Karl S. Aro  
Executive Director



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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 which is scheduled to terminate on July 1, 2003. The board, along with local governments, plays an important role in the regulation of Maryland's electrical industry. DLS has found that the board and the associated staff in the Department of Labor, Licensing, and Regulation (DLLR) operate effectively and perform the statutory requirements in a satisfactory manner. The conclusions and recommendations of this evaluation are summarized below.

There is a need for government oversight of master electricians. The improper practice of the electric profession poses a threat to the public. Regulation in Maryland has evolved into a rather complicated system, with the State as well as 22 jurisdictions regulating master electricians. This cumbersome system is not unique to Maryland, and master electricians consider dealing with the system a cost of doing business. Nevertheless, the State Board of Master Electricians offers some consistency statewide regarding the regulation of master electricians.

**Recommendation 1: The General Assembly should extend the termination date of the State Board of Master Electricians to July 1, 2013. Additionally, uncodified language should be adopted requiring the board to report to the Senate Education, Health, and Environmental Affairs and House Economic Matters Committees on or before October 1, 2002, on the implementation of the**

**recommendations contained in this sunset evaluation report.**

Differences in the regulations between counties are usually minor. Counties, for instance, have different amendments to the electrical code to account for differing conditions in their counties. Local control over these issues allows for important local safety issues to be addressed. At times, though, differences in administrative requirements persist, and input from the State board would be helpful.

**Recommendation 2: The State Board of Master Electricians should do a better job of monitoring county licensure activities, and if necessary and appropriate, encourage counties to cooperate with each other to keep differences in the regulations of electricians to a minimum.**

One of the essential functions of any regulatory entity is to be aware of the number of professionals that it regulates. There is no clear picture of how many master electricians are licensed in Maryland, which is largely because of Maryland's decentralized system. The State board could also provide an important service to the counties and other states by tracking disciplinary actions against all master electricians in Maryland.

**Recommendation 3: The General Assembly should require the State Board of Master Electricians to serve as a central repository on disciplinary actions taken against electricians at the State and local levels. Each jurisdiction that licenses electricians should be required to report to**

**the State Board of Master Electricians: (1) all disciplinary actions taken against licensed electricians, to be reported within 30 days of the action; and (2) the total number of complaints against master electricians licensed in the jurisdiction on an annual basis.**

**As a condition of obtaining or renewing a State license, master electricians should be required to report the number and location of all other master electrician licenses held. When the State Board of Master Electricians receives notification of a local disciplinary action against a master electrician, the board should be required to inform other jurisdictions, within 30 days, in which the electrician is also known to be licensed.**

The State Board of Master Electricians operates with a deficit, as do a number of other regulatory boards in DLLR. These boards generally reduced their fees in response to 1997 legislation, and then began different accounting in fiscal 1999. A workgroup convened by the House Committee on Economic Matters has been working with DLLR to align expenditures with revenues, and the Office of Legislative Audits is studying the allocation of costs to boards at DLLR.

**Recommendation 4: DLLR should continue to work with the General Assembly to address the budgetary problems of the State Board of Master Electricians and similarly affected boards, taking into account the Office of Legislative Audits' recommendations on allocation of indirect costs.**

Implementing continuing education as a requirement for the renewal of a license has been considered at the State and local levels, but only Prince George's County has adopted requirements. If an electrician is failing to meet the standards, existing regulations can be enforced to protect the safety of the public. In addition, counties hold training seminars when the electrical code is updated. Finally, DLLR argues against continuing education unless some way to measure the effectiveness of the education is developed.

During the last sunset evaluation of the board in 1991, the Department of Legislative Services recommended that local licensure of electricians be eliminated and that regulation of the profession be centralized under the State Board of Master Electricians. As a result, there would have been a State-only master electrician license and no local master electrician license. That report found that the "system of regulation over the electrical trade in Maryland is highly inefficient, unnecessarily complex, and inconsistently administered around the State." The system of State and county licensing raises important issues of duplication among government agencies. The General Assembly rejected the DLS recommendation.

The possibility of centralizing regulation within the State continues to be an issue for the profession. The focus of this report has been on the necessity of having a State board. In general, a switch to a more centralized regulatory system would require the input of the counties, the profession, and the State to consider the various complex issues that would be involved.

# 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. Like fire before, electricity has become indispensable in modern day life, but while electricity is beneficial, it is also dangerous. The improper installation of electric powered devices can lead to fire and electric shock, resulting in death or injury. In addition, significant property damage could result from electrical fires.

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 electrician profession has evolved to provide individuals specifically trained 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.

## Regulation Across the United States

Electricians are regulated, in some capacity, in most states (see **Appendix 1**). The most common regulatory system (64 percent) includes a state board responsible for the licensing of electricians or electric contractors throughout the state. Eight states, including Maryland, have some combination of statewide and local licensure of electricians, and three states rely on local licensure of electricians.

Five states do not regulate the electrician profession; instead, they rely on enforcing electric standards through local permitting and inspections. Basically, before any significant electrical work on a project can be undertaken a permit must be obtained, generally from a local government office. Then, all electrical work on the project is subject to inspection for conformity with the applicable code. This permit and inspection process constitutes the main enforcement tool used to police the electrician profession throughout the country.

## **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 licensed and regulated electricians working only in Baltimore City, the State's sole urban center at that time. This board continued to operate until 1983. On July 1 of that year, the board ceased to exist because the General Assembly did not adopt legislation to extend the board's termination date. In addition, legislation authorized the transfer of board records to any successor board created by Baltimore City.

In 1984, the General Assembly created the State Board of Master Electricians to provide for statewide licensure of master electricians and to facilitate the process of obtaining a **local** license needed to conduct electrical work in a specific Maryland jurisdiction. The board was also charged with exploring reciprocity with other states. By January 2002, all but two Maryland counties will 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 which do not have local licensing regulations, an electrician must have a State license for providing certain electrical services. The only jurisdictions with no local licensing program are Allegany County and Garrett County.

## **The Sunset Review Process**

This evaluation was conducted under the auspices of the Maryland Program Evaluation Act (§ 8-400 *et seq.* of the State Government Article), better known as "sunset review." Enacted in 1978, the Maryland Program Evaluation Act requires the Department of Legislative Services (DLS) to periodically evaluate certain State agencies according to a statutory schedule. The entities subject to review are usually subject to termination; typically the General Assembly must reauthorize them. The State Board of Master Electricians is one of 68 entities currently subject to evaluation.

The board last underwent a full sunset review evaluation in 1991, when it was recommended that the board be continued with modifications. The primary modification suggested ten years ago was that the board's licensing authority should be expanded by granting a single statewide license. The General Assembly extended the board but rejected the other report recommendations.

During the 2000 interim, the Legislative Policy Committee required a full evaluation of the board as recommended by DLS. This evaluation is being conducted to provide the General Assembly with the information necessary to determine whether to reauthorize the board and for what period of time. This will be the second full evaluation

of the board. Since local jurisdictions play a significant role in regulating electricians, the evaluation focuses primarily on the need for and efficacy of a State board.

## Research Activities

DLS performed the following research activities to complete the full evaluation of the board:

- literature and document reviews, including reviews of the Annotated Code of Maryland, the Code of Maryland Regulations (COMAR), local laws governing the regulation of electricians, and board minutes;
- structured interviews with the board chairman, members and staff, and other parties associated with or with an interest in board activities;
- telephone survey of local board representatives; and
- observation of board meetings.

## 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 program and budgetary information. **Chapter 4** presents conclusions and related recommendations. In addition, appendices include relevant information on national and local licensure activities as well as draft legislation to implement the statutory recommendations made in this report. Finally, the board reviewed a draft of this report and provided the written comments in **Appendix 5**. Appropriate factual corrections and clarifications have been made throughout the document.



## Chapter 2. Local Regulation of Electricians in Maryland

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As mentioned in **Chapter 1**, a State license does not necessarily grant the licensee the authority to provide electrical services in a county; instead, it facilitates the process of obtaining the **local** license needed to conduct electrical work in a specific Maryland county. As regulation of the profession exists today, most counties require their own license and the State also offers a license. Most master electricians work throughout the State and occasionally in other states; therefore, it is not uncommon for master electricians to hold multiple licenses. Multiple licenses means paying multiple government entities many different fees, including permit and inspection fees, which are all passed on to the consumer. Statute also permits municipalities to establish local licensing boards or adopt the regulations of the municipality's county. In addition to Baltimore City, electrical boards have been established by three municipalities: Annapolis, Gaithersburg, and Rockville. **Appendix 2** contains a summary of county requirements for master electricians.

### All Master Electricians Must Pass a Test

#### Application and Testing Process Is Similar but Time Frames Vary

Local licensing of electricians predates statewide licensing, with most jurisdictions establishing a local licensing authority during the mid 20th century. There are two ways to obtain a local master electrician's license. The first way is to fill out an application for examination, which also usually notes compliance with experience requirements. The applicant next takes an exam measuring his or her knowledge of the applicable electrical code in the county. All counties in Maryland use the National Electrical Code, and most counties use the most recent 1999 version. The local board then grades the exam, and if passed and evidence of insurance is provided, a local license is granted.

The licensing process may be completed in as little as two months, depending on how often the county offers the exam. Eight counties offer exams twice a year, seven counties offer exams three or four times a year, and three counties offer exams five or more times a year. Aspiring master electricians and electricians from states where there is no reciprocal agreement with Maryland usually participate in this process. Currently, Maryland has reciprocal agreements with Virginia and Delaware.

## **Reciprocity Relies on Testing from Another Jurisdiction**

The second way to obtain a master electrician's license is through reciprocity with other Maryland jurisdictions. State law requires, as do several local laws, that the counties reciprocate with each other when a master electrician applies for a license in a county if the electrician holds a license in good standing with another county. Reciprocity between jurisdictions within Maryland, however, was not formally established until 1976. Prior to then, electricians wishing to work in multiple jurisdictions had to take the examinations required by each local board.

Because jurisdictions typically offered examinations only twice per year, electricians often missed opportunities to bid on contracts while waiting to complete the license application process. In 1976, the General Assembly required local jurisdictions to waive examination requirements for qualified applicants holding a license from another Maryland jurisdiction. Because of perceived or real disparities in the difficulty level of examinations and possibly other local proclivities, some jurisdictions were reluctant to issue reciprocal licenses. Electricians also, at that time, believed that local boards often failed to process applications for reciprocal licenses in a timely manner.

The Maryland Uniform Electrical Licensing Examination Committee, Inc. (MUELEC) facilitated the implementation of the reciprocity law. Committee members volunteered to develop a test bank of questions for use on all examinations offered by local jurisdictions. The standardization of the local examinations helped ensure that all local license holders possessed the same minimum qualifications. The uniform examination eased jurisdictions' concerns about issuing reciprocal licenses. MUELEC members continue to revise the test bank of questions as well as address other issues of concern to the industry. The State board also uses the same test for its master electrician license.

Currently, all a master electrician has to do to obtain a reciprocal license in another county is to prove that he or she is a licensee in good standing with the home jurisdiction, which is the jurisdiction where the electrician originally tested. The master electrician may also need to provide documentation of insurance. The introduction of a State license in 1984 also provided an additional vehicle for obtaining a reciprocal license. If an electrician has a State license, it is generally a matter of presenting the State license to the local board and a local license is issued immediately in most jurisdictions. In addition, the State board offers its exam weekly, as opposed to the less frequent offerings of the counties. The ease of getting a local license with a State license has resulted in many master electricians first obtaining a State license before obtaining multiple local licenses.

## **Low Voltage and Other Licenses Are More Limited in Scope**

In addition to offering a master electrician license, most jurisdictions also offer what are commonly referred to as “low voltage” licenses. Master electricians possess a broad range of experience, knowledge, and skills to provide electrical services in all aspects of the electrical trade. Individuals without extensive experience in conducting electrical work may operate under limited or restricted licenses granted by local jurisdictions. Requirements vary among the counties, but the two most common low voltage licenses are “restricted” or “limited” licenses.

Low voltage work generally permits an individual to conduct electrical work on specific systems such as air conditioning, heating, and low voltage signaling (signs). Limited licenses generally specify that an electrician work on a particular type of property, such as single-family homes or in a specified geographical area, and a permit is generally not required for this type of work. In some counties, an individual can also obtain a license to wire his or her own home. In counties that do not offer these types of licenses, individuals conducting restricted or limited work are not regulated. Finally, reciprocity between the jurisdictions for low voltage licenses is not mandated; therefore, reciprocity cannot be guaranteed.

Three jurisdictions, Montgomery County, Prince George’s County, and Harford County, also license journeyman electricians. Although the journeyman is granted additional flexibility in conducting electrical work, he or she must still work under the supervision of a master electrician. In all jurisdictions, individuals may perform some electrical work on a project as long as a master electrician is supervising the work.

## **Permits and Inspections Are an Enforcement Tool**

Although master electricians are licensed at different levels of government in Maryland, policing of the profession mostly occurs through locally issued permits and locally conducted inspections. Every jurisdiction in Maryland has a building permit office, which is most often separate from the local licensing board. Not all jurisdictions, however, do their own inspections. Economies of scale result in many smaller jurisdictions contracting out the inspection function. The office grants a permit giving the right to perform specific electrical work on a designated site or project. Permit offices are advised of the nature and scope of electrical work to be performed and identify the licensed master electrician responsible for supervising the project. Most jurisdictions do not require a permit for low voltage work.

The permit office sends out an inspector to each ongoing project to insure 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 will report the violation to the local licensing board. The local licensing board may then take appropriate disciplinary action against the licensee. Disciplinary actions may include suspending or revoking a license, monetary penalties, and/or jail time. Very rarely, according to a survey of local government officials, do complaints ever make it to the local board. Most issues are resolved during the inspections, and in the rare event that a board must discipline a licensee, it is usually in the form of a suspension.

## 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 for 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 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 members from residing in the same county as another member of the board provides additional geographical distribution of membership. By law, the board must annually elect a chairman, a vice-chairman, 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 3**.

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.

### 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 3.1**. The board issues two-year licenses, which may be continually renewed as long as applicants remain qualified.

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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**  
**Schedule of Fees: State Board of Master Electricians**

|   | <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 licenses 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. As of September 10, 2001, there were 987 active licensees in Maryland.

The board also offers an “inactive” license. These electricians typically work under the supervision of a licensed 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, the inactive license is a cost-saving option because general liability insurance is not required. The State board had 881 inactive licensees as of September 10, 2001. 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 881 inactive licenses, 33 had been issued to inspectors.

“Qualified agent” licenses represent the third and most common category of license, with 2,059 licensees as of September 10, 2001. 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 a master electrician.

Only Montgomery County has adopted explicit standards for defining what is under the supervision of a licensee. The county requires that a licensee may supervise no more than three unlicensed individuals. The county also requires that a licensed electrician may not be unavailable for more than two hours while supervising electrical work.

**Exhibit 3.2** shows the number of licensees in each of the three categories for the years 2000 and 2001. Combining the numbers for each category of license, there are currently 3,927 licensees in Maryland, up from 3,763 last year. According to the department, it has not maintained historical data on State licenses. The board also keeps track of 1,861 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 many master electricians carry multiple licenses, the number of electricians in Maryland is not known. A member of the Maryland Uniform Electrical Licensing Examination Committee, Inc. (MUELEC) estimated that local boards regulate a total of 6,000 to 7,000 electricians.

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**Exhibit 3.2**  
**State Board of Master Electricians**  
**Number of Licensees 2000-2001**

|  | <u>2000</u>  | <u>2001</u>  |
|--|--------------|--------------|
| Active Master Licensees                  | 992          | 987          |
| Inactive Master Licensees                | 885          | 881          |
| Qualified Agents (Assignment to Company) | 1,886        | 2,059        |
| <b>Total</b>                             | <b>3,763</b> | <b>3,927</b> |

Source: State Board of Master Electricians

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### **Electronic Licensing System and Testing Service Increase Efficiency of Issuing Licenses**

To obtain a State license, the applicant needs 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 must maintain 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. In September 1995, the board began administering its examination through a testing service, PSI Examination Services. Applicants taking the examination pay a \$40 examination fee to PSI. The testing service offers weekly examinations in four locations throughout the State: Baltimore, College Park, Hagerstown, and Salisbury. The examination questions are from a test bank developed by MUELEC, and the examinations are graded by PSI. One of the board's main responsibilities involves reviewing examination responses under dispute by the applicant. Prior to 1995, the department offered the examination twice per year; the weekly examination schedule allows applicants to complete the application process in a more timely manner.

The introduction of electronic licensing has also significantly streamlined the application process. The State Board of Master Electricians allows original and renewal applicants to apply for their licenses over the Internet. Individuals can also conduct other basic transactions over the Internet, such as changing an address and reinstating an expired license within the time frame specified by law. The department implemented electronic licensing for the board on May 1, 1999. Less than one year later, in April 2000, 70 percent of renewals were processed over the Internet. For persons accessing this service, electronic licensing, coupled with the introduction of staggered expiration dates, reduced processing times from four to six weeks to just four or five days.

## **Complaint Resolution Is Typically Handled by Local Electrical Boards**

Because most complaints fall under the jurisdiction of local boards, the board receives a limited number of complaints and, consequently, rarely takes disciplinary actions against licensees. Between fiscal 1995 and 2000, the board received 58 written complaints. Only three of these complaints underwent review by the board; department staff referred the remaining 55 complaints to the appropriate local board. Of the three complaints reviewed by the board, only one resulted in a formal hearing with no disciplinary action taken.

DLLR staff handle a majority of the complaint activity that reaches the board. According to DLLR, most complaints involve the amounts charged by electricians and

the timeliness with which electricians complete their work. If it appears that the issue should undergo review by the State board, staff request that the caller file a written complaint. Local jurisdictions may inform the State board about disciplinary actions taken against a local licensee. If an electrician holds a State license, the State board could review the matter. In the past six years, the State board has received only one referral from local jurisdictions. The law does not mandate that local boards report this information to the State board.

## **Several Minor Legislative Changes Have Affected the Board Over the Past Ten Years**

Over the past decade, the General Assembly adopted ten pieces of legislation that affected the State Board of Master Electricians (see **Exhibit 3.3**). A number of these legislative changes provided the board and the department with administrative flexibility. In 1997, the Secretary of DLLR was granted the authority to issue licenses that expired on a staggered basis rather than on June 30 of each odd-numbered year. Another change enacted in 1997 gave the board the flexibility needed to pursue reciprocity agreements with Delaware and Virginia. Other legislation throughout the decade involved the reinstatement of expired licenses and the fee schedule.

The General Assembly provided the board with an important power in 1998 by authorizing the board to deny, suspend, or revoke a license or reprimand a licensee convicted of a felony or misdemeanor related to the licensee's fitness and qualification to provide electrical services.

## **Cost of Regulation Now Exceeds Revenues**

**Exhibit 3.4** shows revenue and expenditure trends over the past five years and includes projections for the current fiscal year. In fiscal 1999, a change in the method of allocating costs resulted in an apparent large expenditure increase. Prior to fiscal 1999, the department had not adjusted direct costs to reflect personnel and other operating costs shared among boards, nor had it captured indirect costs for the board. Direct costs include costs directly attributable to the board such as personnel, telephone, postage, supplies, and rent. Indirect costs include costs incurred by the division and the department for services such as central licensing, computer systems, and departmental budget, personnel, and maintenance. These indirect costs are a "paper" allocation only -- to determine the actual cost of regulation. The department believes that the expenditures after fiscal 1998 better reflect the actual cost of operating the board.

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**Exhibit 3.3**  
**Major Legislative Changes Since the Last Sunset Review**

| <u>Year</u> | <u>Chapter</u> | <u>Change</u>   |
|-------------|----------------|---|
| 1992        | 478            | Extended the termination date of the board to July 1, 2003.   |
| 1994        | 15             | Permitted the board to reinstate an inactive status certificate to qualified applicants who reapply within 90 days after expiration and pay the reapplication fee of \$100.   |
| 1994        | 130            | Required the board to adopt regulations establishing application fees and deadlines and changed the application fee from \$35 to an amount, as determined by the board, that does not exceed the cost of administering the required examination to the applicant.   |
| 1995        | 294            | Expanded, from 90 days to two years from the date of expiration, the period during which the board may: 1) reinstate an inactive status certificate to qualified applicants who pay the reapplication fee; and 2) reinstate the expired license of a qualified applicant without requiring an examination or requiring the applicant to show just cause for reinstatement; and established that reinstatement, by the board, of an inactive status certificate or an expired license requested two years after the expiration date may occur under certain circumstances. |
| 1997        | 10             | Reduced the reinstatement fee from \$100 to \$25 for those applying up to and including 30 days after expiration, from \$200 to \$50 for those applying up to and including 60 days after expiration, and from \$300 to \$100 for those applying over 60 days after expiration; and required the board to charge a \$100 fee to those applying for reinstatement of a license more than two years after its expiration date.  |
| 1997        | 59             | Granted the Secretary of Labor, Licensing, and Regulation the authority to issue licenses that expire on a staggered basis rather than on June 30 of each odd-numbered year.  |
| 1997        | 66             | Altered the conditions under which the board may waive the examination requirement for an out-of-state applicant seeking a Maryland license under a reciprocity agreement.  |
| 1997        | 735            | Lowered the licensing fee from \$75 to \$20 and lowered the renewal fee from \$100 to \$25 for active and qualified agent licenses.   |
| 1998        | 49             | Specified that the board may use a testing service to administer examinations, required the board to adopt regulations establishing examination fees, and permitted the board's designee to collect examination fees.   |
| 1998        | 342            | Authorized the board to deny, suspend, or revoke a license or reprimand a licensee convicted, under any state or federal law, of a felony or a misdemeanor directly related to the applicant's or licensee's fitness and qualification to provide electrical services; set forth criteria for the board to consider prior to taking disciplinary action under this provision.   |

Source: Laws of Maryland

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**Exhibit 3.4**  
**Fiscal History of the State Board of Master Electricians**  
**FY 1996 - 2002**

|                   | <u>1997</u> | <u>1998</u> | <u>1999</u> | <u>2000</u> | <u>2001*</u> | <u>2002*</u> |
|-------------------|-------------|-------------|-------------|-------------|--------------|--------------|
| Total Revenues    | \$232,750   | \$76,343    | \$107,279   | \$64,520    | \$78,482     | \$67,226     |
| Total Costs       | 61,798      | 42,838      | 135,136     | 135,307     | 133,494      | 128,678      |
| Direct Costs      | 12,073      | 13,549      | 66,108      | 63,102      | 60,885       | 61,341       |
| Indirect Costs    | 49,725      | 29,289      | 69,028      | 72,205      | 72,609       | 67,337       |
| Surplus/(Deficit) | \$170,952   | \$33,505    | (\$27,857)  | (\$70,787)  | (\$55,012)   | (\$61,452)   |

\* Estimated

Source: Maryland Governor's Budget Books, Fiscal 1997 - 2001; Fiscal 2002, DLLR

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The board operates with direct assistance from four DLLR staff persons. One deputy commissioner provides policy direction and management for all boards and commissions within the division. An executive director, responsible for a total of five boards and commissions, oversees board operations. An assistant attorney general provides legal counsel for the State Board of Master Electricians as well as for four other boards and commissions within the division. The board also has one full-time secretary to support the board's day-to-day functions. Investigators maintained by the Real Estate Commission may be assigned to the board as necessary, but the board has not needed this service for the past six years.

Exhibit 3.4 also shows that revenues fluctuated; this fluctuation was due to the board's biennial licensing cycle. The department introduced staggered expiration dates in fiscal 1999, and this change is expected to create a more stable stream of revenues. The reduction in revenues beginning in fiscal 1998 stems from 1997 legislation that significantly reduced licensing and renewal fees.

The General Assembly has a policy that regulatory boards should be self-supporting. Boards should not, however, charge licensees significantly more than necessary to maintain operations and cover the costs associated with regulation. Based on expenditure and revenue data provided by the department prior to 1997, the board's revenues exceeded its operating costs, and fee reductions seemed justified. As discussed

above, the department later realized that its cost allocation method did not properly capture board expenditures.

Consequently, the fee reductions enacted in 1997 were based on inaccurate expenditure data and have triggered revenue “shortfalls.” Exhibit 3.4 shows deficits in fiscal 1999 through 2001 and an expected deficit in fiscal 2002. A majority of boards and commissions within the division face this same problem. Since these boards are funded through the general fund, however, they do not actually operate with deficits. A workgroup convened by the House Committee on Economic Matters and the department have been studying ways to align expenditures with revenues. The 2001 *Joint Chairmen’s Report* required the Office of Legislative Audits (OLA) to review the Department of Labor, Licensing, and Regulation’s cost allocation plan and to explore the use of other cost allocation methods. OLA is currently conducting the review.

## **Chapter 4. Conclusions and Recommendations**

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### **Some Level of Government Oversight of Individuals Installing Electric-Powered Devices Is Necessary**

The preliminary evaluation of the State Board of Master Electricians determined that, “overall, the board of Master Electricians operates effectively and in accordance with the law. However, because local jurisdictions play a significant role in regulating electricians, the need for a State board is unclear.” The main topic addressed in this full evaluation, therefore, was to determine whether “a governmental activity is necessary for the public interest.”

There is no question that improper practice of the electrician profession could result in a threat to the public health, safety, and welfare. Electrical fires can cause significant property damage to homes and businesses, and in some cases, result in injury or death. Whether these fires are the result of carelessness, neglect, age, or improper wiring is not the issue; accidents will happen. The issue is the danger of electricity. The fact that there are not more electrical-related incidents given the ubiquity of electricity in modern life is a testament to the high standards of the profession as well as the checks and balances provided by local or State regulation and oversight.

State and local governments across the United States have recognized the problems of electricity and have implemented state or local regulation of those practitioners who deal directly with electricity. Regulation of electricians may consist of using local permits and inspections, state licensing, local licensing, or some combination of all three. All three types of regulation are used in Maryland. Regardless of the approach, adopting a system of accountability for electricians is a good idea.

### **Understanding How Government Oversight of the Electrician Profession Works Could Be Considered Rocket Science**

The original purpose of sunset review was to determine whether continued regulation is necessary because of no documented threat to the public health, safety, and welfare from the unregulated practice of the profession. Since the General Assembly is now in its third cycle of sunset review, the threat to the public health, safety, and welfare from the unregulated practice of many professions has been determined. The focus of subsequent sunset evaluations has shifted to issues of accountability, efficiency, and effectiveness. In certain professions which have multiple layers of regulation, it is legitimate to question the need for several layers of regulation.

**Chapter 2** described the regulatory environment in Maryland for master electricians. The State offers a license for master electricians; most counties also require a license. Master electricians are not required to have a State license and only need a license in a county where they wish to do work. Come January 2002, there will be two counties without a local licensing function, so a State license is necessary to perform work in those counties. Nevertheless, a license is required to get a permit to do certain types of electrical work in all counties. Some counties also license journeyman electricians. Many counties also license “low voltage” electric work, but with varying standards. In counties without a “low voltage” license, this work is unregulated.

The State master electrician license is considered a “passport” license because of the limited authority granted the State board. State law mandates that local licensing boards recognize the State license when issuing local licenses. State law also mandates that reciprocity exist among the counties that license master electricians. Upon presentation of a State license, 19 counties promptly issue a local license, two counties require local board approval. Upon presentation of another county’s license, 14 counties also issue licenses promptly if provided with documentation of good standing in the home county. Seven counties only issue licenses when the local board meets and approves of all applicants. Therefore, local reciprocity may take more time because of the additional information required by local boards. There are no requirements for reciprocity for “low voltage” licenses.

Local boards have more authority than the State board to discipline their licensees if a complaint actually reaches the point requiring board action. There are few complaints, however, registered with any boards, State or local. The effect has been that a local license is also a defacto passport for an electrician to receive a permit for work in that county. Most significant interaction between a government agent, usually an inspector, and the master electrician occurs during the inspection when the quality of work performed is assessed. Any problems with the work performed are generally remedied at this point.

In most Maryland counties a master electrician could, to obtain a permit for work, potentially have dealt with a State board, a local board, a local permit office, and an inspector all the while paying fees for the privilege of interacting with each government entity. Add the fact that Maryland’s 24 jurisdictions often have unique approaches to how government works, and the result is that a master electrician working in many Maryland counties faces a complex business environment. From the master electrician’s point of view, this situation is not necessarily over regulation but rather the cost of doing business in Maryland, and in some cases, other states. The cost of doing business, many fees paid to many different people, is passed on to the consumer.

## **The Existence of the State Board of Electricians Offers Some Consistency Statewide Regarding the Regulation of Electricians**

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, and as opposed to infrequent offerings by local jurisdictions, the State exam is available weekly;
- standardizing criteria for a master electrician's license statewide;
- entering into reciprocal agreements with other states: Maryland has agreements with Virginia and Delaware; 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 established reciprocal agreements with other states. With only two counties without a local license, is it then necessary to continue with a State board that adds another layer of regulation, resulting in increased consumer costs?

Terminating the board would not entirely eliminate the State's role in the electrician profession. If the board were terminated, procedures would have to be developed to insure that:

- examinations taken by electricians should continue to be consistent across the State and offered on at least a monthly basis;
- reciprocity among the local jurisdictions continues and is encouraged;
- reciprocity with other states is not affected; and
- master electricians working in counties without local regulation will be regulated.

In addition, without the State Board of Master Electricians to oversee the profession, another State entity would have to be designated to continue oversight of the profession.

It would be possible to alter the law to create a new format for State oversight of master electricians, but it is not practical or in keeping with the General Assembly's approach to regulating a profession. The General Assembly has decided that a regulatory board is the appropriate entity to regulate a profession in Maryland. Creating a separate

regulatory system for master electricians would treat electricians different from plumbers and all others with building trade licenses in Maryland.

In addition, the existing reciprocal agreements with Delaware and Virginia are between their boards and the Maryland board. Eliminating the Maryland board would endanger those agreements, making it more difficult for Maryland master electricians to work in those states. Finally, completely eliminating the State's role in the profession would subject master electricians to the possible erratic nature of local regulation, and, in a worst case scenario, could result in 24 different sets of requirements for master electricians.

The primary effect of the Maryland master electrician license is it allows a master electrician to bypass some of the local bureaucracy when bidding for work in a particular county. Representatives of master electricians interviewed recognize the benefits of a State license from a business perspective and have acquired a State license; they favor continuation of the State board. With the ability of State licensed electricians to work throughout the State, consumer choice may also be enhanced.

Most local government officials also favor continuation of the State board because a State license simplifies their job. These same officials also favor the existence of local boards and the current regulatory format, because local jurisdictions are more adept at monitoring the master electricians in their county. Despite the existence of multiple players in the regulation of master electricians, at this point there is not a better mouse trap available.

**Recommendation 1: The General Assembly should extend the termination date of the State Board of Master Electricians to July 1, 2013. Additionally, uncodified language should be adopted requiring the board to report to the Senate Education, Health, and Environmental Affairs and House Economic Matters Committees on or before October 1, 2002, on the implementation of the recommendations contained in this sunset evaluation report.**

## **Master Electrician Licensing Requirements Are Fairly Uniform Throughout Maryland**

For all levels of licensure in the counties, differences between county regulations are small. Counties do have different amendments to the electrical code to account for differing conditions in their counties. These amendments may take into effect the level of the water table in a county or other geological concerns of the different regions of Maryland. Local control over these issues allows for important local safety issues to be addressed.

At times though, differences in administrative requirements persist and input from the State board could be helpful. For example, Prince George's County is beginning to require continuing education for licensees and only reciprocates with Anne Arundel and Howard counties for low voltage licenses. Montgomery County requires eight years of experience to obtain a master electrician's license and requires a year of experience before granting a license through reciprocity from another county. Baltimore County has pulled out of the Maryland Uniform Electrical Licensing Examination Committee, Inc. (MUELEC) and will no longer use that exam. Such differences could lead to tensions among the counties in determining reciprocity with each other.

**Recommendation 2: The State Board of Master Electricians should do a better job of monitoring county licensure activities, and if necessary and appropriate, encourage counties to cooperate with each other to keep differences in the regulations of electricians to a minimum.**

### **There Is No Central Repository for Information on Master Electricians**

One of the essential functions of any regulatory entity is to be aware of the number of professionals that it regulates. There is no clear picture of how many master electricians are licensed in Maryland, which is largely because of Maryland's decentralized system. Collecting the number of local licenses held by each State licensed master electrician would be an important step in keeping track of overall licensing trends in Maryland and would increase the amount of useful contact between the State and local boards. By requiring an annual update of this list, the State Board of Master Electricians could estimate the number of master electricians in Maryland without an undue administrative burden.

The State board could also provide an important service to the counties and other states by tracking disciplinary actions against all master electricians in Maryland. The State board would then act as a one-stop check for counties or other states to determine if an applicant has been disciplined in Maryland. Based on interviews with local government officials and State board members and officials, the number of disciplinary actions is small. The administrative burden of keeping track of those actions would be relatively small compared to the actual compilation of the list of licensees.

Finally, the State board does not keep historical data on the number of State licenses that have been issued. However, such data would provide basic benchmarks to aid the Department of Labor, Licensing, and Regulation in the administration of the board.

**Recommendation 3: The General Assembly should require the State Board of Master Electricians to serve as a central repository on disciplinary actions taken**

against electricians at the State and local levels. Each jurisdiction that licenses electricians should be required to report to the State Board of Master Electricians: (1) all disciplinary actions taken against licensed electricians, to be reported within 30 days of the action; and (2) the total number of complaints against master electricians licensed in the jurisdiction on an annual basis.

As a condition of obtaining or renewing a State license, master electricians should be required to report the number and location of all other master electrician licenses held. When the State Board of Master Electricians receives notification of a local disciplinary action against a master electrician, the board should be required to inform other jurisdictions, within 30 days, in which the electrician is also known to be licensed.

### **The Need for Continuing Education Requirements Is Uncertain**

Implementing continuing education as a requirement for the renewal of a license has been considered at the State and local levels, but only Prince George's County has adopted continuing education requirements. Baltimore County's opposition to continuing education is a primary reason that the county dropped out of MUELEC. Proponents of continuing education argue that the profession changes and that electricians need to receive training as technology and codes change. Opponents point out that electricians have passed a test showing their knowledge of the profession and must keep an active license to continue working; further, licensees are learning each day on the job. Moreover, their work is subject to permits and inspections at the county level. If an electrician is failing to meet the standards, existing regulations can be enforced to protect the safety of the public. In addition, many counties hold training seminars when the electrical code is updated.

Nationwide, 26 states have continuing education requirements. All of these states also have state boards. Although only Prince George's County requires continuing education, some counties have also expressed an interest in requiring continuing education for their licensees. The board has discussed instituting continuing education requirements; however, DLLR has argued against these requirements unless some way to measure the effectiveness of the education is developed.

### **Board Revenues Are Not Sufficient to Cover Costs**

The General Assembly has a policy that regulatory boards should be self-supporting. Fee reductions enacted in 1997 triggered revenue shortfalls in the board's budget, but the reductions were based on inaccurate expenditure data. The 1997 legislation lowered the licensing fee from \$75 to \$20 and lowered the renewal fee from

\$100 to \$25 for active and qualified agent licenses. As discussed in **Chapter 3**, in fiscal 1999 the board's budget began to reflect changes, instituted by DLLR, in the method of allocating direct and indirect costs of the board. Board revenues are dependent upon the single master electrician's license issued. Currently, as discussed in Chapter 3, the board's revenues do not cover its expenditures.

This deficit is not unique to the State Board of Master Electricians but affects most other regulatory boards in DLLR. Several boards had their fees reduced as a result of the 1997 legislation and were also affected by changes in accounting for indirect costs in fiscal 1999. A workgroup convened by the House Economic Matters Committee and DLLR has been studying ways to align expenditures with revenues. Absent any general resolution to the current revenue/expenditure mismatch problem, one way to increase board revenues would be to add a statewide license for low voltage work. This new license could enhance board revenues as well as add more consistent statewide standards for low voltage licensees.

**Recommendation 4: DLLR should continue to work with the General Assembly to address the budgetary problems of the State Board of Master Electricians and similarly affected boards, taking into account the Office of Legislative Audits' recommendations on allocation of indirect costs.**

## **Retaining Local and State Licensing Boards Continues to Raise Issues of Government Duplication and Overregulation**

During the last sunset evaluation of the board in 1991, the Department of Legislative Services recommended that local licensure of electricians be eliminated and that regulation of the profession be centralized under the State Board of Master Electricians. As a result, there would have been a State-only master electrician's license and no local master electrician's license. That report found that the "system of regulation over the electrical trade in Maryland is highly inefficient, unnecessarily complex, and inconsistently administered around the State." The system of State and county licensing raises important issues of duplicative work among government agencies.

The possibility of centralizing regulation within the State continues to be an issue for the profession. The focus of this report has been on the necessity of having a State board; however, the previous sunset report recommendation to adopt a State-only master electrician's license may still be relevant. If a statewide performance license were considered, a number of issues would have to be addressed. For example:

- Centralization would pre-empt local electrical boards and create loss of authority and revenue at the local level; however, lost revenues could be recovered through the permit function.

- The State might have to adopt licenses for restricted and limited electricians who are qualified to do certain limited work without the supervision of a master electrician. Most counties currently have limited and restricted licenses that might need to be mirrored in a statewide system.
- Further consideration would be needed regarding establishing continuing education requirements.
- There could not be an effect on local authority to permit and inspect electrical work; however, a process would need to be developed to determine when a local permit and inspection agency should refer issues to the State board concerning disciplinary actions against licensees.
- The board's statute might need to be expanded to give it authority similar to other State level building trade licensing boards, such as adding penalty provisions.

However, a switch to a more centralized regulatory system would require the input of the counties, the profession, and the State to consider the various complex issues that would be involved.

## Appendix 1. Electrician Licensing in the United States

|                | <u>Statewide<br/>Licensing of<br/>Electricians</u> | <u>Statewide<br/>Licensing of<br/>Contractors</u> | <u>State<br/>Board</u> | <u>Local<br/>Licensing of<br/>Electricians</u> | <u>Continuing<br/>Education<br/>Required</u> |
|----------------|--|---|------------------------|--|--|
| Alabama        | X  | X   | X                      |  |  |
| Alaska         | X  |   |                        |  | X  |
| Arizona        |  | X   |                        | X  |  |
| Arkansas       | X  |   | X                      |  |  |
| California     |  | X   | X                      |  |  |
| Colorado       | X  |   | X                      |  | X  |
| Connecticut    | X  | X   | X                      |  |  |
| Delaware       | X  |   | X                      |  | X  |
| Washington DC  | X  |   | X                      |  |  |
| Florida        |  | X   | X                      | X  | X  |
| Georgia        |  | X   | X                      |  | X  |
| Hawaii         | X  |   | X                      |  | X  |
| Idaho          | X  | X   | X                      |  | X  |
| Illinois       |  |   |                        |  |  |
| Indiana        |  |   |                        |  |  |
| Iowa           |  |   |                        | X  |  |
| Kansas         |  |   |                        |  |  |
| Kentucky       |  | X   | X                      |  |  |
| Louisiana      |  | X   | X                      | X  |  |
| Maine          | X  |   | X                      |  | X  |
| Maryland       | X  |   | X                      | X  |  |
| Massachusetts  | X  |   | X                      |  | X  |
| Michigan       | X  |   | X                      |  | X  |
| Minnesota      | X  |   | X                      |  | X  |
| Mississippi    | X  |   | X                      | X  |  |
| Missouri       |  |   |                        | X  |  |
| Montana        | X  |   | X                      |  | X  |
| Nebraska       | X  |   | X                      |  | X  |
| Nevada         |  | X   | X                      | X  |  |
| New Hampshire  | X  |   | X                      |  | X  |
| New Jersey     | X  | X   | X                      |  | X  |
| New Mexico     | X  | X   | X                      |  |  |
| New York       |  |   |                        |  |  |
| North Carolina |  | X   | X                      | X  | X  |
| North Dakota   | X  |   | X                      |  | X  |

|                | <u>Statewide<br/>Licensing of<br/>Electricians</u> | <u>Statewide<br/>Licensing of<br/>Contractors</u> | <u>State<br/>Board</u> | <u>Local<br/>Licensing of<br/>Electricians</u> | <u>Continuing<br/>Education<br/>Required</u> |
|----------------|--|---|------------------------|--|--|
| Ohio           |  |   |                        | X  |  |
| Oklahoma       | X  | X   | X                      |  | X  |
| Oregon         | X  |   | X                      |  | X  |
| Pennsylvania   |  |   |                        | X  |  |
| Rhode Island   | X  |   | X                      |  | X  |
| South Carolina |  | X   | X                      | X  |  |
| South Dakota   | X  | X   | X                      |  | X  |
| Tennessee      |  | X   | X                      |  |  |
| Texas          |  |   |                        |  |  |
| Utah           | X  |   | X                      |  | X  |
| Vermont        | X  |   | X                      |  | X  |
| Virginia       | X  |   | X                      |  |  |
| Washington     | X  |   | X                      |  | X  |
| West Virginia  | X  |   | X                      |  |  |
| Wisconsin      | X  |   |                        |  | X  |
| Wyoming        | X  |   | X                      |  | X  |
| Total          | 32   | 17  | 39                     | 12   | 26   |

Source: Mike Holt Enterprises, Inc. "Guide to State Electrical Licensing," April 2001.

## **Appendix 2. Analysis of Local Laws Regulating Master Electricians**

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**Regulation of Master Electricians in Maryland**

| County          | Master Electrician License | Other Licenses (1) | Local Board | License                  |            |         | Exam Required     | Licensing Fees: "Masters, Exam, Application" | Insurance and/or Bond Required | Local Board Issues Permits and Conducts Inspections | Continuing Education Req'd |
|-----------------|----------------------------|--------------------|-------------|--------------------------|------------|---------|-------------------|--|--------------------------------|---|----------------------------|
|                 |                            |                    |             | Suspension or Revocation | Provisions | Penalty |                   |  |                                |   |                            |
| Allegany        | X                          |                    | X           | X                        | X          | X       | \$60,\$50,\$25(2) | Insurance                                    | Permits                        |   |                            |
| Anne Arundel    | X                          | X                  | X           | X                        | X          | X       | \$75,\$35, --     | Both   |                                |   |                            |
| Baltimore City  | X                          | X                  | X           | X                        | X          | X       | \$45,--,--        | Insurance                                    |                                |   |                            |
| Baltimore       | X                          | X                  | X           | X                        | X          | X       | \$50,\$10,\$10    | Insurance                                    |                                |   |                            |
| Calvert         | X                          |                    | X           | X                        | X          | X       | \$50,--,--        | Both   |                                |   |                            |
| Caroline(3)     | X                          | X                  | X           | X                        | X          | X       | 70,--,-(4)        | Insurance                                    |                                |   |                            |
| Carroll         | X                          | X                  | X           | X                        | X          | X       | \$50,\$50,--      | Insurance                                    |                                |   |                            |
| Cecil           | X                          | X                  | X           | X                        | X          | X       | \$65,--,-(4)      | Insurance                                    |                                |   |                            |
| Charles         | X                          | X                  | X           | X                        | X          | X       | \$50,\$35,--      | Bond   | Permits                        |   |                            |
| Dorchester      | X                          | X                  | X           | X                        | X          | X       | \$80,NA,NA(4)     | Bond   |                                |   |                            |
| Frederick       | X                          | X                  | X           | X                        | X          | X       | \$90,\$30,--(4)   | Insurance                                    |                                |   |                            |
| Garrett         | X                          | X(5)               | X           | X                        | X          | X       | \$100,--,-(4)     | Insurance                                    |                                |   |                            |
| Harford         | X                          | X                  | X           | X                        | X          | X       | \$100,\$10,--(4)  | Insurance                                    |                                |   |                            |
| Howard          | X                          | X                  | X           | X                        | X          | X       | \$198,44,--(4)    | Insurance                                    |                                | X   |                            |
| Kent            | X                          | X                  | X           | X                        | X          | X       | \$60,\$60,--      | Insurance                                    |                                |   |                            |
| Montgomery      | X                          | X(5)               | X           | X                        | X*         | X       | \$70,\$35,\$75    | Insurance                                    |                                |   |                            |
| Prince George's | X                          | X                  | X           | X                        | X          | X       | \$50,\$50,\$50(4) | Insurance                                    |                                |   |                            |
| Queen Anne's    | X                          | X                  | X           | X                        | X          | X       |                   |  |                                |   |                            |
| Somerset(7)     | X                          |                    | X           | X                        | X          | X       |                   |  |                                |   |                            |
| St. Mary's      | X                          |                    | X           | X                        | X          | X       |                   |  |                                |   |                            |

|            | County License | Master Electrician License | Other Licenses (1) | Local Board | License Suspension or Revocation | Penalty Provisions | Reciprocity | Exam Required | Licensing Fees: "Masters, Exam, Application" | Insurance and/or Bond Required | Local Board Issues Permits and Inspections | Continuing Education Req'd |
|------------|----------------|----------------------------|--------------------|-------------|----------------------------------|--------------------|-------------|---------------|--|--------------------------------|--|----------------------------|
| Talbot     | X              | X                          | X                  | X           | X                                | X                  | X           | X             |  | Insurance                      |  |                            |
| Washington | X              | X                          | X                  | X           | X                                | X                  | X           | X             | \$150,\$50,--                                | Insurance                      |  |                            |
| Wicomico   | X              | X                          | X                  | X           | X                                | X                  | X           | X             | \$50,--,-                                    | Both                           |  |                            |
| Worcester  | X              | X                          | X                  | X           | X                                |                    | X           | X             | \$50,\$25,--(8)                              | Insurance                      | Permits                                    |                            |
| Maryland   |                | X                          |                    | X           | X                                |                    | X           | X             | \$25,\$40,\$20                               | Insurance                      |  |                            |

(1) "Other licenses" primarily includes "restricted" or "limited" licenses for low voltage work.

(2) Anne Arundel County also imposes a corporate fee \$100 on qualified agent license holders.

(3) The county code calls for a board but there is currently none in existence. There is also an exam requirement, but in practice licenses are given through reciprocity only.

(4) Biennial license.

(5) Journeyman license available.

(6) Only reciprocates with Anne Arundel and Howard counties for low voltage licenses.

(7) Will have a fully implemented local licensing function in place by January 2002.

(8) Licensing period is for three years.

Source: Department of Legislative Services' Review of Local Laws and Survey of Local Officials

## **Appendix 3. Members of the State Board of Master Electricians**

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### **Chairman**

James A. Johnson - Industry Member

### **Vice-Chairman**

Lawrence O. Humble - Industry Member

### **Industry Members**

Angela B. Cornish  
Joseph E. Richards  
Michael E. Sewell  
George R. Shaffer

### **Consumer Members**

Matthew B. Fraling  
Betty J. Griffin  
Maxine C. Wooleyhand

Source: State Board of Master Electricians



## Appendix 4. Draft Legislation

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Drafted by: Stacy M. Goodman

Typed by: Elizabeth

Stored - 10/30/01

Proofread by \_\_\_\_\_

Checked by \_\_\_\_\_

Bill No.: \_\_\_\_\_

Requested: \_\_\_\_\_

Committee: \_\_\_\_\_

By:

A BILL ENTITLED

AN ACT concerning

**State Board of Master Electricians - Sunset Extension and Program Evaluation**

FOR the purpose of continuing the State Board of Master Electricians in accordance with the provisions of the Maryland Program Evaluation Act (Sunset Law) by extending to a certain date the termination provisions relating to the statutory and regulatory authority of the Board; requiring applicants for a State master electrician license or renewal of a State license to report the number and jurisdiction of all other master electrician licenses held by the applicant; requiring local licensing jurisdictions to report to the State Board the initiation of disciplinary action against licensed master electricians within a certain time period; requiring the State Board to notify certain licensing jurisdictions when the State Board is notified of a disciplinary action against a master electrician holding licenses in certain jurisdictions; requiring local licensing jurisdictions to submit an annual report to the State Board on the number of complaints against master electricians in the local jurisdiction on or before a certain date; requiring that an evaluation of the State Board and the statutes and regulations that relate to the State Board be performed on or before a certain date; requiring the State Board to submit a certain report to certain committees on or before a certain date; and generally relating to the State Board of Master Electricians.

BY repealing and reenacting, with amendments,

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

|   |    |
|---|----|
| Article – Business Occupations and Professions                          | 22 |
| Section 6–305, 6–310(c), and 6–702                                      | 23 |
| Annotated Code of Maryland  | 24 |
| (2000 Replacement Volume and 2001 Supplement)                           | 25 |
| BY adding to  | 26 |
| Article – Business Occupations and Professions                          | 27 |
| Section 6–321   | 28 |
| Annotated Code of Maryland  | 29 |
| (2000 Replacement Volume and 2001 Supplement)                           | 30 |
| BY repealing and reenacting, without amendments,                        | 31 |
| Article – State Government  | 32 |
| Section 8–403(a)  | 33 |
| Annotated Code of Maryland  | 34 |
| (1999 Replacement Volume and 2001 Supplement)                           | 35 |
| BY repealing and reenacting, with amendments,                           | 36 |
| Article – State Government  | 37 |
| Section 8–403(b)(21)  | 38 |
| Annotated Code of Maryland  | 39 |
| (1999 Replacement Volume and 2001 Supplement)                           | 40 |
| SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF                     | 41 |
| MARYLAND, That the Laws of Maryland read as follows:                    | 42 |
| <b>Article – Business Occupations and Professions</b>                   | 43 |
| 6–305.  | 44 |
| An applicant for a State license shall:                                 | 45 |
| (1) submit to the State Board an application on the form that the State | 46 |

Board provides; [and] 47

(2) pay to the State Board or the State Board's designee an examination 48  
fee set by the Board in an amount not to exceed the cost of the required examination; 49  
AND 50

(3) REPORT TO THE STATE BOARD THE NUMBER AND JURISDICTION OF 51  
ALL OTHER MASTER ELECTRICIAN LICENSES HELD BY THE APPLICANT. 52

6-310. 53

(c) Before a State license expires, the State licensee periodically may renew it 54  
for an additional 2-year term, if the State licensee: 55

(1) otherwise is entitled to be licensed; 56

(2) pays to the State Board a renewal fee of \$25; [and] 57

(3) submits to the State Board a renewal application on the form that the 58  
State Board provides; AND 59

(4) REPORTS TO THE STATE BOARD THE NUMBER AND JURISDICTION OF 60  
ALL OTHER MASTER ELECTRICIAN LICENSES HELD BY THE LICENSEE. 61

6-321. 62

(A) (1) WHEN A COUNTY OR MUNICIPAL CORPORATION THAT REQUIRES A 63  
LOCAL LICENSE INITIATES A DISCIPLINARY ACTION AGAINST A LICENSED MASTER 64  
ELECTRICIAN, THE COUNTY OR MUNICIPAL CORPORATION SHALL REPORT THE 65  
DISCIPLINARY ACTION TO THE STATE BOARD WITHIN 30 DAYS OF COMMENCEMENT 66  
OF THE ACTION. 67

(2) WHEN THE STATE BOARD RECEIVES NOTICE OF A LOCAL 68  
DISCIPLINARY ACTION AGAINST A LICENSED MASTER ELECTRICIAN, THE STATE 69  
BOARD SHALL SEND WRITTEN NOTICE OF THE DISCIPLINARY ACTION TO EACH 70  
LOCAL JURISDICTION IN WHICH THE MASTER ELECTRICIAN IS LICENSED. 71

(B) EACH LOCAL LICENSING JURISDICTION SHALL SUBMIT A REPORT TO THE STATE BOARD ON THE NUMBER OF COMPLAINTS AGAINST MASTER ELECTRICIANS LICENSED IN THE LOCAL JURISDICTION ON OR BEFORE DECEMBER 1 OF EACH YEAR. 6-702.

Subject to the evaluation and reestablishment provisions of the Maryland Program Evaluation Act, this title and all regulations adopted under this title shall terminate and be of no effect after July 1, [2003] 2013.

**Article - State Government**

8-403.

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

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

(21) Electricians, State Board of Master (§ 6-201 of the Business Occupations and Professions Article: July 1, [2002] 2012);

SECTION 2. AND BE IT FURTHER ENACTED, That the State Board of Master Electricians shall report to the Senate Education, Health, and Environmental Affairs Committee and the House Economic Matters Committee on or before October 1, 2002, in accordance with § 2-1246 of the State Government Article, on the implementation of recommendations of the Department of Legislative Services contained in the sunset evaluation report dated October 2001.

SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
July 1, 2002.

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**Appendix 5. Written Comments of the  
State Board of Master Electricians**

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# DLLR

STATE OF MARYLAND

DEPARTMENT OF LABOR, LICENSING AND REGULATION

PARRIS N. GLENDENING, Governor

KATHLEEN KENNEDY TOWNSEND, Lt. Governor

JOHN P. O'CONNOR, Secretary

Division of Occupational & Professional Licensing

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October 30, 2001

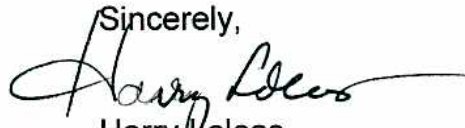
Warren G. Deschenaux, Director  
Department of Legislative Services  
Office of Policy Analysis  
90 State Circle  
Annapolis, Maryland 21401

Dear Mr. Deschenaux:

Pursuant to your request of October 12, 2001, I am taking this opportunity to provide a written response from the Department of Labor, Licensing and Regulation and the Board of Master Electricians regarding the draft sunset report forwarded to us for review and comment. As requested we have advised Christine Anderson of any factual corrections to the draft. Our comments are referenced by recommendation number.

The Department appreciates the professional manner in which David Smulski and Jim Gilchrist conducted the review. Please feel free to contact me if you have any questions or concerns regarding our response.

Sincerely,

  
Harry Coleas  
Deputy Commissioner

cc: John P. O'Connor, Secretary  
Mark Feinroth, Assistant Secretary  
John Jefferies, Assistant Secretary  
Ileana O'Brien, Chief of Staff  
Karen Napolitano, Legislative Liaison  
Chairman and Members of the Board of Master Electricians  
Charles Kazlo, Executive Director

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## Comments of the Department of Labor, Licensing and Regulation and the Board of Master Electricians Concerning the Sunset Evaluation Report of the Board of Master Electricians

1. **The General Assembly should extend the termination date of the State Board of Master Electricians to July 1, 2013. Additionally, uncodified language should be adopted requiring the board to report to the Senate Education, Health, and Environmental Affairs and House Economic Matters Committees on or before October 1, 2002, on the implementation status of non-statutory recommendations made by the Department of Legislative Services that are adopted by the committees.**
  - Both the Department and the Board support the ten-year extension of the termination date of the Board of Master Electricians and would be pleased to report to the General Assembly on any non-statutory recommendations that are adopted.
  
2. **The State Board of Master Electricians should do a better job of monitoring county licensure activities, and if necessary and appropriate, encourage counties to cooperate with each other to keep differences on the regulations of electricians to a minimum.**
  - The Department and the Board will increase the monitoring of County licensing activities and be more pro-active in encouraging inter-county cooperation to keep regulatory differences to a minimum. The Department would observe based on experience, that a strictly "bully pulpit" approach may be of limited value in achieving the desired level of cooperation. If the General Assembly supports this recommendation, the Department recommends that the Board file an annual report to the General Assembly outlining its efforts and activities in the area of inter county cooperation. Knowledge that a report will ultimately be filed with the legislature would provide some incentive for cooperation.
  
3. **The General Assembly should require the State Board of Master Electricians to serve as a central responsitory on disciplinary actions taken against electricians at the State and local levels. Each jurisdiction that licenses electricians should be required to report to the State Board of Master Electricians: (1) all disciplinary actions taken against licensed electricians, to be reported within 30 days of the action; and (2) the total number of complaints against master electricians in the jurisdiction on an annual basis.**

**As a condition of obtaining or renewing a State license, master electricians should be required to report the number and location of all other master electricians licenses held. When the State Board of Master Electricians receives notification of a local disciplinary action against a master electricians, the board should be required to inform other jurisdiction, within 30 days, which the electrician is also known to be licensed.**

- The Department and the Board have no objection to the Board serving as a central repository for disciplinary information and complaint statistics from the counties. The Department would recommend an alternate approach to the dissemination of information to the counties in lieu of the suggestion that the State collect data on local licensure at the time of renewal. Such data collection would have a cost associated with it and place a burden on the Board's limited staff. Given the volume

of disciplinary action, the Board could collect it and post it on the Internet on an ongoing basis so that it would be available to all local jurisdictions, not just the ones where the disciplined licensee held a license. A revoked licensee could apply to take a licensing examination in any county where not currently licensed and fail to disclose such information. Making the disciplinary roster generally available would allow counties to check for such individuals. Printed rosters could also be sent out periodically to any county Board that is not web enabled.

4. **DLLR should continue to work with the General Assembly to address the budgetary problems of the State Board of Master Electricians and similarly affected boards, taking into account the Office of Legislative Audits' recommendations on allocation of indirect costs.**
  - The Department expects to continue working with the two pertinent budget subcommittees and well as the Senate Committee on Education, Health and Environmental Affairs and the House Committee on Economic Matters in an effort to achieve an operational consensus on budgetary, cost and fee issues which pertain to the occupational and professional Boards and Commissions.

