

December 16, 2013

The Honorable Joan Carter Conway, Chair Senate Education, Health, and Environmental Affairs Committee Miller Senate Office Building, 2 West Wing 11 Bladen St. Annapolis, MD 21401

The Honorable Dereck E. Davis, Chairman House Economic Matters Committee House Office Building, Room 231 6 Bladen St. Annapolis, MD 21401

Dear Chair Conway and Chairman Davis:

I herewith transmit on behalf of the Secretary of the Department of Labor, Licensing and Regulation and the Division of Occupational and Professional Licensing, the following report as required by Chapters 551 and 552 of 2009 relating to the Maryland Locksmiths Act.

Should you or any of your committee members have questions or concerns regarding this report, please do not hesitate to contact me by telephone at (410) 230-6225 or by e-mail at <u>mvorgetts@dllr.state.md.us</u>.

Sincerely,

Michael Vorgetts Acting Commissioner

cc: Leonard J. Howie III, Secretary Jay Hutchins, Senior Advisor and Director of Government Affairs Donni M. Turner, Director of Policy Sara Fidler, Committee Analyst Laura Atas, Committee Analyst

PHONE: 410-230-6221 • EMAIL: dirvin@dllr.state.md.us • INTERNET: www.dllr.maryland.gov

## FOLLOW-UP REPORT TO THE SENATE EDUCATION, HEALTH AND ENVIRONMENTAL AFFAIRS COMMITTEE AND THE HOUSE ECONOMIC MATTERS COMMITTEE

Uncodified language included in Chapters 551 and 552 of 2009 require the Secretary of Labor, Licensing, and Regulation to report to the Senate Education, Health, and Environmental Affairs Committee and the House Economic Matters Committee to address several issues related to the State's locksmith licensing program and the Maryland Locksmith Act. Specifically, Chapters 551 and 552 require the Secretary to address the following issues: (1) the number and nature of complaints submitted to the Department of Labor, Licensing, and Regulation regarding locksmiths and locksmith services; and (2) whether additional competency–based credentials for locksmiths are necessary for the protection and safety of the public.

The Department has submitted the following comments regarding the issues raised in Chapters 551 and 552:

## 1. Number and nature of complaints received.

The Department has received six complaints filed by consumers related to locksmiths since Chapters 551 and 552 took effect on October 1, 2009. All of these complaints have been investigated and closed. Two of the cases resulted in the filing of criminal charges against individuals who were providing locksmith services without a license.

In general, the complaints filed with the Department have alleged fraudulent activity on the part of unlicensed locksmiths. A typical complaint involves a homeowner being quoted a certain price over the phone (usually less than \$50.00) and subsequently being charged a significantly higher price – with limited explanation – once the work is completed.

It should be noted that, due to cost containment measures, the Department did not begin issuing locksmith licenses until January 1, 2013. Each of the six complaints were filed in calendar 2013.

## 2. Necessity of additional competency-based credentials.

The Department recommends that no additional competency-based credentials be required of applicants for licensure at this time. The Department advises that the regulatory focus of the locksmith licensing program should be addressing the prevalence of unlicensed practice in this industry. Although the Department has taken numerous measures to inform the industry, and public at large, of the licensing requirements (*e.g.*, presenting at trade shows, addressing industry groups, website and social media postings, etc.), many individuals who operate in this industry may still be unaware of the licensing requirements. The Department advises that the barrier to entry should remain low to encourage well-meaning industry participants to obtain licensure. To protect the public from any individuals who attempt to practice without a license, the Department will continue to work with the State Police, local law enforcement, and the Consumer Protection Division of the Attorney General's Office to ensure the vigorous enforcement of our laws.