



# Maryland

## Department of the Environment

Larry Hogan, Governor  
Boyd K. Rutherford, Lt. Governor

Ben Grumbles, Secretary  
Horacio Tablada, Deputy Secretary

March 31, 2021

The Honorable Shane E. Pendergrass, Chair  
Health and Government Operations Committee  
Room 241  
House Office Building  
Annapolis, Maryland 21401

### **Re: SB 106- Licensing – Good Standing With the State Department of Assessments and Taxation – Requirement**

Dear Chair Pendergrass and Members of the Committee:

The Maryland Department of the Environment (MDE or the Department) has reviewed SB 106- *Licensing – Good Standing With the State Department of Assessments and Taxation – Requirement*. The Department is supporting the bill as favorable with amendments. MDE's amendments are attached below.

MDE has concerns with the current language of SB 106 and has been working with the State Department of Assessments and Taxation (SDAT) to find a way to remedy these concerns. These concerns will be addressed by the amendments below.

This bill would add a new requirement to section 1-203 of the Environment Article. As section 1-203 is a general provision of the Environment Article, this new requirement would apply to all licenses and permits issued by MDE. Specifically, before any license or permit of an entity may be renewed, the Department would have to verify through SDAT that the applicant is in good standing with that Department.

The bill, as currently drafted, requires that if the applicant is “a person required to file an annual report under § 11–101 of the tax – property article, verify through the State Department of Assessments and Taxation that the applicant is in good standing with that Department.” The Department has concerns with this wording. As the word “person” is now used and there is no exemption from section 11–101(a)(3) of the Tax – Property Article, MDE is concerned that this provision could be interpreted to apply to individuals as well.

Section 11–101(a)(1) and (a)(2) of the Tax – Property Article refer to various types of business entities and foreign corporations; however, section 11–101(a)(3) refers to a person who “owns or during the preceding calendar year owned property that is subject to property tax.” Therefore, as SDAT's original intent was to only have the bill apply to an “entity” ... “and not a natural person”; it should be clarified that section 11–101(a)(3) is not applicable for the purpose of defining an “entity” that would fall under the new requirements of this bill.

If the bill moves forward in its current form, and could be interpreted to apply to section 11–101(a)(3) of the Tax – Property Article, that would mean that MDE would have to check thousands more licenses that are not currently included in the required check that is run for the Comptroller's Office. That would result in an operational impact for MDE to gather and check that additional information from roughly 5,000 individual

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license holders including various self-employed contractors and inspectors, such as asbestos workers and inspectors of various facilities that use radiation equipment. Not only would this be a significant operational impact on MDE to perform this check on these contractors, it would also be extremely difficult to implement logistically.

Thank you for your consideration. We will continue to monitor, SB 106- *Licensing – Good Standing With the State Department of Assessments and Taxation – Requirement*. and I am available to answer any questions you may have. Please feel free to contact me at 410-260-6301 or tyler.abbott@maryland.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Tyler Abbott", with a long horizontal line extending to the left.

Tyler Abbott

cc: George "Tad" Aburn, Director, Air and Radiation Administration

**MDE Amendments to SB 106**

On page 4, in lines 12 and 13, strike "**A PERSON**" and substitute "**AN ENTITY**"; in line 13 after "**§11-101**" insert "**(A)(1) OR (A)(2)**".