



MARINE CONTRACTORS LICENSING BOARD

c/o Maryland Department of the Environment

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MARINE CONTRACTORS LICENSING BOARD

DRAFT Meeting Minutes – March 10, 2025

Location: Virtual via Google Meet

BOARD MEMBERS PRESENT

Milton Rehbein, Chairman, Northern MD Rep
 Tammy Roberson, MDE Rep
 Bob Murtha, Southern MD Rep
 Daniel Lerian, Eastern Shore Rep.
 Donna An, At Large Rep

OTHERS PRESENT

Matthew Standeven, Board Counsel
 Mike Eisner, Board Administrator
 Brandon Weems, Director/President of the
 MD Marine Contractors Ass. (MMCA)
 Jane Sinclair, MD Dept of Labor
 Laura Exar, DNR/NOAA

CALL TO ORDER

The meeting was called to order by the Board's Chairman at 10:05 am. Five Board members as well as the Board Counsel, Board Administrator and Brandon Weems of the Maryland Marine Contractors Association (MMCA) were in attendance. In addition, guest speakers Jane Sinclair of Maryland Department of Labor and Laura Exar, a Coastal Management Fellow with DNR/NOAA were present for a guest presentation.

AGENDA REVIEW

The Board reviewed and approved the agenda for the meeting which included: a review and approval of minutes from the Board's December 9, 2024 meeting, a presentation on Apprenticeship opportunities by Jane Sinclair and Laura Exar, an update by the Board's Administrator of licensing activities including license Category activity and finances, a discussion of licensing and late fees, a discussion of license Category approval, an update on Board required ethics reporting, and other new business requested by Board members.

REVIEW OF PRIOR MEETING MINUTES

Board Members approved the minutes from the December 9, 2024 Board meeting.

The Board approved the meeting Agenda and then the guest speakers were introduced: Jane Sinclair from Maryland's Department of Labor and Laura Exar, a Coastal Management Fellow with DNR/NOAA.

GUEST PRESENTATION

The Board Administrator provided information on prior discussions regarding potential funding for apprenticeship training in the marine contracting industry. The Board Chairman, MDE Representative and Board Administrator had met virtually with Catherine McCall at DNR and Kip Snow from the Community College of Baltimore County (CCBC). The Board Administrator had reached out to Mr. Snow to participate in this discussion. He handles apprenticeships in transportation and marine logistics at CCBC. It sounded promising, but nothing came of it until recently, when Catherine Ms. McCall reached out again. Ms. Sinclair and Ms. Exar are here to restart that conversation.

Guest speakers Jane Sinclair and Laura Exar shared information on possibilities to create a registered apprenticeship program for marine contractors in Maryland. They emphasized the rising demand for living shoreline and coastal restoration projects across Maryland and shared that apprenticeships could provide a structured pathway for students and adults seeking careers in this field. Ms. Sinclair highlighted how apprenticeships are being expanded beyond traditional trades to include new industries, offering tax incentives, wage growth, and improved retention for participating employers.

The discussion focused on the structure of registered apprenticeships. It was emphasized that apprenticeships must be industry-led, with apprentices employed as W-2 workers, earning full-time wages, and completing 2,000 hours of work annually. In addition, apprentices must receive at least 144 hours of related instruction per year, provided through colleges, associations, or in-house programs. Ms. Sinclair shared that many programs are delivered online now.

Board members inquired about curriculum development. Ms. Sinclair explained that if no curriculum existed, it would be developed in partnership with contractors and vetted by both industry experts and educational institutions. Ms. Sinclair shared that if the curriculum didn't exist, the Maryland Department of Labor could help with this. It would be developed with input from marine contractors. Once drafted, it could be reviewed by industry experts and would need approval by the Department of Labor.

Two models were described. Apprenticeships can be structured as individual programs (run by an employer) or as group programs (run by an industry association or a community college). Group programs have the advantage of allowing multiple employers to participate and offering apprentices broader training.

Ms. Sinclair also introduced Maryland's Youth Apprenticeship Program which allows high school students (minimum age 16) to complete 450 hours of work experience. This is supported by a one-credit course and employer sponsorship. Employers can evaluate students during this period and also potentially hire them as apprentices after graduation.

In addition, Maryland offers tax credits of up to \$15,000 per employer (\$3,000 per apprentice). There is also Maryland Business Works which may provide additional funding pending legislative approval.

It was asked, since a marine contracting apprenticeship program would be starting from scratch, how would we define the credentials of journeymen? It was shared that marine contractor skills are highly specialized and developed over years of on-the-job training. Suggestions included: 1) senior marine contractors could serve as journey workers, training new apprentices while setting competency standards, 2) the program could break down marine contracting into components such as pile driving, crane operation, heavy timber construction, safety training, and related skills, and 3) a standardized curriculum would be important to ensure consistency across employers and give apprentices portable, recognized credentials. As context, Board members shared that state law requires two years of marine contractor experience, reflecting the time needed to master the required skills.

The logistics and costs of apprenticeship training were discussed. Members considered whether community colleges could host courses and what financial commitments would be required from contractors. It was suggested that costs could vary but may be waived if classes reach a minimum enrollment of 15–20 students. For youth apprenticeships, the only cost is wages, with no benefits required.

Concerns were raised about how well formal classes fit the workforce, as many experienced contractors on the Eastern Shore built their expertise through hands-on training rather than academic courses. Participants emphasized the need to blend practical skill development with structured instruction to improve workforce quality while respecting traditional learning paths.

Board members agreed that smaller contractors may have significant challenges to hosting apprentices due to resource limitations. A suggested possible solution would involve rotating apprentices among multiple companies so they could gain diverse experience while easing the burden on small firms.

Concern is that the needed academic course availability is limited in some Maryland counties. It was asked; could colleges allow enrollment across county lines at reasonable rates? It was shared that Community colleges already allow cross-county enrollment in some cases. Further expanding this could strengthen program access by increasing participation across counties where class sizes are too small to sustain unique course programs. It was suggested that online courses may also help particularly in the ‘down season’ when contractors have less work. This could allow for intensive training blocks.

The board expressed gratitude for Ms. Sinclair and Ms. Exar’s time and looked forward to further collaboration.

OLD BUSINESS

Board Activities and Financial/Budget Report

Licensing Activities: In 2024 there were 93 licenses up for renewal that have an expiration date of December 31, 2024. To date, 79 licenses have been renewed - with categories. Twenty-two of these have been approved for Category 1, 42 for Category 2, 9 for Category 3 and 6 for Category 4. Nine contractors who did not respond will be sent letters notifying them of their license expiration, stating potential penalties for doing marine contractor work without a license.

We continue to receive about 1-2 new license applications per month. Testing for new license applicants continues to be virtual. The test is emailed to the applicant on the day and at the time requested. They then have 24 hours to email their exam back to the Board's Administrator.

Board Finances:

The Board's Administrator shared information on Board finances through the end of February 2024. Fiscal year 2025, which began July 1, 2024, had a beginning fund balance of \$114,233. Revenues from licensing fees were \$61,050. Expenditures included, \$33,201 for Board fees (which includes the Administrator's salary - 20 hrs/wk), \$9,041 for legal services, and \$7,254 17.17% indirect costs. There is also \$1,411 for the Board's maintenance costs which includes managing the Board's two online training courses. There is also a FY25 \$5,000 allocation which has not been used. The fund balance as of the end of February was \$124,376. The Administrator stated that the Board finances are improving. This is essentially because legal fees have decreased since our regulations became effective, and the majority of legal support needed for the ongoing Gene Benton/Encompass Enterprises litigation has been completed.

License and Late Fees:

The discussion moved to license fees and late penalties. Members considered whether fees should vary by license category or fees raised for the new license application process. Currently, the \$75 fee covers the exam and cost for the manual. Some members suggested moving the manual online, possibly using MES funding, to reduce printing costs and improve accessibility. Limited physical copies could remain for contractors without internet access.

It was agreed to maintain the current fee structure through the following year, given current economic stress in the industry. In addition, fees for different categories will be revisited once all current license holders have renewed their license and are assigned to a specific license category.

On late fees, members noted that license renewals often require repeated reminders and consume staff resources. It was pointed out that several agencies, such as MHIC and DMV, operate on a stricter basis – once the license holder is informed that it is time for their license renewal, the responsibility falls to the licensee for renewing their license. The board considered adopting a similar approach: one or two notices, after which licenses would lapse and require retesting or reapplication. This would reduce administrative burden and reinforce contractor responsibility.

Concerns were stated that excessive reminders encourage contractor complacency. Members agreed stricter deadlines and clearer enforcement may be necessary, though no final decision was reached. Discussion included the problem of contractors submitting payment without completing insurance or training requirements. The unreliability of U.S. mail was noted as a complicating factor.

The board received an update that an online application portal is scheduled to launch in November. This is planned to allow online submission of application and payment and ideally submitted and processed together. Later phases will fully digitize application forms. While mailed applications may still be accepted during a transition period, the board agreed the goal is to make online submission the standard practice.

On late fees, members debated whether they were authorized under current statute. Since fees are defined as cost-recovery rather than punitive, the board leaned toward non-punitive approaches such as early-payment discounts instead of penalties. A final decision was deferred until after all contractors complete their category assignments at the end of the year.

An April 1 ethics reporting deadline was announced, with reminders for all members to comply.

NEW BUSINESS

There was no new business on the agenda. The Board Chairman opened the meeting to new business requested by meeting attendees. Brandon Weems of the Maryland Marine Contractors Association (MMCA) reported that a MMCA member lost a job to an unlicensed operator and expressed frustration over the apparent lack of accountability. He stated that the marine contractor licensure program must have consequences, otherwise contractors will continue bypassing regulations. He believes that retroactive license approvals undermine enforcement and fail to deter violations.

The board acknowledged that most past unlicensed cases resolved with contractors eventually registering, but that few recent precedents exist. MDE Enforcement staff usually order unlicensed contractors to stop work and seek licensure, but in practice most jobs are already complete by the time complaints arise. Gathering proof from property owners remains a major obstacle, which often leads to enforcement actions against homeowners instead of contractors.

Board members agreed this dynamic creates unfair competition for licensed contractors and undermines the integrity of the licensing system. Discussion was about whether stronger measures should be implemented, including stricter penalties for unlicensed activity and better documentation practices to ensure accountability. The problem was noted to be particularly prevalent in shoreline and planting projects, where unlicensed operators persuade property owners to proceed without permits. A Board member did describe losing work to an unlicensed planter. Board members agreed on the need for a clear enforcement system with transparent procedures and consequences.

The MDE Board Representative shared that MDE enforcement often targets homeowners because MDE Tidal Wetlands permits are issued to the homeowner and timely evidence is difficult to secure against unlicensed contractors. MDE Compliance response time to a complaint vary depending on staffing capacity and the severity of the alleged complaint. With this, site visits may take from days to a week.

It was noted that while compliance reviews have taken place at the end of the year when 80 – 90 licenses are up for renewal, which has resulted in identify compliance issues of licensed contractors, the Board has not systematically tracked enforcement actions involving unlicensed contractors.

The Board's Counsel shared the limits of Board authority. The Board may deny applications or revoke licenses based on past violations, but broader enforcement falls to MDE Compliance staff and the Attorney General's Environmental Crimes Unit. It was stated that homeowner and contractor cooperation is vital to effective enforcement.

It was suggested that better education for property owners on licensing requirements could help homeowners when comparing bids. The Board discussed whether coordination with State permit processes could provide another safeguard against unlicensed work.

The board discussed gaps in enforcing marine contractor licensing requirements. Members observed that unlike MHIC licensing, which is widely known and backed by a guarantee fund, the marine contractor program lacks comparable homeowner protection. Because MDE's Compliance staff cannot enforce all cases, some 'bad actors' do unfortunately avoid accountability.

One suggestion was for the board to send warning letters to unlicensed contractors, which is legally permissible even if contractors are not required to respond. Members agreed this could at least put violators on notice. Mr. Weems stated his concern is accountability - that without regular compliance reporting, contractors with histories of unlicensed work could later apply for and receive licenses, as long as their applications otherwise appear complete. He stated this undermines fairness for licensed contractors. The Board's Administrator currently requests annual enforcement summaries. However, there are no systematic reports about rogue contractors. Improved coordination with MDE Compliance was recommended.

There was more discussion of shoreline planting work. It was stated that the original intent behind creating Category 4 'Incidental Marine Contractor Services' to enable licensure for landscapers performing wetlands planting. It was confirmed that at least one Category 4 license with a wetlands-planting specialty has been issued.

Subcontractor requirements were discussed. It was stated that even when working under a licensed marine contractor, subcontractors performing shoreline planting or other marine contractor work must be licensed individually or be a 'W-2' employee of a licensed marine contractor. Clarification was provided that a company's license covers its W-2 employees only. Independent '1099' contractors performing planting or similar work must hold their own marine contractor license.

This discussion returned to gaps in coordination with the Compliance program. Emphasized was the need for verified evidence before taking any enforcement or punitive action. As an initial step, the Board's MDE Representative agreed to the need to develop a formal standard operating procedure (SOP) that defines communication channels, roles, and responsibilities between the Board and MDE's Compliance staff. It was acknowledged that this wouldn't solve everything, but an established SOP will certainly improve coordination between the Board and MDE. This SOP would go beyond the current annual outreach to Compliance during renewals and could be expanded to get routine updates on unlicensed contractor activity. This could help identify 'bad actors' and promote a level playing field for licensed contractors.

Members emphasized that licensure imposes real costs via permits, fees, and continuing education that unlicensed operators avoid, creating an uneven playing field. The issue was framed as central to contractor confidence: if licensing does not carry weight, compliant businesses may question its value.

Discussion moved to category classifications. Board members stated that ambiguities remain regarding whether contractors performing only specific tasks, such as pier building, fall into Category 2 'Residential & Commercial Marine Construction' or Category 3 'Limited Marine Construction.' Some members believe that Category 2 should include contractors handling both piers and bulkheads, while those limited to revetments may belong in Category Three.

It was stated that smaller contractors often take mixed jobs. The example given was a contractor doing a Living Shorelines project and then being asked by the homeowner to fix pilings on an existing pier. Under current Categories, a contractor can't do the extra pier work unless they hold a Category 2 license. It was shared that this limits flexibility and may disadvantage legitimate operators. Data from renewals to date show that most contractors were classified as Category 2. The Board agreed that consistency and fairness in assigning Categories is essential. Without clear standards - similarly situated contractors risk receiving different classifications, leading to disputes and undermining trust in the system. It was stated that application reviews for Categories have generally been thoughtful and consistent.

The Board's Administrator reminded the Board of Attachment 2 of the renewal application. These are suggestions for optional information a contractor can submit to support their Category selection. This includes details such as equipment the company owns, how many crews they can field, and years in business. It was suggested that this information may inform decisions when applicants are on the borderline. Members noted that extensive business experience, years in operation, should weigh in favor of higher categorization. The meeting concluded with agreement to revisit this issue in a future session

No other new business was brought up.

ADJOURNMENT

The Board voted and approved adjournment at 12:09 pm. The next monthly Board meeting is scheduled for April 14, 2025 at 10 AM and will be Virtual.