

Chapter 395

(House Bill 197)

AN ACT concerning

State Board of Barbers and State Board of Cosmetologists – Sunset Extension and Revisions

FOR the purpose of continuing the State Board of Barbers and the State Board of Cosmetologists (boards) 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 boards; ~~altering the membership composition of the boards; prohibiting the boards from setting certain fees that exceed a certain amount;~~ requiring the boards to adopt certain regulations regarding certain curriculum standards; altering the requirements for the renewal of certain licenses issued by the boards; repealing a requirement that certain complaints be signed by a complainant; requiring certain complaints to contain certain information; altering the procedures for the inspection of certain barbershops, beauty salons, and cosmetology schools; providing that an individual may renew a certain apprentice registration one time; repealing the requirement that certain apprentice barbers take a certain examination at a certain time and authorizing the renewal of a certain apprentice registration based on the failure of a certain examination; requiring the State Board of Cosmetologists to reimburse certain inspectors for certain expenses under the Standard State Travel Regulations; authorizing the State Board of Cosmetologists to set certain licensing fees; ~~requiring the boards to pay certain fees to the State Comptroller; requiring the Comptroller to distribute certain fees into a certain fund; requiring the boards to pay certain fines into the General Fund of the State; establishing a State Barbers and Cosmetologists Boards' Fund as a special, nonlapsing fund in the Department of Labor, Licensing, and Regulation; requiring the Fund be used for certain purposes; providing for the administration of, auditing of, and distribution of money from the Fund;~~ requiring the boards to submit certain reports to certain committees of the General Assembly on or before certain dates; requiring the boards to ensure that certain license or license renewal expiration dates set by the boards do not terminate a license term before a certain period of time; defining certain terms; making certain stylistic and technical changes; ~~providing for a delayed effective date for certain provisions of this Act;~~ and generally relating to the authority of the State Board of Barbers and the State Board of Cosmetologists.

BY repealing and reenacting, with amendments,
Article – Business Occupations and Professions

Section ~~4-202(a)~~, 4-206, ~~4-207~~, 4-310, 4-314(d), 4-405, 4-511(a) and (e),
4-512, 4-702, ~~5-202(a)~~, 5-205, ~~5-208~~, 5-311, 5-314(c), 5-405, 5-509(d),
5-520, and 5-702

Annotated Code of Maryland
(2004 Replacement Volume and 2009 Supplement)

BY repealing and reenacting, without amendments,
Article – Business Occupations and Professions
Section 4-314(c) and 5-509(a)
Annotated Code of Maryland
(2004 Replacement Volume and 2009 Supplement)

BY repealing and reenacting, without amendments,
Article – State Government
Section 8-403(a)
Annotated Code of Maryland
(2009 Replacement Volume)

BY repealing and reenacting, with amendments,
Article – State Government
Section 8-403(b)(9) and (14)
Annotated Code of Maryland
(2009 Replacement Volume)

~~BY adding to~~
~~Article – Business Regulation~~
~~Section 2-106.7 and 2-106.8~~
~~Annotated Code of Maryland~~
~~(2004 Replacement Volume and 2009 Supplement)~~

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

Article – Business Occupations and Professions

~~4-202.~~

- (a) (1) ~~The Board consists of 7 members.~~
- (2) ~~Of the 7 members of the Board:~~
- (i) ~~[5] 6 shall be master barbers; and~~
- (ii) ~~[2] 1 shall be A consumer [members] MEMBER.~~

~~(3) The Governor shall appoint the members with the advice of the Secretary.~~

4-206.

(a) (1) In addition to any powers set forth elsewhere, the Board may adopt any regulation to carry out this title.

(2) (i) The Board shall establish reasonable fees for examinations, licensing, licensing renewal, reinstatement, certification, applications, preopening inspections, per diem fees for Board members, compensation for inspectors appointed by the Board, and any other service performed by the Board necessary to carry out the provisions of this title.

(ii) **1.** Except for examination fees which the Board shall establish in amounts not to exceed the costs of the required examinations **AND SUBJECT TO SUBSUBPARAGRAPH 2 OF THIS SUBPARAGRAPH**, the fees established by the Board shall be set in a manner that will produce funds sufficient to cover the actual direct and indirect costs of regulating the barber industry in this State in accordance with the provisions of this title.

2. THE BOARD MAY NOT SET FEES FOR LICENSING AND LICENSE RENEWALS THAT EXCEED \$50.

(iii) The total cost of regulating the barber industry in this State in accordance with the provisions of this title may not be more than the revenues generated by the fees established under subparagraph (i) of this paragraph.

(B) (1) THE BOARD SHALL ADOPT REGULATIONS THAT ESTABLISH DETAILED CURRICULUM STANDARDS FOR USE BY THE STATE BOARD OF EDUCATION OR THE MARYLAND HIGHER EDUCATION COMMISSION IN APPROVING APPLICATIONS FOR INSTRUCTION IN THE PRACTICE OF BARBERING AT PUBLIC SCHOOLS OR PRIVATE CAREER SCHOOLS.

(2) THE CURRICULUM STANDARDS ESTABLISHED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL:

(I) INCORPORATE MODERN METHODS AND PRACTICES OF BARBERING;

(II) INCLUDE A REFERENCE TO EACH TOPIC AND THE EMPHASIS OF EACH TOPIC REQUIRED OF A COMPREHENSIVE BARBERING CURRICULUM; AND

(III) BE REVIEWED AND UPDATED PERIODICALLY AS DETERMINED BY THE BOARD.

[(b)] (C) In addition to any duties set forth elsewhere, the Board shall administer and enforce this title.

4-310.

(A) THE INITIAL TERM OF A LICENSE IS 2 YEARS.

[(a)] (B) [Unless a] **A license EXPIRES ON THE DATE SET BY THE BOARD UNLESS THE LICENSE** is renewed for [a 2-year] **AN ADDITIONAL** term as provided in this section[, the license expires on the first May 31 that comes:

- (1) after the effective date of the license; and
- (2) in an odd-numbered year].

[(b)] (C) At least 1 month before a license expires, the Board shall mail to the licensee, at the last known address of the licensee:

- (1) a renewal application form; and
- (2) a notice that states:
 - (i) the date on which the current license expires;
 - (ii) the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the license expires; and
 - (iii) the amount of the renewal fee.

[(c)] (D) Before a license expires, the licensee periodically may renew it for an additional 2-year term, if the licensee:

- (1) otherwise is entitled to be licensed;
- (2) pays to the Board a renewal fee established by the Board in accordance with § 4-206 of this title; and
- (3) submits to the Board a renewal application on the form that the Board provides.

[(d)] (E) The Board shall renew the license of and issue a renewal certificate to each licensee who meets the requirements of this section.

[(e) The Secretary may determine that master barber licenses issued under this subtitle shall expire on a staggered basis.]

4-314.

(c) The Board shall commence proceedings under this section on a complaint to the Board by a member of the Board or any person.

(d) (1) A complaint shall:

(i) be in writing;

(ii) [be signed by the complainant] **INCLUDE THE NAME AND NECESSARY CONTACT INFORMATION OF THE INDIVIDUAL FILING THE COMPLAINT, AS DETERMINED BY THE BOARD;**

(iii) state specifically the facts on which the complaint is based;

(iv) be submitted to the Executive Director of the Board; and

(v) be served on the person to whom it is directed:

1. personally; or

2. by certified mail, return receipt requested, bearing a postmark from the United States Postal Service, to the person's last known address as shown on the Board's records.

(2) If service is made by certified mail, the person who mails the document shall file with the Board verified proof of mailing.

(3) If a complaint is made by any person other than a member of the Board, the complaint shall be made under oath by the person who submits the complaint.

4-405.

(a) (1) The initial term of registration as an apprentice barber is 2 years.

(2) [Before the initial term of registration as an apprentice barber expires, the apprentice barber shall take the journey barber examination.

(3) If an apprentice barber fails the journey barber examination, the] **AN** apprentice barber may renew the apprentice barber registration [1] **ONE** time [with the approval of the Board].

(b) The [1 time] **ONE-TIME** renewal of an apprentice barber registration [is effective until the first May 31 that comes:

- (1) after the first renewal is issued; and
- (2) in an odd-numbered year] **EXPIRES ON THE DATE SET BY THE**

BOARD.

(c) At least 1 month before registration as an apprentice barber expires, the Board shall mail to the apprentice barber, at the last known address of the apprentice barber:

- (1) a renewal application form; and
- (2) a notice that states:
 - (i) the date on which the current registration as an apprentice barber expires;
 - (ii) the date by which the Board must receive the renewal application for the renewal to be approved, issued, and mailed before the registration expires; and
 - (iii) the amount of the renewal fee.

(D) BEFORE THE REGISTRATION OF AN INDIVIDUAL EXPIRES, THE INDIVIDUAL MAY RENEW IT FOR AN ADDITIONAL TERM IF THE INDIVIDUAL:

- (1) OTHERWISE IS ENTITLED TO BE REGISTERED;**
- (2) PAYS TO THE BOARD A RENEWAL FEE ESTABLISHED BY THE BOARD IN ACCORDANCE WITH § 4-206 OF THIS TITLE; AND**
- (3) SUBMITS TO THE BOARD A RENEWAL APPLICATION ON THE FORM THAT THE BOARD PROVIDES.**

[(d)] (E) The Board shall renew the apprentice barber registration of and issue a renewal certificate to each apprentice barber who meets the requirements of this section.

[(e)] The Board may determine that apprentice barber licenses issued under this subtitle shall expire on a staggered basis.]

(a) The Board may adopt regulations to ensure that each barber school approved by the State [Department] **BOARD** of Education or the Maryland Higher Education Commission is operated in a sanitary manner.

(e) (1) A complaint shall:

(i) be in writing;

(ii) [be signed by the complainant] **INCLUDE THE NAME AND NECESSARY CONTACT INFORMATION OF THE INDIVIDUAL FILING THE COMPLAINT, AS DETERMINED BY THE BOARD;**

(iii) state specifically the facts on which the complaint is based;

(iv) be submitted to the Executive Director of the Board; and

(v) be served on the person to whom it is directed:

1. personally; or

2. by certified mail, return receipt requested, bearing a postmark from the United States Postal Service, to the person's last known address as shown on the Board's records.

(2) If service is made by certified mail, the person who mails the document shall file with the Board verified proof of mailing.

(3) If a complaint is made by any person other than a member of the Board, the complaint shall be made under oath by the person who submits the complaint.

4-512.

(a) (1) With the approval of the Secretary, the Board may appoint inspectors to conduct inspections.

(2) An inspector serves at the pleasure of the Board.

(3) Subject to the State budget, each inspector is entitled to:

(i) reasonable compensation as determined by the Board for each day on which the inspector is engaged in the duties of the inspector's appointment; and

(ii) reimbursement for expenses under the Standard State Travel Regulations.

(b) (1) THE BOARD SHALL INSPECT BARBERSHOPS.

[(1)] (2) The Board or an inspector shall inspect each barbershop before **[it] THE BARBERSHOP:**

- (i) initially opens for business;
- (ii) opens for business at a new location; or
- (iii) continues business under a new owner.

[(2)] (3) A barbershop that remodels and reopens with the same owner is not subject to the inspection requirement of this subsection.

(c) (1) The Board or an inspector may enter and inspect a **[barbershop or] barber school APPROVED BY THE STATE BOARD OF EDUCATION OR THE MARYLAND HIGHER EDUCATION COMMISSION** at any time during business hours to determine the sanitary condition of the **[barbershop or] barber school**.

(2) If, during an inspection of a **[barbershop or] barber school**, an inspector finds an unsanitary condition, the inspector promptly shall report the condition to the Board.

(D) (1) A BARBERSHOP SHALL ALLOW AN INSPECTOR, ON PRESENTATION OF CREDENTIALS, TO ENTER AND INSPECT THE FACILITY AT ANY TIME DURING BUSINESS HOURS.

(2) DURING INSPECTION OF A BARBERSHOP, THE OWNER, LESSEE, OR MANAGER OF THE BARBERSHOP SHALL ACCOMPANY THE INSPECTOR.

(E) (1) AN INSPECTOR SHALL MAKE AN INSPECTION REPORT AFTER AN INSPECTION AND GIVE A COPY TO THE INDIVIDUAL WHO ACCOMPANIED THE INSPECTOR DURING THE INSPECTION.

(2) THE INDIVIDUAL SHALL SIGN THE INSPECTION REPORT FOR THE BARBERSHOP TO ACKNOWLEDGE RECEIPT OF A COPY OF THE REPORT.

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, [2011] **2021**.

~~5-202.~~

- (a) ~~(1) The Board consists of seven members.~~
- ~~(2) Of the seven members of the Board:~~
- ~~(i) [four] FIVE shall be licensed cosmetologists;~~
- ~~(ii) one shall be affiliated with a private cosmetology school as an educator or owner; and~~
- ~~(iii) [two] ONE shall be A consumer [members] MEMBER.~~
- ~~(3) The Governor shall appoint the members with the advice of the Secretary.~~

5-205.

- (a) In addition to any duties set forth elsewhere, the Board shall adopt:
- (1) bylaws for the conduct of its proceedings;
- (2) regulations for qualification and examination of applicants for licenses, registration, and permits and issuance of licenses, certificates of registration, and permits;
- (3) regulations to govern the conduct of persons regulated under this title;
- (4) regulations to govern sanitation and safety in practicing cosmetology, including regulations that establish precautions to prevent the spread of infectious and contagious diseases; and
- (5) regulations to govern the direct supervision of the operation of limited practice beauty salons.
- (b) (1) [Subject to paragraph (4) of this subsection, the] **THE** Board shall establish reasonable fees for **LICENSING, LICENSING RENEWAL**, examinations, reinstatements, certifications, applications, preopening inspections, per diem fees for Board members, compensation for inspectors appointed by the Board, and for any other service performed by the Board necessary to carry out the provisions of this title.

(2) **(I)** Except for the examination fees which the Board shall establish in amounts not to exceed the costs of the examinations **AND SUBJECT TO SUBPARAGRAPH (II) OF THIS PARAGRAPH**, the fees established by the Board shall be set in a manner that will produce funds sufficient to cover the actual direct and indirect costs of regulating the cosmetology industry in the State in accordance with the provisions of this title.

(II) THE BOARD MAY NOT SET FEES FOR LICENSING AND LICENSE RENEWALS THAT EXCEED \$50.

(3) The total cost of regulating the cosmetology industry in the State in accordance with the provisions of this title may not be more than the revenues generated by the fees established under paragraph (1) of this subsection.

[(4) The Board shall require a \$25 fee for the licensure or renewal of licensure of cosmetologists, senior cosmetologists, estheticians, and nail technicians.]

(C) (1) THE BOARD SHALL ADOPT REGULATIONS THAT ESTABLISH DETAILED CURRICULUM STANDARDS FOR USE BY THE STATE BOARD OF EDUCATION OR THE MARYLAND HIGHER EDUCATION COMMISSION IN APPROVING APPLICATIONS FOR INSTRUCTION IN THE PRACTICE OF COSMETOLOGY, THE PROVISION OF ESTHETIC SERVICES, AND THE PROVISION OF NAIL TECHNICIAN SERVICES AT PUBLIC SCHOOLS OR PRIVATE CAREER SCHOOLS.

(2) THE CURRICULUM STANDARDS ESTABLISHED UNDER PARAGRAPH (1) OF THIS SUBSECTION SHALL:

(I) INCORPORATE MODERN METHODS AND PRACTICES FOR:

- 1. PRACTICING COSMETOLOGY;**
- 2. PROVIDING ESTHETIC SERVICES; AND**
- 3. PROVIDING NAIL TECHNICIAN SERVICES;**

(II) INCLUDE A REFERENCE TO EACH TOPIC AND THE EMPHASIS OF EACH TOPIC REQUIRED OF A COMPREHENSIVE CURRICULUM IN THE APPROPRIATE LICENSING AREA; AND

(III) BE REVIEWED AND UPDATED PERIODICALLY AS DETERMINED BY THE BOARD.

(A) THE INITIAL TERM OF A LICENSE IS 2 YEARS.

[(a) (B) [Unless a] **A license EXPIRES ON THE DATE SET BY THE BOARD UNLESS THE LICENSE** is renewed for [a 2-year] **AN ADDITIONAL** term as provided in this section[, the license expires on the first October 31 that comes:

- (1) after the effective date of the license; and
- (2) in an odd-numbered year].

[(b) (C) At least 1 month before a license expires, the Board shall mail to the licensee, at the last known address of the licensee:

- (1) a renewal application form; and
- (2) a notice that states:
 - (i) the date on which the current license expires;
 - (ii) the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the license expires; and
 - (iii) the amount of the renewal fee.

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

- (1) otherwise is entitled to be licensed;
- (2) pays to the Board a renewal fee established by the Board in accordance with § 5-205 of this title; and
- (3) submits to the Board a renewal application on the form that the Board provides.

[(d) (E) The Board shall renew the license of and issue a renewal certificate to each licensee who meets the requirements of this section.

[(e) The Secretary may determine that licenses issued under this subtitle shall expire on a staggered basis.]

(f) (1) If an individual who, on or before September 30, 1999, holds a limited license to provide esthetic services files an application to renew the license, the Board shall grant a waiver of the requirement for completion of hours of instruction

under § 5–305(c)(3)(ii) of this subtitle that are in addition to the hours of instruction required on or before that date.

(2) If an individual who, on or before September 30, 1999, holds a limited license to provide manicuring services files an application to renew the license, the Board shall grant a waiver of the requirement for completion of hours of instruction under § 5–305(d)(3)(ii) of this subtitle that are in addition to the hours of instruction required on or before that date.

5–314.

(c) (1) The Board shall commence proceedings under this section on a complaint to the Board by a member of the Board or any person.

(2) A complaint shall:

(i) be in writing;

(ii) **[be signed by the complainant] INCLUDE THE NAME AND NECESSARY CONTACT INFORMATION OF THE INDIVIDUAL FILING THE COMPLAINT, AS DETERMINED BY THE BOARD;**

(iii) state specifically the facts on which the complaint is based;

(iv) be submitted to the Executive Director of the Board; and

(v) be served on the person to whom it is directed:

1. personally; or

2. by certified mail, return receipt requested, bearing a postmark from the United States Postal Service, to the person's last known address as shown on the Board's records.

(3) If service is made by certified mail, the person who mails the document shall file with the Board verified proof of mailing.

5–405.

(A) EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (G) OF THIS SECTION, THE INITIAL TERM OF REGISTRATION AS AN APPRENTICE IS 2 YEARS.

[(a) (B) Unless registration as an apprentice is renewed for [a 1–year] ONE ADDITIONAL 2–YEAR term as provided in this section, the registration expires on the [first October 31 after its effective] date SET BY THE BOARD.

[(b)] (C) At least 1 month before the registration of an individual expires, the Board shall mail to the individual, at the last known address of the individual:

- (1) a renewal application form; and
- (2) a notice that states:
 - (i) the date on which the current registration expires;
 - (ii) the date by which the Board must receive the renewal application for the renewal to be issued and mailed before the registration expires; and
 - (iii) the amount of the renewal fee.

[(c)] (D) Before the registration of an individual expires, the individual **[periodically]** may renew it for an additional term, if the individual:

- (1) otherwise is entitled to be registered;
- (2) pays to the Board a renewal fee established by the Board in accordance with § 5–205 of this title; and
- (3) submits to the Board a renewal application on the form that the Board provides.

[(d)] (E) **[An] EXCEPT AS OTHERWISE PROVIDED IN SUBSECTION (G) OF THIS SECTION, AN** individual registered as an apprentice may renew the registration only **[twice] ONE TIME FOR A 2–YEAR TERM.**

[(e)] (F) The Board shall renew the registration of and issue a renewal certificate to each individual who meets the requirements of this section.

[(f)] (G) A **[limited practice apprentice]** registration **AS AN APPRENTICE FOR ANY LIMITED PRACTICE OF COSMETOLOGY** expires 12 months after the date of its issuance unless~~], in the discretion of the Board,~~ the limited practice apprentice registration is **[extended] RENEWED FOR ONE 1–YEAR TERM.**

5–509.

(a) The Board may adopt regulations to ensure that each cosmetology school approved by the State Board of Education or the Maryland Higher Education Commission is operated in a sanitary manner.

(d) The Board shall commence proceedings to assess a penalty under this section on a complaint to the Board by a member of the Board or any person.

(1) A complaint shall:

(i) be in writing;

(ii) [be signed by the complainant] **INCLUDE THE NAME AND NECESSARY CONTACT INFORMATION OF THE INDIVIDUAL FILING THE COMPLAINT, AS DETERMINED BY THE BOARD;**

(iii) state specifically the facts on which the complaint is based;

(iv) be submitted to the Executive Director of the Board; and

(v) be served on the person to whom it is directed:

1. personally; or

2. by certified mail, return receipt requested, bearing a postmark from the United States Postal Service, to the person's last known address as shown on the Board's records.

(2) If service is made by certified mail, the person who mails the document shall file with the Board verified proof of mailing.

5-520.

(a) (1) The Board may appoint inspectors to conduct inspections.

(2) Subject to the State budget, each inspector is entitled to:

(I) reasonable compensation set by the Board for each day on which the inspector is engaged in the duties of the appointment; AND

(II) REIMBURSEMENT FOR EXPENSES UNDER THE STANDARD STATE TRAVEL REGULATIONS.

(b) (1) The Board shall inspect beauty salons.

(2) The Board [may] **SHALL** inspect the facilities of applicants for beauty salon permits **BEFORE THE BEAUTY SALON:**

(I) INITIALLY OPENS FOR BUSINESS;

(II) OPENS FOR BUSINESS AT A NEW LOCATION; OR

(III) CONTINUES BUSINESS UNDER A NEW OWNER.

(3) A BEAUTY SALON THAT REMODELS AND REOPENS WITH THE SAME OWNER IS NOT SUBJECT TO THE INSPECTION REQUIREMENT OF THIS SUBSECTION.

[(3)] (C) (1) The Board or an inspector may enter and inspect a cosmetology school approved by the State Board of Education or the Maryland Higher Education Commission at any time during business hours to determine the sanitary condition of the cosmetology school.

(2) IF, DURING AN INSPECTION OF A COSMETOLOGY SCHOOL, AN INSPECTOR FINDS AN UNSANITARY CONDITION, THE INSPECTOR PROMPTLY SHALL REPORT THE CONDITION TO THE BOARD.

[(c)] (D) (1) A beauty salon [or cosmetology school] shall allow an inspector, on presentation of credentials, to enter and inspect the facility at any time during business hours.

(2) During inspection of a beauty salon, the owner [or], lessee, **OR MANAGER** of the beauty salon shall accompany the inspector.

[(3)] During inspection of a cosmetology school, the owner or lessee of or a teacher at the school shall accompany the inspector.]

[(d)] (E) (1) An inspector shall make an inspection report after an inspection and give a copy to the individual who accompanied the inspector during the inspection.

(2) The individual shall sign the inspection report for the beauty salon or cosmetology school to acknowledge receipt of a copy of the report.

5-702.

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, [2011] **2021**.

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:

(9) Barbers, State Board of (§ 4-201 of the Business Occupations and Professions Article: July 1, [2010] **2020**);

(14) Cosmetologists, State Board of (§ 5-201 of the Business Occupations and Professions Article: July 1, [2010] **2020**);

~~SECTION 2. AND BE IT FURTHER ENACTED, That the Laws of Maryland read as follows:~~

~~Article — Business Occupations and Professions~~

~~4-207.~~

~~(A) (1) The Board shall pay all [money] LICENSING FEES collected under this title [into the General Fund of the State] TO THE COMPTROLLER.~~

~~(2) THE COMPTROLLER SHALL DISTRIBUTE THE LICENSING FEES TO THE STATE BARBERS AND COSMETOLOGISTS BOARDS' FUND ESTABLISHED IN § 2-106.7 OF THE BUSINESS REGULATION ARTICLE.~~

~~(B) THE BOARD SHALL PAY ALL FINES COLLECTED UNDER THIS TITLE INTO THE GENERAL FUND OF THE STATE.~~

~~5-208.~~

~~(A) (1) The Board shall pay all [money] LICENSING FEES collected under this title [into the General Fund of the State] TO THE COMPTROLLER.~~

~~(2) THE COMPTROLLER SHALL DISTRIBUTE THE LICENSING FEES TO THE STATE BARBERS AND COSMETOLOGISTS BOARDS' FUND ESTABLISHED IN § 2-106.7 OF THE BUSINESS REGULATION ARTICLE.~~

~~(B) THE BOARD SHALL PAY ALL FINES COLLECTED UNDER THIS TITLE INTO THE GENERAL FUND OF THE STATE.~~

~~Article — Business Regulation~~

~~2-106.7.~~

~~(A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.~~

~~(2) "BOARDS" MEANS THE STATE BOARD OF BARBERS ESTABLISHED UNDER TITLE 4 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE AND THE STATE BOARD OF COSMETOLOGISTS ESTABLISHED UNDER TITLE 5 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE.~~

~~(3) "FUND" MEANS THE STATE BARBERS AND COSMETOLOGISTS BOARDS' FUND.~~

~~(B) (1) THERE IS A STATE BARBERS AND COSMETOLOGISTS BOARDS' FUND IN THE DEPARTMENT.~~

~~(2) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.~~

~~(C) THE FUND CONSISTS OF LICENSING FEES COLLECTED BY THE BOARDS AND DISTRIBUTED TO THE FUND UNDER §§ 4-207 AND 5-208 OF THE BUSINESS OCCUPATIONS AND PROFESSIONS ARTICLE.~~

~~(D) THE FUND SHALL BE USED TO COVER THE ACTUAL DOCUMENTED DIRECT AND INDIRECT COSTS OF FULFILLING THE STATUTORY AND REGULATORY DUTIES OF THE BOARDS.~~

~~(E) THE SECRETARY OR A DESIGNEE OF THE SECRETARY SHALL ADMINISTER THE FUND.~~

~~(F) INVESTMENT EARNINGS SHALL BE DISTRIBUTED TO THE GENERAL FUND OF THE STATE.~~

~~(G) FOR ANY FISCAL YEAR BEGINNING ON OR AFTER JULY 1, 2011, ANY BALANCE IN THE FUND AT THE END OF THE FISCAL YEAR IN EXCESS OF 25% OF THE ACTUAL EXPENSES OF OPERATING THE BOARDS FOR THAT FISCAL YEAR REVERTS TO THE GENERAL FUND OF THE STATE.~~

~~(H) THE LEGISLATIVE AUDITOR SHALL AUDIT THE ACCOUNTS AND TRANSACTIONS OF THE FUND AS PROVIDED IN § 2-1220 OF THE STATE GOVERNMENT ARTICLE.~~

~~2-106.8.~~

~~(A) IN THIS SECTION, "BOARDS" MEANS THE STATE BOARD OF BARBERS AND THE STATE BOARD OF COSMETOLOGISTS.~~

~~(B) IN CONSULTATION WITH THE BOARDS, THE SECRETARY SHALL ANNUALLY CALCULATE THE DIRECT AND INDIRECT COSTS ATTRIBUTABLE TO THE BOARDS.~~

~~(C) BEGINNING ON JULY 1, 2011, EACH OF THE BOARDS SHALL ESTABLISH FEES BASED ON THE CALCULATIONS PROVIDED BY THE SECRETARY UNDER THIS SECTION.~~

SECTION ~~3~~ 2. AND BE IT FURTHER ENACTED, That the State Board of Barbers and the State Board of Cosmetologists shall submit, in accordance with § 2-1246 of the State Government Article, to the Senate Education, Health, and Environmental Affairs Committee and the House Economic Matters Committee:

(a) on or before October 1, 2010, a report on the boards' plan to increase licensee compliance with the license photograph regulation as set forth in Recommendation 2 contained in the Sunset Review of the State Board of Barbers and the State Board of Cosmetologists published by the Department of Legislative Services in October 2009 and a copy of the boards' plan to improve the apprentice programs; and

(b) on or before October 1, 2011, an interim report on the boards' actions concerning the nonstatutory recommendations contained in the Sunset Review of the State Board of Barbers and the State Board of Cosmetologists published by the Department of Legislative Services in October 2009, including a description of the boards' progress on implementing the plans required under subsection (a) of this section.

SECTION 3. AND BE IT FURTHER ENACTED, That, when setting the date on which a license or a license renewal expires under §§ 4-310, 4-405, 5-311, and 5-405 of the Business Occupations and Professions Article, as enacted by Section 1 of this Act, the State Board of Barbers and the State Board of Cosmetologists shall ensure that the date set by the board does not terminate a license term before the end of a licensee's full 2-year term.

~~SECTION 4. AND BE IT FURTHER ENACTED, That Section 2 of this Act shall take effect July 1, 2011.~~

SECTION ~~5~~ 4. AND BE IT FURTHER ENACTED, That, ~~except as provided in Section 4 of this Act,~~ this Act shall take effect July 1, 2010.

Approved by the Governor, May 4, 2010.