

Chapter 574

(Senate Bill 679)

AN ACT concerning

Unemployment Insurance – Exemption From Covered Employment – Nail Technicians

FOR the purpose of providing that, under certain circumstances, work is not covered employment under the unemployment insurance law when performed by certain individuals who hold a limited license to provide nail technician services; and generally relating to an exemption from covered employment under the unemployment insurance law.

BY adding to

Article – Labor and Employment

Section 8–206(a–1)

Annotated Code of Maryland

(2008 Replacement Volume and 2015 Supplement)

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

Article – Labor and Employment

8–206.

(A–1) WORK IS NOT COVERED EMPLOYMENT WHEN PERFORMED BY A HOLDER OF A LIMITED LICENSE TO PROVIDE NAIL TECHNICIAN SERVICES WHO LEASES OR OTHERWISE AGREES TO THE USE OF A CHAIR, BOOTH, OR SPACE FROM A HOLDER OF A BARBERSHOP PERMIT, A BEAUTY SALON PERMIT, OR AN OWNER–MANAGER PERMIT WHO OPERATES A BARBERSHOP OR BEAUTY SALON IF THE SECRETARY IS SATISFIED THAT:

(1) THE HOLDER OF A LIMITED LICENSE TO PROVIDE NAIL TECHNICIAN SERVICES AND THE PERMIT HOLDER HAVE ENTERED INTO A WRITTEN LEASE OR OTHER WRITTEN AGREEMENT THAT IS IN EFFECT;

(2) THE HOLDER OF A LIMITED LICENSE TO PROVIDE NAIL TECHNICIAN SERVICES:

(I) PAYS A STIPULATED AMOUNT OR COMMISSION FOR USE OF THE CHAIR, BOOTH, OR SPACE;

(II) IS NOT REQUIRED TO MAKE ANY FURTHER ACCOUNTING OF INCOME TO THE PERMIT HOLDER; AND

(III) HAS ACCESS TO THE PREMISES AT ALL HOURS AND MAY SET PERSONAL WORK HOURS AND PRICES; AND

(3) THE LEASE OR OTHER WRITTEN AGREEMENT EXPRESSLY STATES THAT THE HOLDER OF A LIMITED LICENSE TO PROVIDE NAIL TECHNICIAN SERVICES KNOWS:

(I) OF THE RESPONSIBILITY TO PAY STATE AND FEDERAL INCOME TAXES AND MAKE CONTRIBUTIONS TO SOCIAL SECURITY FOR SELF-EMPLOYMENT; AND

(II) THAT THE WORK IS NOT COVERED EMPLOYMENT.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2016.

Approved by the Governor, May 19, 2016.