Department of Legislative Services

Maryland General Assembly 2024 Session

FISCAL AND POLICY NOTE Third Reader - Revised

House Bill 633

(Harford County Delegation)

Economic Matters Finance

Harford County - Alcoholic Beverages - Barbershop and Beauty Salon License

This bill establishes a barbershop and beauty salon beer and wine license in Harford County and authorizes the Harford County Board of License Commissioners to issue the license to a holder of a barbershop or beauty salon permit, as specified. The annual license fee is \$750. The license authorizes the licensee to serve at no cost up to two 12-ounce of servings of beer or two 5-ounce servings of wine for on-premises consumption to an individual in a single day while the individual (1) is provided a specified service or is attending a fund-raising event at the barbershop or beauty salon for which the Harford County Department of Inspections, Licenses, and Permits has issued a permit. The license may not be transferred to another location. Beer and wine may be provided during normal business hours but no later than 9:00 p.m. A license holder must purchase beer and wine from the holder of a manufacturer's license or a wholesaler's license. **The bill takes effect July 1, 2024.**

Fiscal Summary

State Effect: None.

Local Effect: Harford County revenues increase, beginning in FY 2025, to the extent that (1) barbershop and beauty salon beer and wine licenses are issued in the county under the bill and (2) penalties are collected as a result of violations of the bill's requirements. Harford County can handle any additional enforcement activity with existing resources.

Small Business Effect: Minimal.

Analysis

Bill Summary: The board may issue the barbershop and beauty salon beer and wine license to a holder of a barbershop permit or a beauty salon permit. However, the board is prohibited from issuing the license to (1) a mobile barbershop; (2) a mobile beauty salon; (3) a barber school; or (4) a cosmetology school.

The bill establishes various record, bookkeeping, and reporting requirements for license holders. In addition, the bill authorizes the Comptroller's Office to immediately suspend for a maximum of 30 days the license of a license holder who fails to comply with these requirements, as specified.

If a report required by the bill or an investigation conducted by specific individuals indicates that the license holder violated the bill's requirements, the Harford County Board of License Commissioners must summon the license holder and conduct a hearing. Violators are subject to a fine between \$250 and \$2,000 and may have their license suspended or revoked.

Current Law: Under the Business Occupations and Professions Article, a "beauty salon" is any commercial establishment, excluding barbershops, where cosmetology is practiced.

"Cosmetology" includes the sale of a variety of hair, nail, and skin services but does not include merely shampooing or fitting, styling, and selling wigs or hairpieces. A "barbershop" is any commercial establishment, except a beauty salon, in which an individual practices barbering or provides barber-stylist services. This includes a mobile barbershop.

In Maryland, alcoholic beverage licenses are granted by each jurisdiction's board of license commissioners to permit the sale and consumption of alcohol at specified places such as restaurants, taverns, hotels, clubs, or places of public entertainment. Other types of establishments cannot normally acquire a license but may be granted eligibility to apply.

Generally, for a premises that is licensed to sell alcoholic beverages with off-sale privileges or a premises that is licensed with on-sale privileges and sells alcoholic beverages directly to a customer from a bar or service bar, the license holder or specified employees must complete training in an approved alcohol awareness program in order to obtain and retain their alcoholic beverages license. The training program must be approved and certified by the Comptroller and it must provide information on how alcohol affects a person's body and behavior, the dangers of drinking and driving, refusing service before a customer becomes intoxicated, and determining if a customer is old enough to legally consume alcohol. The training is valid for four years.

Local Fiscal Effect: Harford County revenues increase by \$750 annually for each barbershop and beauty salon beer and wine license issued under the bill. Harford County can handle any additional enforcement activity with existing resources.

Additional Information

Recent Prior Introductions: Similar legislation has been introduced within the last three years. See SB 740 of 2023.

Designated Cross File: None.

Information Source(s): Harford County; Department of Legislative Services

Fiscal Note History: First Reader - February 14, 2024 js/tso Third Reader - March 19, 2024

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