

Department of Fiscal Services
Maryland General Assembly

FISCAL NOTE

House Bill 1303 (Charles County Delegation)
Environmental Matters

Charles County - Massage Establishments - Licenses

This bill establishes a local licensure program for the operation of massage establishments in Charles County.

Fiscal Summary

State Effect: Potential indeterminate increase in general fund revenues and expenditures due to the bill's penalty provisions.

Local Effect: Charles County revenues could increase by \$15,800 in FY 1997 and county expenditures would increase by \$3,200. There could also be an indeterminate increase in revenues and expenditures due to the bill's penalty provisions.

Fiscal Analysis

Bill Summary: This bill provides for the licensure of massage establishments, managers, and practitioners and therapists in Charles County. The licensing functions will be performed by the county's Director of Planning and Growth Management (director). Specified medical professionals, sports trainers, and cosmetologists or barbers are exempted.

Licenses are required to be issued on a calendar year basis. The annual fees for a massage establishment are: (1) for an establishment of three or fewer practitioners, \$1,000; and (2) for an establishment of more than three practitioners, \$1,500. The annual license fee for massage practitioners is \$50. The annual license fee for massage establishment managers is \$250. The information required for each type of application is delineated.

Applicants for a massage establishment license may be individuals, associations or partnerships, or corporations. The nonrefundable application fee for establishments is set at

\$200. For managers and practitioners that fee is \$100.

Practitioners must provide a certificate from a licensed physician that they have been examined and are free of disease communicable by respiration or physical contact.

The bill details the responsibilities of the director with respect to this program, including the coordination of specified efforts with the Fire Marshal, the Office of Planning and Zoning, and the Health Department. The bill provides the reasons for which applications must be denied.

Specified disciplinary authority over licensees is granted to the director, and a litany of causes for such disciplinary actions, including license revocation, is provided. Authorization for specified officers of the county to enter and inspect massage establishment premises in connection with the enforcement of these provisions is provided. Applicants and licensees are authorized to appeal adverse decisions of the director to the Board of Appeals. An establishment's customer registry and financial records are subject to inspection and audit by the director, as specified.

Violators of these provisions are guilty of a misdemeanor and subject to a fine of up to \$1,000 and/or imprisonment of up to six months. The director is authorized to enforce these provisions through injunctive proceedings, actions for specific performance, or any other appropriate proceeding. A court is authorized to impose civil fines of \$500 per day for each day that a licensee operates after a license suspension or revocation.

The provisions of the bill are severable.

State Revenues: General fund revenues could increase under the bill's monetary penalty provisions for those cases heard in the District Court, depending upon the number of convictions and fines imposed.

State Expenditures: General fund expenditures could increase as a result of the bill's incarceration penalty due to increased payments to counties for reimbursement of inmate costs, depending upon the number of convictions and sentences imposed.

Persons serving a sentence of one year or less are sentenced to a local detention facility. The State reimburses counties for part of the per diem rate after a person has served 90 days. State per diem reimbursements to Charles County for fiscal 1997 are estimated at approximately \$35.

Local Revenues: Charles County estimates that this bill could produce the opening of six massage establishments in the county in fiscal 1997. The county assumes that: (1) two of

these establishments would operate with three practitioners; (2) four establishments would operate with six practitioners; and (3) all six establishments would have a separate manager.

Accordingly, for fiscal 1997, Charles County revenues would increase by \$15,800 from application and annual license fee revenues from massage establishments and their employees. If the number of establishments does not change in the out-years, annual county revenues from license renewals would be \$11,000.

Revenues could also increase under the bill's monetary penalty provisions for those cases heard in the circuit courts, depending upon the number of convictions and fines imposed.

Local Expenditures: It is estimated that Charles County would incur approximately \$3,200 in start-up costs in fiscal 1997 to administer this licensure program. Future year costs would approximate \$2,000.

Expenditures could also increase as a result of the bill's incarceration penalty depending upon the number of convictions and sentences imposed. Counties pay the full cost of incarceration for the first 90 days of the sentence, plus part of the per diem cost after 90 days. Charles County's per diem operating costs for its local detention facility are expected to be approximately \$42 per inmate in fiscal 1997.

Information Source(s): Charles County, Department of Fiscal Services

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