

Department of Legislative Services
Maryland General Assembly

FISCAL NOTE

Senate Bill 218 (Senator Stone)

Economic and Environmental Affairs

Licensure and Regulation of Tattoo Artists and Body Piercing Artists

This bill requires a tattoo artist or body piercing artist to be licensed by the State Board of Cosmetology in the Department of Labor, Licensing, and Regulation in order to provide tattooing or body piercing services in Maryland. The bill authorizes the board to charge a \$25 license and renewal fee for tattoo and body piercing artists. It also specifies the requirements for licensure as a tattoo or body piercing artist, which includes a 1,000-hour curriculum and an examination. With the exception of ear piercing, this bill prohibits the tattooing and body piercing of a minor. This bill increases the number of cosmetology board members from seven to nine by adding one tattoo artist and one body piercing artist.

These provisions of the bill take effect January 1, 1999.

Fiscal Summary

State Effect: General fund revenues could increase by \$148,800 in FY 1999. Future year revenues reflect a decline in new applications and a biennial renewal period. General fund expenditures for the board could increase by \$105,900 in FY 1999. Future year expenditures reflect annualization and inflation. Indeterminate minimal increase in general fund revenues and expenditures due to the bill's penalty provisions.

(in dollars)	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
GF Revenues	\$148,800	\$7,500	\$62,500	\$7,500	\$66,300
GF Expenditures	105,900	52,900	54,100	55,400	56,600
Net Effect	\$42,900	(\$45,400)	\$8,400	(\$47,900)	\$9,700

Note: () - decrease; GF - general funds; FF - federal funds; SF - special funds

Local Effect: Indeterminate minimal increase in revenues and expenditures due to the bill's penalty provisions.

Small Business Effect: Potential meaningful effect on small businesses.

Fiscal Analysis

Bill Summary: The State Board of Cosmetology must adopt regulations by October 1, 1998. This provision of the bill takes effect June 1, 1998.

This bill authorizes the board to waive the examination requirement if the tattoo artist or body piercing artist is licensed in another state. Tattoo and body piercing artists are exempt from the apprenticeship and training requirements if they are employed as such on October 1, 1998 and have obtained at least five years of tattoo or body piercing experience within the last seven years.

This bill also expands the definitions of “cosmetology school” and “beauty salon” to include the tattoo and body piercing arts. A beauty salon may obtain a permit for the limited purposes of providing tattoo artist services or body piercing services.

Tattoo and body piercing artist students are authorized to practice without a license as part of the required training, under the direct supervision of an approved teacher, if: (1) the recipient is aware that the artist is a student; (2) the student has completed at least 350 hours of instruction; and (3) the practice occurs at the school. Apprentices are also authorized to practice in a licensed salon under the supervision of a licensed tattoo or body piercing artist with two years’ experience. In order to register as an apprentice with the board, a tattoo artist or body piercing artist applicant must have completed 350 hours of training at an approved private cosmetology school.

The board may discipline a licensee by: (1) suspending or revoking the cosmetologist license or the beauty salon permit; and/or (2) imposing a fine of up to \$300. In addition, any misdemeanor violation of this bill could result in a maximum fine of \$100 and/or maximum imprisonment of 30 days.

Background: Currently, tattoo and body piercing artists are regulated under COMAR 10.06.01.02 and 06. The regulations require standard infection control measures during medical procedures that penetrate the skin and during skin penetrating body adornment, such as tattooing and body piercing.

The State Board of Cosmetologists has a sunset date in its enabling statute of July 1, 1998.

State Revenues: General fund revenues from license and inspection fees could increase by \$148,750 in fiscal 1999. It is assumed that there would be 100 applications for tattoo salon permits and 500 applications for piercing salon permits (which would include ear-piercing establishments). Each salon permit is expected to cost \$50 (renewed biennially), with an initial \$150 inspection fee. Revenues from the salon permits are estimated to be \$120,000 (600 applications x \$200). It is also assumed that there would be about 150 applications for a tattoo artist license and 1,000 applications for a body piercing artist license (includes ear-piercing artists). Revenues from the issuance of individual licenses is estimated to be \$28,750 (1,150 applications x \$25 license fee). License fees are renewed biennially.

Subsequent year revenues reflect biennial renewals and assumes 10 new applications for salon permits and 100 new applications for individual licenses each year. It is also assumed that there would be an offsetting number of salons and individuals who decline to renew their license in each renewal period.

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. The Office of Administrative Hearings estimates that fewer than 33 hearings a year would be referred to them and any increase in workload could be absorbed within existing resources.

State Expenditures: General fund expenditures could increase by an estimated \$105,929 in fiscal 1999, which accounts for the bill's January 1, 1999 effective date. This estimate reflects the cost of hiring one Office Secretary to help license tattoo and body piercing artists. It includes a salary, fringe benefits, and ongoing operating expenses. The estimate includes a one-time cost of \$75,000 for developing two new examinations and computer programming costs. While board members would not be entitled to compensation, they would be eligible for expense reimbursements according to standard State travel regulations. Consequently, the estimate also assumes the annual cost for reimbursing the two additional board members for eligible expenses would be about \$750.

Salaries and Fringe Benefits	\$12,744
Exam Development and Computer Programming	75,000
Operating Expenses	<u>18,185</u>
Total FY 1999 State Expenditures	\$105,929

Future year expenditures reflect: (1) full salary with 3.5% annual increases and 3% employee turnover; and (2) 1% annual increases in ongoing operating expenses.

Local Revenues: Revenues could 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. Any increase, however, is expected to be minimal.

Local Expenditures: Expenditures could 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. Any increase, however, is expected to be minimal.

Small Business Effect: There would be an indeterminate cost to each small business tattoo/body piercing establishment as a result of the bill, arising from: (1) the license and renewal fee at \$25 and salon permit at \$200, respectively; (2) the associated costs of complying with the licensure requirements; and (3) any penalties (both monetary and non-monetary) for violation of certain provisions.

There are an indeterminate but significant number of individuals who practice tattooing in their homes or at county fairs. Some of these tattoo artists may discontinue their practice because they either would not or could not comply with the requirements for licensure set by the board. However, some tattoo artists currently operating in noncommercial establishments may elect to set up commercial establishments as a result of this bill. In that event, the number of small business tattoo shops in Maryland will increase.

There are also approximately 30-40 store-front tattoo establishments in the State, and all could be considered small businesses. The practice of tattooing in most store-front tattoo shops currently conforms to standard infection control measures outlined by the Center for Disease Control. Business for these tattoo stores will increase if, as a result of this bill, there is less business activity among tattoo artists practicing in their homes and other noncommercial establishments.

A similar effect could be experienced by the body piercing industry.

This bill may also prompt the development of tattoo artists/body piercing artists schools in the State.

Information Source(s): Department of Labor, Licensing, and Regulation; Office of Administrative Hearings; Garrett County; Department of Legislative Services

Fiscal Note History:

First Reader - February 5, 1998

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Analysis by: Lina Walker

Reviewed by: John Rixev

Direct Inquiries to:

John Rixev, Coordinating Analyst

(410) 841-3710

(301) 858-3710