### **Department of Legislative Services**

Maryland General Assembly 1999 Session

#### FISCAL NOTE Revised

House Bill 15 (Delegate Owings)

**Economic Matters** 

# Beauty Salons - Prohibition on Use or Possession of Methyl Methacrylate Liquid Monomer (MMA)

This bill prohibits a person from using or possessing methyl methacrylate liquid monomer (MMA) in a beauty salon. Specifically, the bill: (1) authorizes inspectors to test products or take random samples; and (2) provides that violators are guilty of a misdemeanor and subject to a \$1,000 fine per day.

The bill is effective July 1, 1999.

#### **Fiscal Summary**

**State Effect:** General fund expenditures could increase by approximately \$25,600 in FY 2000, which reflects a one-time start-up cost for inspector training and assumes that actual testing begins on January 1, 2000. Future year expenditures reflect a full year of testing and 1% annual increases in ongoing operating costs. Minimal increase in general fund revenues due to the bill's monetary penalty provisions.

(in dollars)	FY 2000	FY 2001	FY 2002	FY 2003	FY 2004
GF Revenues	-	-	-	-	-
GF Expenditures	\$25,600	\$35,400	\$35,800	\$36,100	\$36,500
Net Effect	(\$25,600)	(\$35,400)	(\$35,800)	(\$36,100)	(\$36,500)

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

Local Effect: None.

Small Business Effect: Potential meaningful.

#### **Fiscal Analysis**

**Background:** MMA, a toxic chemical, is used by some nail technicians to apply artificial

nails.

**State Effect:** In order to meet the bill's requirements, the State Board of Cosmetology would have to train its 21-member staff of inspectors on how to handle and test for MMA. The board would also have to purchase testing kits to ensure that the sample results are reliable. Additionally, the board would have to notify the 4,100 Maryland salon owners of the changes in the law.

General fund expenditures could increase by \$25,600 in fiscal 2000. This estimate assumes:

- 120 additional inspector days per year at \$66 per day;
- 1,000 tests per year at \$25 per test;
- a one-time \$5,000 training expense for inspectors; and
- actual testing begins on January 1, 2000.

Total FY 2000 State Expenditures	\$25,600
Other Operating Expenses	8,500
Test Kits and Related Supplies	12,500
Inspector Fees	\$4,600

Future year expenditures reflect a full year of testing and 1% annual increases in ongoing operating costs.

General fund revenues could increase minimally under the bill's monetary penalty provision for cases heard in the District Court.

**Small Business Effect:** There are 4,100 beauty salons in Maryland, most of which operate as small businesses. Salons that currently use MMA products will experience an increase in expenditures because the existing alternatives to MMA products on the market are more expensive.

Information Source: Department of Labor, Licensing, and Regulation

**First Reader - February 12, 1999** 

nncsjr Revised - House Third Reader - March 24, 1999

## Revised - Enrolled Bill - May 11, 1999

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