

Department of Legislative Services
 Maryland General Assembly
 2004 Session

FISCAL AND POLICY NOTE

House Bill 405 (Delegate Vaughn, *et al.*)
 Economic Matters

Cosmetologists - Renewal of Licenses - Continuing Education Requirements

This bill requires the State Board of Cosmetologists to establish a six-hour continuing education (CE) requirement as a condition of license renewal. The bill also requires a licensee to present evidence of compliance with the CE requirement to the board in order to renew a license.

Fiscal Summary

State Effect: General fund expenditures would increase by \$101,100 in FY 2005. Out-year expenditures reflect ongoing operational costs that are annualized and adjusted for inflation. Revenues would not be affected.

(in dollars)	FY 2005	FY 2006	FY 2007	FY 2008	FY 2009
Revenues	\$0	\$0	\$0	\$0	\$0
GF Expenditure	101,100	123,600	92,700	98,300	104,400
Net Effect	(\$101,100)	(\$123,600)	(\$92,700)	(\$98,300)	(\$104,400)

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

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Current Law: The State Board of Cosmetologists licenses cosmetologists, makeup artists, esthetic service providers, and nail technicians. To practice cosmetology means to provide any service or creative work in regard to: (1) beautifying, cleaning, or embellishing an individual's hair; (2) arching or dyeing eyebrows; (3) dyeing eyelashes;

(4) providing makeup artist services; (5) providing esthetic services; and (6) providing nail technician services.

To become a licensed cosmetologist, an individual must: (1) be at least 17 years old; (2) have successfully completed a ninth grade education or the equivalent; (3) have served as a registered apprentice or received 1,500 hours of training at a cosmetology school approved by the State Board of Education or the Maryland Higher Education Commission; and (4) pass an examination given by the State Board of Cosmetologists. To become a licensee in a limited practice (makeup artist, esthetic service provider, or nail technician), an individual must be at least 17 years old, have successfully completed a ninth grade education or the equivalent, and meet training or coursework as required by the board. A license is issued for a two-year term.

A license may be renewed for an additional two-year term if the licensee is otherwise entitled to be licensed, pays a renewal fee to the board, and submits a renewal application. There is no statutory requirement for the board to establish a CE requirement as a condition of license renewal, and neither licensed cosmetologists nor limited practice licensees are required to fulfill a CE requirement as a condition for license renewal.

Background: As of January 2004, the board had licensed approximately 37,100 cosmetologists and limited practice licensees, all of whom would be subject to the CE requirement. The board is currently supported by six full-time authorized staff including an executive director.

The Department of Labor, Licensing, and Regulation (DLLR) indicates that CE courses would need to be germane to the health, safety, and welfare mandate of the board. Furthermore, the Department of Legislative Services assumes that beauty schools throughout Maryland and surrounding states would provide relevant CE courses to allow existing licensees to meet the proposed CE requirement for renewal of a license.

DLLR advises that the CE requirement in the bill would be set by regulation and made to be relatively consistent to practices set in statute or regulation for the CE requirements of real estate brokers and public accountants. However, DLLR further advises that a CE requirement for the renewal of a cosmetology license is not the norm throughout the U.S.

State Fiscal Effect: General fund expenditures could increase by \$101,100 in fiscal 2005 to hire two full-time staff (\$69,900), for contractual employees (\$15,100), for a consultant to review CE course materials (\$1,500), to update electronic renewal software (\$11,000), and to print new informational materials (\$3,600). Out-years include expenses for two full-time staff, an hourly consultant to review CE course materials, and printing and postage updates.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): Department of Labor, Licensing, and Regulation; Department of Legislative Services

Fiscal Note History: First Reader - February 3, 2004
mh/ljm

Analysis by: Christopher J. Kelter

Direct Inquiries to:
(410) 946-5510
(301) 970-5510