Department of Legislative Services

Maryland General Assembly 2009 Session

FISCAL AND POLICY NOTE

House Bill 1225 Economic Matters (Delegate Carter)

State Board of Cosmetologists - Makeup Artist Services

This bill requires that makeup artists be licensed in order to practice in the State. A limited license to provide makeup artist services authorizes the holder to apply creams, lotions, cosmetic preparations, and cleansing solutions to an individual's face for compensation. An applicant for a limited license to practice makeup artist services must be at least 17 years old, have completed a ninth grade education or its equivalent, and have completed an approved course in makeup artist services. No examination is required. The fee for a limited license to provide makeup artist services is \$25.

Fiscal Summary

State Effect: General fund revenues increase by \$43,800 in FY 2010 due to issuance of licenses to comply with the bill's requirements. Future years reflect biennial license renewal and marginal increases in new makeup artist licenses. General fund expenditures may increase minimally to enforce the licensing requirements of makeup artists.

(in dollars)	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
GF Revenue	\$43,800	\$9,400	\$45,400	\$11,000	\$47,100
GF Expenditure	-	-	-	-	-
Net Effect	\$43,800	\$9,400	\$45,400	\$11,000	\$47,100

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

Local Effect: None.

Small Business Effect: Potential minimal.

Analysis

Current Law/Background: Chapter 18 of 2008 repealed requirements for makeup artists to be licensed by the State Board of Cosmetologists before providing makeup artist services in the State.

In 2008, the Department of Labor, Licensing, and Regulation (DLLR) cited several reasons for the repeal of the license requirements for individuals who provided makeup artist services. For example, makeup artist services are widely available outside of a permitted beauty salon. Also, services provided in department stores or private venues were routinely performed by individuals without a limited license. DLLR had determined that enforcement of limited licensing requirements was impractical and did not appreciably improve public health or safety. Furthermore, Maryland was the only State to still regulate makeup artist services, with similar laws repealed in all other states that had previously regulated these services.

Individuals are required to be licensed by the State Board of Cosmetologists before practicing cosmetology in the State. Individuals who provide esthetic services or nail technician services are authorized to practice under a limited license issued by the board.

The Maryland Higher Education Commission (MHEC) advises that five private career schools offer approved programs in makeup artistry.

State Fiscal Effect: DLLR advises that there are about 2,300 former licensees. The majority of these individuals – because they were licensed as recently as last year – will likely resume licensed status in fiscal 2010 to comply with the bill. Due to the weak economic conditions, however, it is assumed that not all former licensees "renew" in fiscal 2010. Nevertheless, Legislative Services estimates that about 1,700 of the 2,300 former licensees become licensed in fiscal 2010 and 300 more do so in fiscal 2011. General fund revenues increase by approximately \$43,750 in fiscal 2010 due to the "renewal" of 1,700 former licensees and the licensure of 50 new individuals. Fiscal 2011 general fund revenues increase by \$9,375, which accounts for the "renewal" of 300 more former licensees and 75 new licensees. Future year revenues reflect biennial license renewal and an annual 3% growth rate in new licenses issued.

Before removing the licensing requirements, makeup artist licensing represented a small portion of the activity of the board. Thus, any expenditure increases as a result of the issuance of licenses can likely be handled with existing resources. However, expenditures for the State Board of Cosmetologists, which oversees the licensing of makeup artists, may increase minimally to enforce the bill's licensing requirement. According to DLLR, in recent years the board has lost resources critical to the enforcement of its various licensees. Because the services of makeup artists pose little

HB 1225 / Page 2

threat to the health and safety of consumers, the board is not likely to make enforcement of makeup artists a priority. Nevertheless, Legislative Services assumes that the board must attempt to enforce compliance with any regulatory area.

MHEC advises that the bill has a minimal operational impact on the agency due to the requirement that makeup artist programs at postsecondary schools must be approved by the commission. The commission had this function before the licensing requirements for makeup artists were removed; any related fiscal impact can be handled with existing commission resources.

Additional Comments: DLLR advises that there is no procedure specifically governing the transition of former licensees back to licensure status. According to the department, the only viable option to have these individuals relicensed is to reinstate the expired license. Doing so requires the former licensees to pay a \$25 renewal fee and a \$25 reinstatement fee. Legislative Services disagrees as reinstatement provisions are not included in the bill and reinstatement does not seem to apply to a licensure classification that no longer existed – licensees did not simply "fail to renew" their licensee. Moreover, reinstatement confers no benefit to the licensee as any former licensee has already met the threshold for licensure and there is no examination requirement that could be waived with reinstatement. Legislative Services believes that the bill is not intended to require former licensees to pay twice as much to "renew" a license as first-time licensees pay for a new license

The bill restores all licensing requirements for makeup artists that were in place prior to Chapter 18 of 2008 except the requirement of individuals licensed as makeup artists to carry the license and display it upon request. Instead, as for the other holders of limited licenses, the license must be displayed conspicuously in the licensee's office or place of employment.

Additional Information

Prior Introductions: None.

Cross File: None.

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

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