

**Department of Legislative Services**  
Maryland General Assembly  
2017 Session

**FISCAL AND POLICY NOTE**  
**Third Reader**

House Bill 538  
Economic Matters

(St. Mary's County Delegation)

Education, Health, and Environmental Affairs

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**St. Mary's County - Alcoholic Beverages - Beauty Salon License**

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This bill authorizes the St. Mary's County Board of License Commissioners to issue a beauty salon beer and wine license to a holder of a beauty salon permit. The annual license fee is \$300. The license authorizes the licensee to sell or serve up to two 12-ounce offerings of beer or two 5-ounce offerings of wine for on-premises consumption by a beauty salon customer undergoing specified cosmetology services. The license may not be transferred to another location. Beer and wine may be provided during normal business hours but no later than 9 p.m. Licensees are subject to specified alcohol awareness training requirements.

The bill takes effect July 1, 2017.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** St. Mary's County revenues increase minimally due to additional license fees. St. Mary's County can monitor licenses with existing resources.

**Small Business Effect:** Minimal.

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**Analysis**

**Current Law:** Under the Business Occupations and Professions Article, a "beauty salon" is any commercial establishment, excluding barbershops, where cosmetology is practiced. "Cosmetology" includes the sale of a variety of hair, eyebrow, nail, and skin services, but

it does not include merely shampooing hair or fitting, styling, and selling wigs or hairpieces.

In Maryland, alcoholic beverage licenses are granted by each jurisdiction's board of license commissioners to permit the sale and consumption of alcohol at specified places such as restaurants, taverns, hotels, clubs, or places of public entertainment. Other types of establishments cannot normally acquire a license but may be granted eligibility to apply.

Generally, for a premises that is licensed to sell alcoholic beverages with an off-sale privilege, or a premises that is licensed with on-sale privileges and sells alcoholic beverages directly to a customer from a bar or service bar, the license holder or specified employees must complete training in an approved alcohol awareness program in order to obtain and retain their alcoholic beverages license. The training program must be approved and certified by the Comptroller and it must provide information on how alcohol affects a person's body and behavior, the dangers of drinking and driving, refusing service before a customer becomes intoxicated, and determining if a customer is old enough to legally consume alcohol. The training is valid for four years.

**Background:** In fiscal 2016, there were 165 alcoholic beverages licenses in St. Mary's County. According to the Department of Labor, Licensing, and Regulation, there are 4,117 full-service beauty salons and 701 limited-service beauty salons permitted in the State. Of this amount, 12 are limited-service and 82 are full-service permits issued for locations in St. Mary's County.

**Local Fiscal Effect:** St. Mary's County revenues increase by \$300 annually for each new license issued due to licensing fees. As the number of individuals that will seek to obtain a license as a result of the bill is unknown, any corresponding revenue increase cannot be reliably estimated at this time. However, any increase in revenues is not anticipated to be significant, and any increase in inspections and enforcement activity can likely be absorbed with existing resources.

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### **Additional Information**

**Prior Introductions:** None.

**Cross File:** None.

**Information Source(s):** St. Mary's County; Department of Labor, Licensing, and Regulation; Department of Legislative Services

**Fiscal Note History:** First Reader - February 14, 2017  
mm/tso Third Reader - March 15, 2017

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