

Department of Legislative Services
Maryland General Assembly
2026 Session

FISCAL AND POLICY NOTE
First Reader

House Bill 241

(Chair, Economic Matters Committee)(By Request -
Departmental - Labor)

Economic Matters

**Business Occupations and Professions - State Boards and Commissions - Sunset
Extensions**

This departmental bill extends the termination date for several occupational and professional licensing boards and commissions within the Maryland Department of Labor (MD Labor) through July 1, 2032. Specifically, the extension applies to the following entities: (1) the State Board of Barbers; (2) the State Board of Cosmetologists; (3) the State Board for Professional Land Surveyors; (4) the State Commission of Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors; and (5) the State Board of Individual Tax Preparers. By July 1, 2030, MD Labor must submit a report to the Joint Audit and Evaluation Committee (JAEC) with information regarding the boards and commissions (as determined by JAEC). **The bill takes effect June 1, 2026.**

Fiscal Summary

State Effect: Special fund revenues and expenditures are maintained through FY 2032. MD Labor and JAEC can handle the reporting requirement with existing resources.

Local Effect: None.

Small Business Effect: MD Labor has determined that this bill has minimal or no impact on small business (attached). The Department of Legislative Services (DLS) concurs with this assessment.

Analysis

Current Law/Background:

State Board of Barbers

The State Board of Barbers issues barber and barber-stylist (limited) licenses. The barber license encompasses the full scope of barbering, while the barber-stylist license applies

solely to the hair portion of barbering. The board also registers apprentices. Applicants for licensure must pass a written and a practical exam and meet specified experience (apprenticeship) or education (1,200 hours of instruction at an approved barber school for a barber license) requirements. A registered apprentice must complete at least 2,250 hours of supervised work as an apprentice within two years prior to applying for a license.

State Board of Cosmetologists

The State Board of Cosmetologists issues two full-service licenses (cosmetologist and senior cosmetologist) and five limited licenses (hairstylist, blow-drying, nail technician, esthetician, and eyelash extension services). A cosmetologist or senior cosmetologist license authorizes the licensee to provide hair, nail, esthetic, and eyelash extension services. A limited license authorizes the licensee to provide just that service. The board also registers apprentices. Applicants for licensure must pass a written and a practical examination and have successfully completed either a registered apprenticeship program or 1,500 hours of training at an approved cosmetology school.

A licensed barber seeking a cosmetology license may be credited with one-half of the training requirement for a cosmetology license; the same is true for a licensed cosmetologist seeking a barber license.

State Board of Professional Land Surveyors

The Board for Professional Land Surveyors qualifies and licenses individuals seeking licensure and issues permits to business entities through which land surveying is practiced. The board investigates complaints against licensees, as well as complaints related to unlicensed practice.

State Commission of Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors

Chapter 594 of 1990 established the commission (formerly the State Commission of Real Estate Appraisers) to implement and administer a real estate appraiser licensing and certification program that complies with federal law. Commission authority was later expanded to include home inspectors (2001) and appraisal management companies (2011). Federal law requires all states to implement an appraisal licensing program in accordance with federal requirements. The commission fulfills that requirement.

Chapters 526 and 527 of 2023 extended the termination date for the commission by three years (to July 1, 2026) and required MD Labor to hire a consultant to conduct an independent evaluation of the commission by January 1, 2024.

State Board of Individual Tax Preparers

The State Board of Individual Tax Preparers establishes educational and professional standards of competence and conduct for individual tax preparers providing federal and state tax return service for Marylanders. The board accomplishes this mission through a framework of examination, registration, continuing education, investigation of consumer complaints, and enforcement of State law and regulations.

Maryland Program Evaluation Act

Each of the above entities is 1 of approximately 60 regulatory entities and activities subject to termination unless reauthorized periodically through statute. Under the Maryland Program Evaluation Act, these entities may also be subject to an evaluation by the Office of Program Evaluation and Government Accountability (OPEGA) within DLS prior to their termination. However, OPEGA may conduct an evaluation only if directed by specified entities or by legislation. The above entities above are generally scheduled to terminate July 1, 2027; however, the State Commission of Real Estate Appraisers, Appraisal Management Companies, and Home Inspectors is scheduled to terminate July 1, 2026. OPEGA was not asked to conduct an evaluation of these entities. Accordingly, each entity requires reauthorizing legislation.

Additional Information

Recent Prior Introductions: Similar legislation has not been introduced within the last three years.

Designated Cross File: SB 133 (Chair, Education, Energy, and the Environment Committee)(By Request - Departmental - Labor) - Education, Energy, and the Environment.

Information Source(s): Maryland Department of Labor; Legislative Services; Department of Legislative Services

Fiscal Note History: First Reader - January 28, 2026
sj/mcr

Analysis by: Eric F. Pierce

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

ANALYSIS OF ECONOMIC IMPACT ON SMALL BUSINESSES

TITLE OF BILL: Business Occupations and Professions - State Boards and Commissions - Sunset Extensions

BILL NUMBER: HB 241

PREPARED BY: John Dove

PART A. ECONOMIC IMPACT RATING

This agency estimates that the proposed bill:

WILL HAVE MINIMAL OR NO ECONOMIC IMPACT ON MARYLAND SMALL BUSINESS

OR

WILL HAVE MEANINGFUL ECONOMIC IMPACT ON MARYLAND SMALL BUSINESSES

PART B. ECONOMIC IMPACT ANALYSIS

N/A