

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 1049-02
Bill No.: HB 835
Subject: Economic Development Dept.; Licenses - Professional
Type: Original
Date: April 4, 2007

Bill Summary: Modifies the laws relating to registration for cosmetology-related professions.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
State Board of Cosmetology and Barber	(Unknown exceeding \$100,000)	(Unknown exceeding \$100,000)	(Unknown exceeding \$100,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(Unknown exceeding \$100,000)	(Unknown exceeding \$100,000)	(Unknown exceeding \$100,000)

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Total Net Effect on All funds expected to exceed \$100,000 savings or (cost).

☐ Estimated Net Effect on General Revenue Fund expected to exceed \$100,000 (cost).

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2008	FY 2009	FY 2010
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of the Governor** and **Office of State Treasurer** assume the proposal will have no fiscal impact on their organizations.

Officials from the **Department of Insurance, Financial and Professional Regulation (DIFP)** assume that due to the removal of licensing requirements for barbers, barber student enrollment, barber schools and barber establishments, more than \$100,000 in fees will no longer be paid to the Cosmetology-Barber fund.

<u>FISCAL IMPACT - State Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
STATE BOARD OF COSMETOLOGY AND BARBER FUND			
<u>Loss - DIFP</u>			
Reduction in licensing/renewal revenue	<u>(Unknown exceeding \$100,000)</u>	<u>(Unknown exceeding \$100,000)</u>	<u>(Unknown exceeding \$100,000)</u>
ESTIMATED NET EFFECT ON STATE BOARD OF COSMETOLOGY AND BARBER FUND	<u>(Unknown exceeding \$100,000)</u>	<u>(Unknown exceeding \$100,000)</u>	<u>(Unknown exceeding \$100,000)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2008 (10 Mo.)	FY 2009	FY 2010
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

The proposal will impact small barber and cosmetology related businesses.

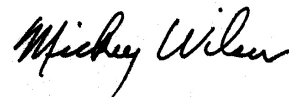
FISCAL DESCRIPTION

This proposal changes the laws regarding the licensure of cosmetology-related professions. In its main provisions, the proposal: (1) Repeals Chapter 328, RSMo, regarding the licensure of barbers; (2) Changes the term "accredited school of cosmetology or school of manicuring" to "accredited school of cosmetology, barbering, esthetics, or nail technology"; (3) Defines "barber" and "barber or cosmetology establishment" in Chapter 329 regarding cosmetology; (4) Requires any person performing any type of cosmetology services to be licensed; (5) Renames the Board of Cosmetology and Barber Examiners to the Board of Cosmetology and Barbering and changes its membership; (6) Allows esthetic practitioners accredited by a certain international accrediting body to be licensed to practice esthetics without examination; (7) Modifies the curriculum for cosmetology schools; (8) Increases the minimum education requirement from the successful completion of the 10th grade to the successful completion of the 12th grade; (9) Authorizes the board to require licensees to be examined for physical or mental illness; and (10) Allows a holder of a lapsed license who is a member of the armed services to have one year to renew his or her license after being honorably discharged.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Insurance, Financial and Professional Regulation
Office of the Governor
Office of State Treasurer



Mickey Wilson, CPA
Director
April 4, 2007