

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3435-01
Bill No.: HB 1648
Subject: Cosmetology; Children and Minors
Type: Original
Date: February 10, 2010

Bill Summary: Includes the application of permanent cosmetics in the regulation of the practice of tattooing, body piercing, and branding.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Tattoo	(\$540)	\$1,300	\$1,300
Total Estimated Net Effect on <u>Other</u> State Funds	(\$540)	\$1,300	\$1,300

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

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2011	FY 2012	FY 2013
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 2011	FY 2012	FY 2013
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Office of Secretary of State (SOS)** state the fiscal impact for this proposal is less than \$2,500. The SOS does not expect that additional funding would be required to meet these costs. However, the SOS also recognizes that many such bills may be passed by the General Assembly in a given year and that collectively the costs may be in excess of what the SOS can sustain within its core budget. Therefore, the SOS reserves the right to request funding for the costs of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the Governor.

Officials from the **Department of Insurance, Financial Institutions, and Professional Registration (DIFP)** state the **Office of Tattoo, Body Piercing and Branding (Office)** estimates applications will begin being received in FY 12 and approximately 10 applicants will apply for licensure for permanent cosmetics (\$30 application fee) and an additional 10 applicants will apply for establishment licenses (\$100 application fee). It is also estimated 10 applicants will apply for permanent cosmetics and 10 applicants will apply for establishment licenses in FY 13. Licensure renewal will begin in FY 14. Therefore, FY 12 and FY 13 revenue is estimated to be \$1,300.

The Office also estimates that it will incur an expense for the initial programming and implementation of this licensure category to the DIFP's licensure system. The DIFP estimates this initial programming will occur in FY 11 and cost approximately \$540.

<u>FISCAL IMPACT - State Government</u>	FY 2011 (10 Mo.)	FY 2012	FY 2013
TATTOO FUND			
<u>Income - DIFP</u>			
License fees and renewals		\$1,300	\$1,300
<u>Costs - DIFP</u>			
Programming	<u>(\$540)</u>	<u>\$0</u>	<u>\$0</u>
ESTIMATED NET EFFECT ON TATTOO FUND	<u>(\$540)</u>	<u>\$1,300</u>	<u>\$1,300</u>

FISCAL IMPACT - Local Government

FY 2011
(10 Mo.)

FY 2012

FY 2013

\$0

\$0

\$0

FISCAL IMPACT - Small Business

The proposal may have a minimal negative fiscal impact for small businesses that have to become licensed.

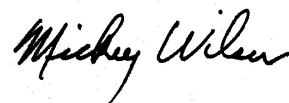
FISCAL DESCRIPTION

This proposal adds persons who apply permanent cosmetics to the same regulations as those who practice tattooing, branding, and body piercing. No person is allowed to apply permanent cosmetics without a license from the Department of Insurance, Financial Institutions and Professional Registration.

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 Institutions, and Professional Registration
Office of Secretary of State



Mickey Wilson, CPA
Director
February 10, 2010