

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 4409-01
Bill No.: HB 1557
Subject: Cosmetology; Professional Registration and Licesining
Type: Original
Date: December 18, 2015

Bill Summary: This proposal modifies provisions relating to the practice of cosmetology.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Board of Cosmetology and Barber Examiners	(Less than \$50,000)	(Less than \$50,000)	(Less than \$50,000)
Total Estimated Net Effect on <u>Other</u> State Funds	(Less than \$50,000)	(Less than \$50,000)	(Less than \$50,000)

Numbers within parentheses: () indicate costs or losses.

This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on FTE	0	0	0

☐ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Insurance, Financial Institutions and Professional Registration (DIFP)** assume this proposal makes licensure optional for barbers, barber establishments, cosmetologists, and cosmetology establishments in nursing homes and medical facilities. There is no way to determine how many of the 13,884 current licensees are in nursing homes and medical facilities or what establishments would elect to keep or obtain licensure with the cosmetology and barber board. It is assumed that less than 500 of the current licensees are affected by this legislation. Licenses cost \$100.00 each. A negative fiscal impact of unknown up to \$50,000 annually is assumed.

Officials from the **Department of Health and Senior Services, the Department of Social Services** and the **Department of Mental Health** each assume the current proposal would not fiscally impact their respective agencies.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
BOARD OF COSMETOLOGY AND BARBER EXAMINERS FUND			
<u>Loss</u> - DIFP - Reduction in Fee Income	(Less than <u>\$50,000</u>)	(Less than <u>\$50,000</u>)	(Less than <u>\$50,000</u>)
ESTIMATED NET EFFECT ON BOARD OF COSMETOLOGY AND BARBER EXAMINERS FUND	<u>(Less than \$50,000)</u>	<u>(Less than \$50,000)</u>	<u>(Less than \$50,000)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

This proposal could have a fiscal impact on cosmetology and barber establishments.

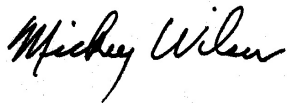
FISCAL DESCRIPTION

This proposal allows employees of nursing homes to provide cosmetology services to residents, however they are prohibited from using chemicals while performing cosmetology services.

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
Department of Health and Senior Services
Department of Social Services
Department of Mental Health



Mickey Wilson, CPA
Director
December 18, 2015

Ross Strobe
Assistant Director
December 18, 2015