

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0578H.01I
 Bill No.: HB 45
 Subject: Professional Registration and Licensing; Cosmetology
 Type: Original
 Date: January 16, 2023

Bill Summary: This proposal modifies provisions relating to cosmetology.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Cosmetology and Barber Exam Fund (0785)	Unknown, Less than \$100,000	Unknown, Less than \$100,000	Unknown, Less than \$100,000
Total Estimated Net Effect on <u>Other</u> State Funds	Unknown, Less than \$100,000	Unknown, Less than \$100,000	Unknown, Less than \$100,000

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2024	FY 2025	FY 2026
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials from the **Department of Commerce and Insurance** assume the proposal will have no fiscal impact on their organization. **Oversight** does not have any information to the contrary. Therefore, Oversight will reflect a zero impact in the fiscal note.

Oversight assumes Section 329.280 allows any cosmetologist holding a current and active license to register with the board for a “personal service registration”, along with submitting an application and a fee (set by the board). Section 329.280 does not specify the fee amount, however, Oversight assumes the revenue generated by this legislation will be minimal. For fiscal note purposes, Oversight will reflect an “Unknown, less than \$100,000” revenue into the Cosmetology and Barber Exam Fund (0785).

Officials from the **Joint Committee on Administrative Rules** assume this proposal is not anticipated to cause a fiscal impact beyond its current appropriation.

Officials from the **Office of the Secretary of State (SOS)** note many bills considered by the General Assembly include provisions allowing or requiring agencies to submit rules and regulations to implement the act. The SOS is provided with core funding to handle a certain amount of normal activity resulting from each year's legislative session. The fiscal impact for this fiscal note to the SOS for Administrative Rules is less than \$5,000. The SOS recognizes that this is a small amount and 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 office can sustain with its core budget. Therefore, the SOS reserves the right to request funding for the cost of supporting administrative rules requirements should the need arise based on a review of the finally approved bills signed by the governor.

<u>FISCAL IMPACT – State Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
COSMETOLOGY AND BARBER EXAM FUND (0785)			
<u>Revenue - DCI</u>			
Personal Service Registration Fee for a personal service registration	Unknown, Less than \$100,000	Unknown, Less than \$100,000	Unknown, Less than \$100,000
ESTIMATED NET EFFECT TO THE COSMETOLOGY AND BARBER EXAM FUND (0785)	<u>Unknown, Less than \$100,000</u>	<u>Unknown, Less than \$100,000</u>	<u>Unknown, Less than \$100,000</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2024 (10 Mo.)	FY 2025	FY 2026
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

Licensed cosmetologist and/or a licensed cosmetology establishment could be impacted by this proposal.

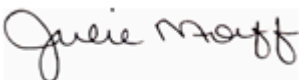
FISCAL DESCRIPTION

This bill specifies that, any cosmetologist holding a license to practice certain categories of cosmetology, as described in the bill, may register with the State Board of Cosmetology and Barber Examiners for a personal service registration to provide services to clients who are ill, disabled, or otherwise unable to travel to a cosmetology establishment. An applicant for a personal service registration shall submit to the Board an application, the fee set by the Board, and a copy of the applicant's license. An applicant for a personal service registration may be denied if the applicant has pled guilty or been found guilty of any of the offenses set forth in the bill.

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 Commerce and Insurance
Office of the Secretary of State
Joint Committee on Administrative Rules



Julie Morff
Director
January 16, 2023



Ross Strobe
Assistant Director
January 16, 2023