

Department of Planning and Budget 2020 Fiscal Impact Statement

1. Bill Number: HB514

House of Origin ☒ Introduced ☐ Substitute ☐ Engrossed
Second House ☐ In Committee ☐ Substitute ☐ Enrolled

2. Patron: Bulova

3. Committee: Committee Referral Pending

4. Title: Department of Professional and Occupational Regulation; training requirement for barbers and cosmetologists.

5. Summary: Prohibits the Board for Barbers and Cosmetology from requiring completion of more than 1,000 hours of training in the field for which an applicant for a license to practice barbering or cosmetology seeks licensing.

6. Budget Amendment Necessary: No.

7. Fiscal Impact Estimates: Preliminary. See Item 8.

Expenditure Impact:

<i>Fiscal Year</i>	<i>Dollars</i>	<i>Positions</i>	<i>Fund</i>
2020	\$33,372	0	NGF
2021	0	0	n/a
2022	0	0	n/a
2023	0	0	n/a
2024	0	0	n/a
2025	0	0	n/a
2026	0	0	n/a

8. Fiscal Implications: This bill increases the administrative and regulatory responsibilities of the Department of Professional and Occupational Regulation (DPOR) by prohibiting the Board for Barbers and Cosmetology (Board) from requiring more than 1,000 hours of training for the barber and cosmetology licenses. This change would require the Board to revise its regulations from requiring 1,500 hours training for cosmetologists to 1,000 hours. This change would also require the Board to revise the barber regulations from 1,100 required hours training to 1,000 hours.

This bill would require the Board staff to oversee the curriculum revision of approximately 201 cosmetology schools and 87 barber schools to 1,000 hours and the license re-application of the 201 cosmetology schools and 87 barber schools. The changes would involve correspondence with the schools, reviewing applications and supplemental submissions, sending deficiency letters, and updating information on the DPOR website. The Board would use existing staff to perform these functions, and hire three temporary staff to perform the

routine administrative tasks and application processing work while the current staff revise the regulations and applications, provide assistance to the regulants, make any necessary updates to the department's licensing system, and review the revised school criteria required by the bill.

Expenditure Impact: In FY2020, the Board would need to hire three contract temporary employees from April 2020 to June 2020 to assist with the Board licensing tasks and duties. It is anticipated that the temporary employees will work 500 hours each at a contract rate of \$18.90 per hour. Total employee costs are anticipated to be \$28,350. The Board would need to conduct two additional Board meetings to make the regulation revisions and curriculum updates. The Board reimburses members for travel expenses incurred when attending Board meetings. Additional Board meeting costs are anticipated to total \$3,870. A one-time charge of \$1,152 is anticipated for the printing and postage of notification letters, approval letters and mailings to existing licensees and educational providers regarding the changes. Existing staff resources would be utilized to modify and update all applications and to make configuration updates to the licensing system. The total one-time charge for three contract temporary employees, two additional Board meetings, and notification mailings is anticipated to be \$33,372.

9. Specific Agency or Political Subdivisions Affected: Department of Professional and Occupational Regulation.

10. Technical Amendment Necessary: No.

11. Other Comments: This bill is the companion bill to SB915.