



GOVERNOR'S OFFICE OF
BUDGET AND PROGRAM PLANNING

Fiscal Note 2023 Biennium

Bill #	HB0493	Title:	Establish advanced esthetics practitioner license
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Primary Sponsor:	Zolnikov, Katie	Status:	As Introduced
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- Significant Local Gov Impact
 Needs to be included in HB 2
 Technical Concerns
 Included in the Executive Budget
 Significant Long-Term Impacts
 Dedicated Revenue Form Attached

FISCAL SUMMARY

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
Expenditures:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$10,109	\$15,262	\$14,562	\$14,562
Revenue:				
General Fund	\$0	\$0	\$0	\$0
State Special Revenue	\$0	\$15,262	\$14,562	\$14,562
Net Impact-General Fund Balance:	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

Description of fiscal impact: This legislation will create a new license type for Advanced Practice Esthetician under the Board of Barbers and Cosmetology. The fiscal impacts of this legislation will include costs for rulemaking, expenses for development and programming of database changes necessary to add a new license type to the board, modifications to the existing instructor license type to include instructor specifics for advanced esthetician education, costs to create changes to the board website and specific forms and instructions for licensure including application, annual online renewal, tracking of supervision in a clinical setting, licensee lookup inclusion, creation of a webpage for licensees and the public on the board website, and additional personal services to conduct licensure and regulatory work on behalf of the board.

FISCAL ANALYSIS

Assumptions:

Department of Labor and Industry

- The Board of Barbers and Cosmetology will draft rules to implement this legislation. It is assumed there will be a 20-page rule notice and five-page adoption notice, with a cost to the board from the Secretary of State of \$1,500.

2. The board will hold a public hearing for a maximum of two hours to take comments from the public on the proposed rules with a hearing officer and court reporter present to record comments and provide a transcript. The estimated cost is \$449.
3. The board will notify interested parties of the rule changes as required. Currently, the board contacts all parties by email and directs them to the board website for information on notices, hearings, and how to provide comment in writing or in person at the hearing.
4. The board will utilize additional department legal services to draft the notice, assist in responding to comments, and prepare the adoption notice to add this new license type. The estimated cost to the board for additional legal time for board counsel and the department legal rule reviewer is \$8,160.
5. Total rulemaking costs for the first year of the biennium would be \$10,109.
6. This new license type will be added to the licensing database, to include a license application, renewal record, supervision tracking, continuing education entry and tracking (as required), and a compliance record. Changes will also need to be made to the existing instructor license record to include instruction in advance practice esthetics and any necessary or related information. In addition, forms will be created for online completion of application, and renewal, and the board website will be updated to include licensee information and updates for the public to the licensee lookup system. The board will be assisted in this by the department's Technology Services Division, (TSD), and TSD will bill the board for its services.
7. It is estimated TSD will spend 300 hours total on these tasks, including analysis, design, development, scripting/expressions, UAT, and go live, at a rate of \$84 per hour for a total expense to the board of \$25,200. Work will be completed by existing staff and contractors using existing department appropriations. These costs are not included in tables in this note.
8. The addition of a new license type will result in ongoing increased workload for board licensing and management staff. It is estimated this license could be applied for by up to 300 advanced practice estheticians by the second year of the biennium. The department will need an additional 0.25 FTE Licensing Technician, with salary and benefits of \$13,390 annually, cost allocation plan, (listed in table under operating) of \$1,172, and office supplies and computer set up of \$700 in year two of the biennium.
9. Fees for licensure and subsequent renewal will be set by the board and will be commensurate with costs. It is estimated there are 300 people who may qualify for and apply for this license. Initial licensure would not take place until the second year of the biennium.

	<u>FY 2022</u> <u>Difference</u>	<u>FY 2023</u> <u>Difference</u>	<u>FY 2024</u> <u>Difference</u>	<u>FY 2025</u> <u>Difference</u>
<u>Fiscal Impact:</u>				
FTE	0.00	0.25	0.25	0.25
<u>Expenditures:</u>				
Personal Services	\$0	\$13,390	\$13,390	\$13,390
Operating Expenses	\$10,109	\$1,872	\$1,172	\$1,172
TOTAL Expenditures	\$10,109	\$15,262	\$14,562	\$14,562
<u>Funding of Expenditures:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$15,262	\$14,562	\$14,562
TOTAL Funding of Exp.	\$0	\$15,262	\$14,562	\$14,562
<u>Revenues:</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	\$0	\$15,262	\$14,562	\$14,562
TOTAL Revenues	\$0	\$15,262	\$14,562	\$14,562
<u>Net Impact to Fund Balance (Revenue minus Funding of Expenditures):</u>				
General Fund (01)	\$0	\$0	\$0	\$0
State Special Revenue (02)	(\$9,709)	\$0	\$0	\$0



 Sponsor's Initials

2/24/21

 Date

KA

 Budget Director's Initials

2/23/21

 Date