

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2581-01  
Bill No.: SB 1080  
Subject: Cosmetology; Economic Development Dept; Licenses - Professional  
Type: Original  
Date: March 8, 2002

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
Cosmetology Board Fund	\$0	\$25,000	\$375
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$25,000</b>	<b>\$375</b>

<b>ESTIMATED NET EFFECT ON FEDERAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON LOCAL FUNDS</b>			
FUND AFFECTED	FY 2003	FY 2004	FY 2005
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 3 pages.

**FISCAL ANALYSIS**

**ASSUMPTION**

Officials with the **Department of Economic Development - Division of Professional Registration** stated that the Cosmetology Board estimates that there will be approximately 500 applicants for licensure with a 3% growth rate. They further estimate that a \$50 biennial fee will be charged. It is assumed that all costs can be covered by the board's current appropriation.

<u>FISCAL IMPACT - State Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
<b>COSMETOLOGY BOARD FUND</b>			
<u>Income</u> - Registration fees	<u>\$0</u>	<u>\$25,000</u>	<u>\$375</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2003 (10 Mo.)	FY 2004	FY 2005
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

**FISCAL IMPACT - Small Business**

Small businesses could be fiscally impacted by this proposed legislation due to increased educational requirements.

**DESCRIPTION**

This proposed legislation creates a new license classification for cosmetologists to be known as Class CB - braider. Braiders are required to take a course of study of at least 600 hours, with a minimum of 100 hours of classroom training before performing any acts of hair braiding on a patron or customer of a cosmetology school or the credit hours determined by the formula in Subpart A of Part 668 of Section 668.8 of Title 34 of the Code of Federal Regulations, as amended.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space. This proposal will increase state revenue.

SOURCES OF INFORMATION

Department of Economic Development  
Division of Professional Registration

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Acting Director  
March 8, 2002