

**HF2230 - 0 - Salon Licensure and Continuing Ed Requirements**

Chief Author: **Sandra Masin**  
 Committee: **State Government Finance Division**  
 Date Completed: **3/2/2020 3:50:59 PM**  
 Agency: **Cosmetologist Examiners Board**

State Fiscal Impact	Yes	No
Expenditures		X
Fee/Departmental Earnings		X
Tax Revenue		X
Information Technology		X
Local Fiscal Impact		X

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions shown in the parentheses.

State Cost (Savings)	Biennium			Biennium		
	Dollars in Thousands	FY2019	FY2020	FY2021	FY2022	FY2023
General Fund	-	(1)	-	-	-	-
<b>Total</b>	-	<b>(1)</b>	-	-	-	-
<b>Biennial Total</b>			<b>(1)</b>			-

Full Time Equivalent Positions (FTE)	Biennium			Biennium	
	FY2019	FY2020	FY2021	FY2022	FY2023
General Fund	-	-	-	-	-
<b>Total</b>	-	-	-	-	-

**LBO Analyst's Comment**

I have reviewed this fiscal note for reasonableness of content and consistency with the LBO's Uniform Standards and Procedures.

**LBO Signature:** Joe Harney      **Date:** 3/2/2020 3:50:59 PM  
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**State Cost (Savings) Calculation Details**

This table shows direct impact to state government only. Local government impact, if any, is discussed in the narrative. Reductions are shown in parentheses.

\*Transfers In/Out and Absorbed Costs are only displayed when reported.

<b>State Cost (Savings) = 1-2</b>		<b>Biennium</b>		<b>Biennium</b>	
<b>Dollars in Thousands</b>	<b>FY2019</b>	<b>FY2020</b>	<b>FY2021</b>	<b>FY2022</b>	<b>FY2023</b>
General Fund	-	(1)	-	-	-
<b>Total</b>	-	<b>(1)</b>	-	-	-
<b>Biennial Total</b>			<b>(1)</b>		-
<b>1 - Expenditures, Absorbed Costs*, Transfers Out*</b>					
General Fund					
Expenditures	-	1	-	-	-
Absorbed Costs	-	(1)	-	-	-
<b>Total</b>	-	-	-	-	-
<b>Biennial Total</b>			-		-
<b>2 - Revenues, Transfers In*</b>					
General Fund					
	-	1	-	-	-
<b>Total</b>	-	<b>1</b>	-	-	-
<b>Biennial Total</b>			<b>1</b>		-

**Bill Description**

Modifies continuing education requirements to require that classes offer information regarding available domestic abuse and violence resources. Defines salon franchisor. Authorizes Board-approved salon franchisors to offer continuing education courses.

**Assumptions**

The Board already has a process to approve continuing education providers. If this legislation is enacted, the Board anticipates that there are no more than 5 possible salon franchisors domiciled in the state of Minnesota who would be eligible to apply for Board approval as a provider.

Continuing education providers are approved on a yearly basis. Continuing education providers and curriculum generally seek approval for the entire calendar year. In 2019, there were 22 approved instructor and 48 practitioner continuing education providers. At this point in 2020, there are 20 approved instructor and 34 practitioner continuing education providers. This bill would go into effect on August 1, 2020 and the Board would implement this legislation to all current providers by emailing them notification and requesting back an updated curriculum.

**Expenditure and/or Revenue Formula**

Expenditures:

The Board has minimal costs associated with implementing this bill. The Board estimates using 20 hours of existing staff time to notify all providers of the change and review and approve updated curriculum. The cost to do this for our Office Administrative Specialist Senior is \$542.60 (\$27.13, salary and fringe times 20 hours).

Less than 5 hours is anticipated to be needed to modify the existing database and to train staff on the changes. The State Program Administrator Senior Supervisor will perform the changes is \$200.85 (\$40.17, salary and fridge times 5 hours).

All expenditures can be absorbed.

Revenue:

The Board anticipates no more than 5 salon franchisors seeking annual approval. The fee to register as a continuing education provider is \$150.00 per year.

Description Fee Amount	Fee Amount	Number Paying	FY2021	FY2022	FY2023	FY2024
Continuing Education Fee (Annual)	\$150	5	\$750	\$750	\$750	\$750

**Long-Term Fiscal Considerations**

None

**Local Fiscal Impact**

None

**References/Sources**

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