

LEGISLATIVE FISCAL OFFICE
Fiscal Note



Fiscal Note On: **HB 470** HLS 23RS 403
 Bill Text Version: **ENGROSSED**
 Opp. Chamb. Action:
 Proposed Amd.:
 Sub. Bill For.:

Date: April 25, 2023	1:05 PM	Author: DUBUISSON
Dept./Agy.: Board of Cosmetology		
Subject: Cosmetology Licensure		Analyst: Garrett Ordner

COSMETOLOGY EG INCREASE SG EX See Note Page 1 of 1
 Provides relative to licensure of cosmetologists

Proposed law requires the Board of Cosmetology to create and maintain a website that allows applicants to apply, pay fees, and see their current status for cosmetology licensure. Proposed law reduces the minimum length of a course of practical training and technical instruction from not less than nine months to not less than seven months and fifteen days consecutively. Proposed law reduces the minimum number of hours for a basic course of cosmetology from not less than 1,500 hours to not less than 1,200 hours. Effective August 1, 2024.

EXPENDITURES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	INCREASE	INCREASE	INCREASE	INCREASE	INCREASE	
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total						
REVENUES	2023-24	2024-25	2025-26	2026-27	2027-28	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	SEE BELOW	SEE BELOW	SEE BELOW	SEE BELOW	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Annual Total	\$0					\$0

EXPENDITURE EXPLANATION

Proposed law will result in increased expenditures by the Board of Cosmetology for a redesign of its website. The extent of this increase is indeterminable, but the board's preliminary estimates suggest an FY 24 cost of \$150,000, with annual costs of \$16,600.

Proposed law requires the board to create and maintain a website that allows applicants to apply for a license, pay fees, and see their current license status. The board has provided an estimate of the initial and annual out-year costs it will incur for the website:

FY 24 Costs for Website Development

Operating Expenses	\$72,000
Professional Services	\$27,000
<u>Equipment</u>	<u>\$51,000</u>
Total	\$150,000

Annual Costs

Website/Server Maintenance	\$3,000
Website Hosting	\$10,000
SSL Certificate	\$1,000
E-Commerce	\$300
<u>Content Management System</u>	<u>\$2,300</u>
Total	\$16,600

In addition, the proposed law decreases the minimum amount of instruction that a cosmetology program must provide. The LA Community and Technical Colleges (LCTCS) system reports that it may experience reduced costs associated with this provision; however, LCTCS anticipates these costs would be marginal.

REVENUE EXPLANATION

LCTCS reports that it may experience a decrease in tuition revenues due to the proposed reduction in the minimum amount of instruction that a cosmetology program must provide; however, LCTCS anticipates these costs would be marginal and offset by the corresponding decrease in expenditures.

<u>Senate</u>	<u>Dual Referral Rules</u>	<u>House</u>
<input checked="" type="checkbox"/> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H}		<input type="checkbox"/> 6.8(F)(1) >= \$100,000 SGF Fiscal Cost {H & S}
<input type="checkbox"/> 13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}		<input type="checkbox"/> 6.8(G) >= \$500,000 Tax or Fee Increase or a Net Fee Decrease {S}

Evan Brasseaux
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 Interim Deputy Fiscal Officer