

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

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FISCAL IMPACT STATEMENT

LS 6528

BILL NUMBER: HB 1135

NOTE PREPARED: Dec 22, 2023

BILL AMENDED:

SUBJECT: Cosmetology Apprenticeships.

FIRST AUTHOR: Rep. Wesco

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: **GENERAL**
 DEDICATED
 FEDERAL

IMPACT: State

Summary of Legislation: The bill establishes a cosmetology apprenticeship program (program). The bill sets certain requirements for cosmetologists offering a program and apprentice cosmetologists enrolled in the program. It makes conforming changes.

Effective Date: July 1, 2024.

Explanation of State Expenditures: Based on current wage levels of existing Professional Licensing Agency (PLA) staff it is estimated that the establishment of the certificate of registration (COR) would require between \$36,300 and \$72,600 in existing staff costs (the bill does not provide an appropriation to hire any additional PLA staff).

The estimate assumes that any action needed by the Board of Cosmetology and Barber Examiners to establish the COR could be accomplished within a regularly scheduled meeting of the board.

It is likely that the cost for establishing the proposed COR would be significantly less than the cost for an entirely new licensed profession since cosmetology is already a licensed profession with an established board, and since PLA staff are already assigned to administer the licensing of that profession.

Explanation of State Revenues: Research into similar existing professional apprentice or intern certificates yielded an average fee of \$21. If a \$20 fee were established for the proposed COR, there would be a need for 1,700 to 3,500 persons to apply for an apprentice cosmetologist COR in the first biennium of establishment in order to meet the estimated cost to develop the COR. Cosmetology COR's would be valid for two years after issuance. Revenue from the COR would be deposited into the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: Professional Licensing Agency; Board of Cosmetology and Barber Examiners.

Local Agencies Affected:

Information Sources: Legislative Services Agency, *Indiana Handbook of Taxes, Revenues, and Appropriations*, FY 2023; LSA's PLA License Cost Estimator Model, FY 2024.

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