

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 306 - SB 1194

February 22, 2017

SUMMARY OF BILL: Establishes that individuals whose occupation or practice is confined solely to shampooing are exempt from the licensure requirements currently applicable to licensed cosmetologists and barbers. This bill will become effective upon becoming law.

ESTIMATED FISCAL IMPACT:

Decrease State Revenue - \$900/Board of Cosmetology and Barber Examiners

Other Fiscal Impact - Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over any two-year period. The BCBE experienced a surplus of \$104,555 in FY14-15, a deficit of \$163,666 in FY15-16, and a cumulative reserve balance of \$230,833 on June 30, 2016.

Assumptions:

- Based on information provided by the Department of Commerce and Insurance, there are currently 37 shampooing technicians licensed with the Board of Cosmetology and Barber Examiners (BCBE) that would no longer be required to be licensed in the state in order to legally practice shampooing.
- A shampooing technician license costs \$50 for initial and biennial renewal.
- Annualized, a recurring decrease in state revenue of \$925 [(37 x \$50) / 2 years].
- Pursuant to Tenn. Code Ann. § 4-29-121, all regulatory boards are required to be self-supporting over any two-year period. The BCBE experienced a surplus of \$104,555 in FY14-15, a deficit of \$163,666 in FY15-16, and a cumulative reserve balance of \$230,833 on June 30, 2016.

IMPACT TO COMMERCE:

Decrease Business Expenditures – \$900

Assumption:

- Individuals which currently hold shampooing technician's licenses in this state will no longer be required to hold such license as a result of this bill.

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- A recurring decrease in business expenses for such individuals equal to licensing fees currently paid to BCBE, or \$925 per year.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/jdb