OFFICE OF LEGISLATIVE AUDITOR **Fiscal Note**

Louisiana Legislative Auditor Fiscal Notes

HB 326 HLS 25RS Fiscal Note On:

Bill Text Version: ORIGINAL

Opp. Chamb. Action: Proposed Amd.:

Sub. Bill For .:

Date: April 17, 2025

3:23 PM

Author: BUTLER

Analyst: Jamie Mergist

Dept./Agy.: Louisiana Board of Cosmetology

Subject: Board Composition & Qualifications; Fee Changes

856

COSMETOLOGY/BOARD

OR INCREASE SG RV See Note

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Provides relative to the Louisiana Cosmetology Act

Purpose of Bill: This bill changes the composition of the membership of the Louisiana Board of Cosmetology (Board), qualifications of board members, and the Board's fee schedule.

EXPENDITURES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$0	\$0	\$0	\$0	\$0	\$0
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$0	\$0	\$0	\$0	\$0	\$0
REVENUES	2025-26	2026-27	2027-28	2028-29	2029-30	5 -YEAR TOTAL
State Gen. Fd.	\$0	\$0	\$0	\$0	\$0	\$0
Agy. Self-Gen.	\$970,275	\$970,275	\$970,275	\$970,275	\$970,275	\$4,851,375
Ded./Other	\$0	\$0	\$0	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0	\$0	\$0	\$0
Local Funds	\$0	\$0	\$0	\$0	\$0	\$0
Annual Total	\$970,275	\$970,275	\$970,275	\$970,275	\$970,275	\$4,851,375

EXPENDITURE EXPLANATION

There is no anticipated direct material effect on agency self-generated expenditures as a result of this measure.

A Board official indicated that, while not a direct impact of the bill, it is the Board's intention to use the increased fee revenue to pay for the rising level of expenditures (mandatory insurance costs, salary and benefits, operating expenses, etc.). The official indicated that expenditures increase approximately five percent annually due to inflation.

REVENUE EXPLANATION

Agency self-generated revenues could increase by approximately \$970,275 annually.

This bill affects the fee schedule for Cosmetologists, Estheticians, Manicurists, Cosmetology Teachers and Schools, and other related parties and activities. A Board official indicated that without a fee increase, while not a direct impact of the bill, the Board anticipates it may have to cease operations within the next two years due to the rising levels of expenditures and mandatory costs.

Senate <u>Dual Referral Rules</u> 13.5.1 >= \$100,000 Annual Fiscal Cost {S & H} <u>House</u>

 $6.8(F)(1) >= $100,000 SGF Fiscal Cost {H & S}$

6.8(G) >= \$500,000 Tax or Fee Increaseor a Net Fee Decrease {S}

Michael G. Battle

G. Battle

Manager, Advisory Services

13.5.2 >= \$500,000 Annual Tax or Fee Change {S & H}