

Adverse impact notification sent to Joint Commission on Administrative Rules, House Committee on Appropriations, and Senate Committee on Finance (COV § 2.2-4007.04.C): Yes Not Needed

If/when this economic impact analysis (EIA) is published in the *Virginia Register of Regulations*, notification will be sent to each member of the General Assembly (COV § 2.2-4007.04.B).



Virginia Department of Planning and Budget Economic Impact Analysis

18 VAC 41-20 – Board for Barbers and Cosmetology Rules and Regulations
Department of Professional and Occupational Regulation
Town Hall Action/Stage: 4845/7965
July 21, 2017

Summary of the Proposed Amendments to Regulation

The Board of Barbers and Cosmetology (Board) proposes to allow licensed and certified esthetics instructors and master esthetics instructors to teach at waxing schools.

Result of Analysis

Benefits likely outweigh costs for this proposed regulatory change.

Estimated Economic Impact

Currently regulation allows licensed and certified cosmetology instructors to instruct students in waxing programs. Esthetic instructors and master esthetic instructors currently may teach the same waxing skills as are taught in waxing schools but may only do so in esthetics schools. The Board now proposes to allow esthetics instructors and master esthetics instructors to also teach waxing in waxing schools. This change will likely benefit esthetics instructors and master esthetics instructors as it will broaden their potential job opportunities. This change will also benefit waxing schools as they will have a larger pool of instructors from which to hire.

Businesses and Entities Affected

This change will affect esthetics instructors and master esthetics instructors as well as waxing schools. Board staff reports that the Board currently licenses or certifies 53 individuals as

esthetics instructors or master esthetics instructors and that there are ten waxing schools in the Commonwealth

Localities Particularly Affected

No localities will be particularly affected by this proposed change.

Projected Impact on Employment

This proposed regulatory change may allow the mix of instructors in waxing schools to change but it is unlikely to increase employment in that field.

Effects on the Use and Value of Private Property

This proposed regulatory change is unlikely to affect the use or value of private property in the Commonwealth.

Real Estate Development Costs

These proposed regulatory changes are unlikely to affect real estate development costs in the Commonwealth.

Small Businesses:

Definition

Pursuant to § 2.2-4007.04 of the Code of Virginia, small business is defined as “a business entity, including its affiliates, that (i) is independently owned and operated and (ii) employs fewer than 500 full-time employees or has gross annual sales of less than \$6 million.”

Costs and Other Effects

Small businesses are unlikely to incur any additional costs on account of this regulatory change. Small business waxing schools will likely benefit as they will have a larger pool of possible instructors from which to hire.

Alternative Method that Minimizes Adverse Impact

Small businesses are unlikely to incur any costs on account of this regulatory action.

Adverse Impacts:

Businesses:

Businesses are unlikely to be adversely affected by this regulatory change.

Localities:

No locality is likely to suffer adverse impacts on account of this proposed regulatory change.

Other Entities:

No other entities are likely to suffer adverse impacts on account of this proposed regulatory change.

Legal Mandates

General: The Department of Planning and Budget has analyzed the economic impact of this proposed regulation in accordance with § 2.2-4007.04 of the Code of Virginia (Code) and Executive Order Number 17 (2014). Code § 2.2-4007.04 requires that such economic impact analyses determine the public benefits and costs of the proposed amendments. Further the report should include but not be limited to: (1) the projected number of businesses or other entities to whom the proposed regulatory action would apply, (2) the identity of any localities and types of businesses or other entities particularly affected, (3) the projected number of persons and employment positions to be affected, (4) the projected costs to affected businesses or entities to implement or comply with the regulation, and (5) the impact on the use and value of private property.

Adverse impacts: Pursuant to Code § 2.2-4007.04(C): In the event this economic impact analysis reveals that the proposed regulation would have an adverse economic impact on businesses or would impose a significant adverse economic impact on a locality, business, or entity particularly affected, the Department of Planning and Budget shall advise the Joint Commission on Administrative Rules, the House Committee on Appropriations, and the Senate Committee on Finance within the 45-day period.

If the proposed regulatory action may have an adverse effect on small businesses, Code § 2.2-4007.04 requires that such economic impact analyses include: (1) an identification and estimate of the number of small businesses subject to the proposed regulation, (2) the projected reporting, recordkeeping, and other administrative costs required for small businesses to comply with the proposed regulation, including the type of professional skills necessary for preparing required reports and other documents, (3) a statement of the probable effect of the proposed regulation on affected small businesses, and (4) a description of any less intrusive or less costly alternative methods of achieving the purpose of the proposed regulation. Additionally, pursuant to Code § 2.2-4007.1, if there is a finding that a proposed regulation may have an adverse impact on small business, the Joint Commission on Administrative Rules shall be notified.

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