



Exempt Action Final Regulation Agency Background Document

Agency name	Board for Barbers and Cosmetology
Virginia Administrative Code (VAC) citation	18 VAC 41-70
Regulation title	Esthetics Regulations
Action title	Amend Regulations to Reduce Fees
Final agency action date	November 18, 2013
Document preparation date	December 16, 2013

When a regulatory action is exempt from executive branch review pursuant to § 2.2-4002 or § 2.2-4006 of the Virginia Administrative Process Act (APA), the agency is encouraged to provide information to the public on the Regulatory Town Hall using this form.

Note: While posting this form on the Town Hall is optional, the agency must comply with requirements of the Virginia Register Act, Executive Orders 14 (2010) and 58 (1999), and the *Virginia Register Form, Style, and Procedure Manual*.

Summary

Please provide a brief summary of all regulatory changes, including the rationale behind such changes. Alert the reader to all substantive matters or changes. If applicable, generally describe the existing regulation.

The Board for Barbers and Cosmetology voted to reduce its fees on November 18, 2013. At the close of each biennium, the Department of Professional and Occupational Regulation is required by Section 54.1-113 of the Code of Virginia (Callahan Act) to review each board's financial position to determine whether fees need to be adjusted to ensure that revenues are sufficient, but not excessive, to cover the board's operating expenses. The Board for Barbers and Cosmetology fees were last increased on September 1, 2011 and the Board has completed a full renewal cycle with these fees in place. At the close of the 2012-2014 biennium, it is projected the Board will have accumulated a cash balance of \$4,390,000 with a Callahan Act position of 55%. Current fees will continue to produce revenue and cash balances that are greater than necessary to cover the Board's operating expenses for the foreseeable future. Reductions in fees are needed to bring revenues and cash balances to an appropriate amount, allowing the Board to gradually begin using its accumulated cash to support ongoing operations, and will result in a gradual decrease in the Board's cash balance and Callahan Act position.

Statement of final agency action

Please provide a statement of the final action taken by the agency including (1) the date the action was taken, (2) the name of the agency taking the action, and (3) the title of the regulation.

The Board for Barbers and Cosmetology voted to reduce its fees on November 18, 2013.

Family impact

Assess the impact of this regulatory action on the institution of the family and family stability.

This regulatory action may marginally positively impact the institution of the family and family (economic) stability by contributing to a potential increase in disposable family income and may encourage economic self-sufficiency, self-pride, and the assumption of responsibility for oneself, one's spouse, and one's children and/or elderly parents.