

Office of Regulatory Management
Economic Review Form

Agency name	Board for Barbers and Cosmetology
Virginia Administrative Code (VAC) Chapter citation(s)	18 VAC 41-20 18 VAC 41-50 18 VAC 41-70
VAC Chapter title(s)	Barbering and Cosmetology Regulations (18VAC41-20) Tattooing Regulations (18VAC41-50) Esthetics Regulations (18VAC41-70)
Action title	Non-Traditional or Online Instruction
Date this document prepared	July 9, 2024
Regulatory Stage (including Issuance of Guidance Documents)	Guidance Document (revision)

Cost Benefit Analysis

Complete Tables 1a and 1b for all regulatory actions. You do not need to complete Table 1c if the regulatory action is required by state statute or federal statute or regulation and leaves no discretion in its implementation.

Table 1a should provide analysis for the regulatory approach you are taking. Table 1b should provide analysis for the approach of leaving the current regulations intact (i.e., no further change is implemented). Table 1c should provide analysis for at least one alternative approach. You should not limit yourself to one alternative, however, and can add additional charts as needed.

Report both direct and indirect costs and benefits that can be monetized in Boxes 1 and 2. Report direct and indirect costs and benefits that cannot be monetized in Box 4. See the ORM Regulatory Economic Analysis Manual for additional guidance.

Table 1a: Costs and Benefits of the Proposed Changes (Primary Option)

<p>(1) Direct & Indirect Costs & Benefits (Monetized)</p>	<p>Under the regulations, a school shall submit its curricula for board approval and shall conduct classroom instruction in an area separate from the clinic area where practical instruction is conducted, and services are provided. In 2016, the Board drafted guidance in the interpretation or implementation of the aforementioned regulations. In 2020, the Board revised that guidance to clarify that schools may offer non-traditional or online instruction on all theory topics in their approved curriculum. Since the adoption of that guidance in 2020, schools have encountered challenges in distinguishing between theory and practical topics.</p> <p>Upon review of the curriculum requirements, it was determined that Board staff, who are not subject matter experts, were requiring more topics to be taught in person as practical topics than were necessary. The Board determined more curriculum topics were theory than practical.</p> <p>The proposed amendment to the guidance document clarifies which of the curriculum requirements in each set of affected regulations is considered by the Board to be theory, practical or a combination of both. These are detailed in several tables that are an attachment to the guidance document.</p> <p>Direct Costs: There are no additional monetizable direct costs associated with this amended guidance document.</p> <p>Indirect Costs: There are no additional monetizable indirect costs associated with this amended guidance document.</p> <p>Direct Benefit: There are no additional monetizable direct benefits associated with this guidance document.</p> <p>Indirect Benefits: There are no additional monetizable indirect benefits associated with this guidance document.</p>	
<p>(2) Present Monetized Values</p>	<p>Direct & Indirect Costs</p>	<p>Direct & Indirect Benefits</p>
	<p>(a) \$0</p>	<p>(b) \$0</p>
<p>(3) Net Monetized Benefit</p>	<p>\$0</p>	

(4) Other Costs & Benefits (Non-Monetized)	<p>The main benefit of this amendment to the Guidance Document is to regulated parties. By clarifying which topics may be taught online and which topics must be taught in person, or some combination thereof, it will be easier for current schools to provide instruction to students, allow for students to work at their own pace and have the time not spent in class to work at outside employment, and allow a framework for new schools to determine which parts of their curriculum may be taught online versus in person.</p> <p>An additional benefit of amending this Guidance Document is that Board staff will have clearer instruction on which training components are approved for online instruction and which must be taught in a classroom. Further, staff will have clearer instruction as to when the Board should perform a review of a curriculum.</p>
(5) Information Sources	<p>Board for Barbers and Cosmetology program staff and public comment made during the discussion of this guidance document at the regulatory review committee and board meeting.</p>

Table 1b: Costs and Benefits under the Status Quo (No change to the regulation)

(1) Direct & Indirect Costs & Benefits (Monetized)	<p>There are no additional monetizable direct or indirect costs associated with maintaining the status quo.</p> <p>There are no additional monetizable direct or indirect benefits associated with maintaining the status quo.</p>	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$0
(3) Net Monetized Benefit	\$0	
(4) Other Costs & Benefits (Non-Monetized)	<p>There are no additional costs or benefits associated with maintaining the status quo.</p>	
(5) Information Sources	<p>Board for Barbers and Cosmetology program staff and public comment made during the discussion of this guidance document at the regulatory review committee and board meeting.</p>	

Table 1c: Costs and Benefits under Alternative Approach(es)

(1) Direct & Indirect Costs &	<p>See Box #4.</p>
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Benefits (Monetized)		
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) N/A	(b) N/A
(3) Net Monetized Benefit	N/A	
(4) Other Costs & Benefits (Non-Monetized)	The guidance document does not impose regulatory obligations on regulated parties. The Board did not consider a third option when it considered the change to the guidance document.	
(5) Information Sources	N/A	

Impact on Local Partners

Use this chart to describe impacts on local partners. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 2: Impact on Local Partners

(1) Direct & Indirect Costs & Benefits (Monetized)	There are no monetizable direct or indirect costs to local partners associated with amending this guidance document. There are no monetizable direct or indirect benefits to local partners associated with amending this guidance document.	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$0
(3) Other Costs & Benefits (Non-Monetized)	N/A	
(4) Assistance	N/A	
(5) Information Sources	Board for Barbers and Cosmetology program staff and public comment made during the discussion of this guidance document at the regulatory review committee and board meeting.	

Impacts on Families

Use this chart to describe impacts on families. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 3: Impact on Families

(1) Direct & Indirect Costs & Benefits (Monetized)	See Box #3	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$0
(3) Other Costs & Benefits (Non-Monetized)	There are no anticipated costs or benefits to families resulting from amending this guidance document.	
(4) Information Sources	Board for Barbers and Cosmetology program staff and public comment made during the discussion of this guidance document at the regulatory review committee and board meeting.	

Impacts on Small Businesses

Use this chart to describe impacts on small businesses. See Part 8 of the ORM Cost Impact Analysis Guidance for additional guidance.

Table 4: Impact on Small Businesses

(1) Direct & Indirect Costs & Benefits (Monetized)	See Box #3	
(2) Present Monetized Values	Direct & Indirect Costs	Direct & Indirect Benefits
	(a) \$0	(b) \$0
(3) Other Costs & Benefits (Non-Monetized)	School licenses are issued to firms. Many licensed schools likely fall within the definition of "small business" in § 2.24007.1 of the Code of Virginia.	

	There are no anticipated costs or benefits to small businesses resulting from amending this guidance document.
(4) Alternatives	N/A
(5) Information Sources	Board for Barbers and Cosmetology program staff and public comment made during the discussion of this guidance document at the regulatory review committee and board meeting.

Changes to Number of Regulatory Requirements

Table 5: Regulatory Reduction

For each individual action, please fill out the appropriate chart to reflect any change in regulatory requirements, costs, regulatory stringency, or the overall length of any guidance documents.

Change in Regulatory Requirements

VAC Section(s) Involved*	Authority of Change	Initial Count	Additions	Subtractions	Total Net Change in Requirements
20-200/ Guidance Document 5318: Non- traditional or Online Instruction	(M/A):	0	0	0	0
	(D/A):	0	2	0	+2
	(M/R):	0	0	0	0
	(D/R):	1	0	0	0
50-230/ Guidance Document 5318: Non- traditional or Online Instruction	(M/A):	0	0	0	0
	(D/A):	0	2	0	+2
	(M/R):	0	0	0	0
	(D/R):	1	0	0	0
70-180/ Guidance Document 5318: Non- traditional or Online Instruction	(M/A):	0	0	0	0
	(D/A):	0	2	0	+2
	(M/R):	0	0	0	0
	(D/R):	1	0	0	0
Grand Total of Changes in Requirements:					(M/A): 0 (D/A): +6 (M/R): 0 (D/R): 0

Key:

Please use the following coding if change is mandatory or discretionary and whether it affects externally regulated parties or only the agency itself:

(M/A): Mandatory requirements mandated by federal and/or state statute affecting the agency itself

(D/A): Discretionary requirements affecting agency itself

(M/R): Mandatory requirements mandated by federal and/or state statute affecting external parties, including other agencies

(D/R): Discretionary requirements affecting external parties, including other agencies

Cost Reductions or Increases (if applicable)

VAC Section(s) Involved*	Description of Regulatory Requirement	Initial Cost	New Cost	Overall Cost Savings/Increases
N/A	N/A	N/A	N/A	N/A

Other Decreases or Increases in Regulatory Stringency (if applicable)

VAC Section(s) Involved*	Description of Regulatory Change	Overview of How It Reduces or Increases Regulatory Burden
20-200; 50-230; 70-180/ Guidance Document 5318: Non-traditional or Online Instruction	Under the regulations, a school shall submit its curricula for board approval and shall conduct classroom instruction in an area separate from the clinic area where practical instruction is conducted, and services are provided.	<p>By providing clearer guidance as to which topics may be taught online, which must be taught in person, or in some combination, schools will be better able to offer curriculum that is flexible for students and allows for students to work at their own pace and have the time not spent in class to work at outside employment.</p> <p>Upon review of the curriculum requirements, it was determined that Board staff, because they are not subject matter experts, were requiring more topics to be taught in person as practical topics than were necessary. The Board determined more curriculum topics were theory than practical, therefore it decreases the burden on schools to teach in person.</p>

Length of Guidance Documents (only applicable if guidance document is being revised)

Title of Guidance Document	Original Word Count	New Word Count	Net Change in Word Count
Non-Traditional Classroom Instruction	135 words (One page)	3,905 words ¹ (16 pages)	+3,770 words (15 pages)

¹Most of the additional words and pages reflect the attachment which provides the detail as to which topics (i) may be taught online and (ii) must be taught in a classroom.

*If the agency is modifying a guidance document that has regulatory requirements, it should report any change in requirements in the appropriate chart(s).