



Common Sense Initiative

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Business Impact Analysis

Agency, Board, or Commission Name: Ohio State Cosmetology and Barber Board

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Regulation/Package Title (a general description of the rules' substantive content):

4713-1 NC 8-2024, 4713-1 8-2024

Rule Number(s): 4713-1-01, 4713-1-07, 4713-1-11, 4713-1-12, 4713-1-14, 4713-1-15, 4713-1-17
4713-1-03, 4713-1-10, 4713-1-13, 4713-1-09, 4713-1-18

Date of Submission for CSI Review: 9-16-2024

Public Comment Period End Date: 9-23-2024

Rule Type/Number of Rules:

New/ 1 rules

No Change/ 3 rules (FYR? Yes)

Amended/ 6 rules (FYR? Yes)

Rescinded/ 3 rules (FYR? Yes)

The Common Sense Initiative is established in R.C. 107.61 to eliminate excessive and duplicative rules and regulations that stand in the way of job creation. Under the Common Sense Initiative, agencies must balance the critical objectives of regulations that have an adverse impact on business with the costs of compliance by the regulated parties. Agencies should promote transparency, responsiveness, predictability, and flexibility while developing regulations that are fair and easy to follow. Agencies should prioritize compliance over punishment, and to that end, should utilize plain language in the development of regulations.

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Reason for Submission

1. **R.C. 106.03 and 106.031 require agencies, when reviewing a rule, to determine whether the rule has an adverse impact on businesses as defined by R.C. 107.52. If the agency determines that it does, it must complete a business impact analysis and submit the rule for CSI review.**

Which adverse impact(s) to businesses has the agency determined the rule(s) create?

The rule(s):

- a. ☒ **Requires a license, permit, or any other prior authorization to engage in or operate a line of business.**
- b. ☒ **Imposes a criminal penalty, a civil penalty, or another sanction, or creates a cause of action for failure to comply with its terms.**
- c. ☐ **Requires specific expenditures or the report of information as a condition of compliance.**
- d. ☐ **Is likely to directly reduce the revenue or increase the expenses of the lines of business to which it will apply or applies.**

Regulatory Intent

2. **Please briefly describe the draft regulation in plain language.**

Please include the key provisions of the regulation as well as any proposed amendments.

4713-1-01: This rule provides definitions of terms used throughout Chapter 4713-1 of the Administrative Code. It is being amended to reflect the new standards for appropriate disinfectants.

4713-1-07: This rule addresses prohibited practices within the industry. It is being amended to add a provision to address employing a barber teacher or assistant barber teacher who does not hold a license, creating an administrative cause of action.

4713-1-11: This rule addresses changes in status or ownership of licensed businesses. It is being amended to remove provisions addressing tanning and schools, which are addressed separately in other sections of the Administrative Code.

4713-1-12: This rule addresses sign requirements for licensed facilities. It is necessary to ensure that signs for licensed facilities are professional and conform with uniform standards ensuring the safety of patrons.

4713-1-14: This rule addresses human trafficking education. It is being amended to reflect changes in procedure and the passage of HB 158.

4713-1-15: This rule addresses fines, requests for extension of payment, penalties, and interest. This rule provides transparency to licensees regarding how fees and applicable penalties are determined.

4713-1-03: Addresses the application of rules. It is necessary to provide additional clarification to whom the rules apply. It is not being amended at this time.

4713-1-10: This rule provides additional insight on the inspection and investigation process, providing necessary details helpful to licensees. It is not being amended at this time.

4713-1-13: This rule addresses access to confidential personal information, providing transparency and is required by R.C. 1347.15. It is not being amended at this time.

4713-1-09: This rule addresses animals in licensed facilities. It is being removed to reduce administrative oversight, allowing individual business owners to independently address the issue.

4713-1-17: This rule addresses fees, and is being rescinded and refiled as a new rule to reflect changes to the Revised Code following the passage of HB 158.

4713-1-18: This rule addresses boutique services registration education. It is being rescinded following the passage of HB 158.

3. Please list the Ohio statute(s) that authorize the agency, board or commission to adopt the rule(s) and the statute(s) that amplify that authority.

R.C. 4709.05, 4713.08

4. Does the regulation implement a federal requirement? Is the proposed regulation being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal law or to participate in a federal program?

If yes, please briefly explain the source and substance of the federal requirement.

No.

5. If the regulation implements a federal requirement, but includes provisions not specifically required by the federal government, please explain the rationale for exceeding the federal requirement.

Not applicable.

6. What is the public purpose for this regulation (i.e., why does the Agency feel that there needs to be any regulation in this area at all)?

Chapter 4713-1 addresses administrative issues. These rules detail the rules and regulations that govern the Board and its procedures.

7. How will the Agency measure the success of this regulation in terms of outputs and/or outcomes?

Success will be determined by compliance with the requirements established, and through staff and public feedback.

8. Are any of the proposed rules contained in this rule package being submitted pursuant to R.C. 101.352, 101.353, 106.032, 121.93, or 121.931?

If yes, please specify the rule number(s), the specific R.C. section requiring this submission, and a detailed explanation.

No.

Development of the Regulation

9. Please list the stakeholders included by the Agency in the development or initial review of the draft regulation.

If applicable, please include the date and medium by which the stakeholders were initially contacted.

The agency sent an email to all interested parties.

10. What input was provided by the stakeholders, and how did that input affect the draft regulation being proposed by the Agency?

No input was received from stakeholders regarding these rules.

11. What scientific data was used to develop the rule or the measurable outcomes of the rule? How does this data support the regulation being proposed?

No scientific data was used when accessing these rules.

12. What alternative regulations (or specific provisions within the regulation) did the Agency consider, and why did it determine that these alternatives were not appropriate? If none, why didn't the Agency consider regulatory alternatives? *Alternative regulations may include performance-based regulations, which define the required outcome, but do not dictate the process the regulated stakeholders must use to comply.*

The Board did not consider alternative regulations because the rules are administrative in nature.

13. What measures did the Agency take to ensure that this regulation does not duplicate an existing Ohio regulation?

The Board is the sole entity tasked with the regulation of barbering and the branches of cosmetology in Ohio.

14. Please describe the Agency’s plan for implementation of the regulation, including any measures to ensure that the regulation is applied consistently and predictably for the regulated community.

This rule will be posted on the Board’s website and notification will be sent to all regulated persons and businesses that may be impacted.

Adverse Impact to Business

15. Provide a summary of the estimated cost of compliance with the rule(s). Specifically, please do the following:

- a. Identify the scope of the impacted business community, and**
- b. Quantify and identify the nature of all adverse impact (e.g., fees, fines, employer time for compliance, etc.).**

The adverse impact can be quantified in terms of dollars, hours to comply, or other factors; and may be estimated for the entire regulated population or for a representative business. Please include the source for your information/estimated impact.

4713-1-01: This rule provides definitions of terms used throughout Chapter 4713-1 of the Administrative Code. It is being amended to reflect the new standards for appropriate disinfectants. This rule applies to all licensees but should not have an adverse impact on business as this rule is designed to provide clarity, and all licensees currently adhere to sanitary standards and must use appropriate disinfectants.

4713-1-07: This rule addresses prohibited practices within the industry. It is being amended to add a provision addressing employing a barber teacher or assistant barber teacher who does not hold a license, creating an administrative cause of action. This rule applies to all licensees but will only impact barber schools. It should not have any adverse impact, however, as barber schools already know they must only employ licensed barber teachers or assistant barber teachers. This amendment simply elevates it to an actionable offense, which exists in revised code for cosmetology licensees.

4713-1-11: This rule addresses changes in status or ownership of licensed businesses. It is being amended to remove provisions addressing tanning and schools, which are addressed separately in other sections of the Administrative Code. There is no adverse impact on business however, because the amended section is addressed elsewhere and therefore no practical change will be made to existing policies and rules.

4713-1-12: This rule addresses sign requirements for licensed facilities. It is necessary to ensure that signs for licensed facilities are professional and conform with uniform standards ensuring the safety of patrons. It is being amended in accordance with HB 158. This rule applied to all licensed facilities, and any expenditure would be a one-time cost to acquire complaint signage for the business.

4713-1-14: This rule addresses human trafficking education. It is being amended to reflect changes in procedure and the passage of HB 158. While it may pose an impact to business indirectly, any requirements under this rule are required by R.C. 5502.63.

4713-1-15: This rule addresses fines, requests for extension of payment, penalties, and interest. This rule provides transparency to licensees regarding how fees and applicable penalties are determined. As this rule does not directly carry a penalty but rather provides detail and information on how fines are assessed, it does not directly have an adverse impact on business.

4713-1-03: Addresses the application of rules. It is necessary to provide additional clarification to whom the rules apply. It is not being amended at this time. This rule applies to all licensees but poses no adverse impact as it simply provides information and is administrative in nature.

4713-1-10: This rule provides additional insight on the inspection and investigation process, providing necessary details helpful to licensees. It is not being amended at this time. While this rule will impact all licensees, any impact should be de minimis as the inspection requirement is required by revised code.

4713-1-13: This rule addresses access to confidential personal information, providing transparency and is required by R.C. 1347.15. It is not being amended at this time. As this rule is directed at the Board, it does not have an adverse impact on business.

4713-1-09: This rule addresses animals in licensed facilities. It is being removed to reduce administrative oversight, allowing individual business owners to independently address the issue.

4713-1-17: This rule addresses fees, and is being rescinded and refiled as a new rule to reflect changes to the Revised Code following the passage of HB 158. These fees are required to be determined by rule in the Revised Code, which only provides the statutory maximums of given fines. While there is an adverse impact on business by way of fees, such fees are required to ensure the continued operation of the Board and the execution of its stated mission.

4713-1-18: This rule addresses boutique services registration education. This rule does not pose an adverse impact on business as it is administrative in nature and details education requirements. It is being rescinded following the passage of HB 158.

- 16. Are there any proposed changes to the rules that will reduce a regulatory burden imposed on the business community? Please identify. (*Reductions in regulatory burden may include streamlining reporting processes, simplifying rules to improve readability, eliminating requirements, reducing compliance time or fees, or other related factors*).**

Yes. The removal of 4713-1-09 and 4713-1-18 will reduce regulatory burden by allowing business owners to make their own decisions when allowing animals in licensed facilities. Additionally, with the passage of HB 158 and these amendments as a result thereof, the Board can better align its policies, procedures, and rules to make them more uniform across all license types, leading to increased efficiency, a reduction in fees, and simplification of administrative rules.

- 17. Why did the Agency determine that the regulatory intent justifies the adverse impact to the regulated business community?**

These regulations are administrative and should have a minimal impact on the business community.

Regulatory Flexibility

- 18. Does the regulation provide any exemptions or alternative means of compliance for small businesses? Please explain.**

These rules are administrative and must apply evenly to all licensees and registration holders to remain effective. Therefore, no alternatives or exemptions exist.

- 19. How will the agency apply Ohio Revised Code section 119.14 (waiver of fines and penalties for paperwork violations and first-time offenders) into implementation of the regulation?**

There are no fines or penalties directly associated with these rules. However, any violation will be subject to the adjudication process.

- 20. What resources are available to assist small businesses with compliance of the regulation?**

No additional resources are available to assist in compliance with this rule. However, the Board will publish all available information on its website.