



Common Sense Initiative

Mike DeWine, Governor
Jon Husted, Lt. Governor

Joseph Baker, Director

Business Impact Analysis

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

Rule Contact Name and Contact Information: Jared.Yee@cos.ohio.gov

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

4713-21 8-2024

Rule Number(s): 4713-21-03, 4713-21-04, 4713-21-06, 4713-21-09

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

Public Comment Period End Date: 9-23-2024

Rule Type/Number of Rules:

New/___ rules

No Change/___ rules (FYR? ___)

Amended/ 4 rules (FYR? Yes)

Rescinded/___ rules (FYR? ___)

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.

77 SOUTH HIGH STREET | 30TH FLOOR | COLUMBUS, OHIO 43215-6117

CSIPublicComments@governor.ohio.gov

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.

4713-21-03: This rule addresses continuing education requirements. It is being amended to reflect a change following the passage of HB 158 affecting licensure.

4713-21-04: This rule addresses license and boutique services registration renewal procedures. It is being amended to reflect a change following the passage of HB 158 to reduce continuing education requirements for expired licenses.

4713-21-06: This rule addresses applying for inactive licensure status and temporary work permits. It is being amended to reflect a necessary change following the passage of HB 158 allowing for licenses under chapter 4709 of the Revised Code to receive such benefits.

4713-21-09: This rule addresses criteria for continuing education: courses, course instructors and eligible offering entities to be: approved, denied approval, withdrawn, revoked or suspended. It is being amended to reflect a change following the passage of HB 158 affecting licensure.

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 4713-21 addresses continuing education requirements, which are permissible pursuant to the Revised Code and are implemented to ensure licensees are up to date with developments in the industry which directly relates to providing better and safer services to the public.

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.

4713-21-03: This rule addresses continuing education requirements. It is being amended to reflect a change following the passage of HB 158 affecting licensure. This rule applies to all licensees, and while there may be a fee associated with receiving continuing education, that fee is determined by the third party CE provider. These CEs ensure all licensees stay up to date on developments in the industry and ensure safe practices, so any cost is outweighed by the benefit to the public. Continuing education requirements are expressly permitted by the Revised Code.

4713-21-04: This rule addresses license and boutique services registration renewal procedures. It is being amended to reflect a change following the passage of HB 158 to reduce continuing education requirements for expired licenses, ultimately providing a benefit to those impacted by the rule.

4713-21-06: This rule addresses applying for inactive licensure status and temporary work permits. It is being amended to reflect a necessary change following the passage of HB 158 allowing for licenses under chapter 4709 of the Revised Code to receive such benefits.

4713-21-09: This rule addresses criteria for continuing education: courses, course instructors and eligible offering entities to be: approved, denied approval, withdrawn, revoked or suspended. It is being amended to reflect a change following the passage of HB 158 affecting licensure.

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*).

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 for the reasons previously stated.

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?

Any violation will be subject to the R.C. 119 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.