



Common Sense Initiative

Mike DeWine, Governor
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Business Impact Analysis

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

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

Inactive Licensure Status.

Rule Number(s): 4713-21-06 (Amend)

Date of Submission for CSI Review: 08/14/2020

Public Comment Period End Date: 08/29/2020

Rule Type/Number of Rules:

- | | |
|---|---|
| <input type="checkbox"/> New/___ rules | <input type="checkbox"/> No Change/___ rules (FYR? ___) |
| <input checked="" type="checkbox"/> Amended/ __1__ rules (FYR? _N_) | <input type="checkbox"/> Rescinded/___ rules (FYR?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.

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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.

4713-21-03 (Amend) – This rule establishes the procedures for placing a license in an inactive status and for obtaining a temporary work permit for individuals holding inactive licenses, as required by R.C. 4713.08(A)(18) and 4713.61. The rule is being amended to correct a fee reference in paragraph (D). Specifically, the rule currently references a renewal fee of forty-five dollars. This fee was increased to fifty-five dollars when the amendments to Ohio Adm.Code 4713-1-17 took effect on July 5, 2020. The proposed amended language would end tying the fee reference to a specific amount, which will eliminate the need to amend the rule should the renewal fee increase or decrease in the future.

There are no other proposed amendments to the rule.

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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.

4713-21-03: R.C. §§ 4713.08(A)(18), 4713.61.

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 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)?

The Board has decided to offer licensees who are not currently practicing, but may wish to do so in the future, the opportunity to classify their license as inactive. As a result, the Board is statutorily required to have such a rule.

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

The success of the regulation will be measured by the number of licensees who chose to classify their license as inactive and by the feedback provided by these licensees.

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 Board placed this rule on its website, requesting input and comments from all interested parties. Additionally, notification of the proposed rule change was emailed on July 17, 2020, to all entities and persons currently on our interested parties list,

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along with a response email address. Stakeholders were given through July 22, 2020, to submit their initial comments.

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

The Board did not receive any stakeholder input for the proposed amendment.

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?

The Board did not employ scientific data to develop this rule. The rule simply outlines a common-sense process in accordance with the requirements of R.C. 4713.08(A)(18) and 4713.61.

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?

The Board did not consider any alternative regulations because this rule simply follows the requirements set forth in statute.

13. Did the Agency specifically consider a performance-based regulation? Please explain. *Performance-based regulations define the required outcome, but don't dictate the process the regulated stakeholders must use to achieve compliance.*

No. Statute requires the Board to establish a process with his rule.

14. 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 the branches of cosmetology in Ohio.

15. 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.

The rule will be posted on the Board's website, and a notification will be sent to all regulated persons and businesses that may be impacted.

Adverse Impact to Business

16. Provide a summary of the estimated cost of compliance with the rule. Specifically, please do the following:
- Identify the scope of the impacted business community; and

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- b. Identify the nature of all adverse impact (e.g., fees, fines, employer time for compliance,); and
- c. Quantify the expected adverse impact from the regulation.
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.
 - a) The impacted community includes all individuals licensed under Chapter 4713 of the Revised Code who may wish to classify a licensee as inactive, or who have already done so.
 - b) The rule references a fee, but this fee is required by R.C. 4713.08(A)(18) and is established in Ohio Adm.Code 4713-1-17. The adverse impact of the rule is that compliance with the rule, however, does require the reporting of the information to the Board.
 - c) The time needed to complete an application under the rule should be minimal.

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

The rule is specifically required by statute.

Regulatory Flexibility

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

The rule only applies to individuals, not businesses.

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 associated with this rule.

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

There are no special resources required to comply with this rule.