Regulatory Analysis Form (1) Agency Department of State, Bureau of Professional and		This space for use by IRRC         2001 APR 2.6       P.1       1: 3.3         MERVIEW COLUMNSSION PROV	
Occupational Affairs, State Board of (2) I.D. Number (Governor's Office U		<u>.y</u>	
16A-458		IRRC Number: 2/27	
<ul><li>(3) Short Title</li><li>Application Fees</li><li>(4) PA Code Cite</li></ul>	(5) Agency	Contacts & Telephone Numbers	
49 Pa. Code §7.2	Primary Contact: Deborah B. Eskin, Counsel State Board of Cosmetology (717)783-7200 Secondary Contact: Joyce McKeever, Deputy Chief Counsel, Regulatory Review (717)78 3-1088		
<ul> <li>(6) Type of Rulemaking (check one)</li> <li>Proposed Rulemaking</li> <li>X Final Order Adopting Regulation Final, Proposed Omitted</li> </ul>		<ul> <li>(7) Is a 120-Day Emergency Certification Attached?</li> <li>X No Yes: By the Attorney General Yes: By the Governor</li> </ul>	

(8) Briefly explain the regulation in clear and nontechnical language.

.

The regulation amends the fee schedule for the State Board of Cosmetology to revise fees for licensure, registration, and shop change fees and to create new fees for verification of licenses and certification of student/apprentice hours. The new fees are needed to cover the cost of providing those services.

(9) State the statutory authority for the regulation and any relevant state or federal court decisions.

The regulatory amendments are adopted under Section 16 of the Beauty Culture Law (Law), Act of May 3, 1933, P.L. 242, <u>as amended</u>, 63 P.S. §522.

# **Regulatory Analysis Form**

(10) Is the regulation mandated by any federal or state law or court order, or federal regulation? If yes, cite the specific law, case or regulation, and any deadlines for action.

Yes. The Board is required by statute to adopt regulations setting fees. See Item No. 9 for the specific law.

(11) Explain the compelling public interest that justifies the regulation. What is the problem it addresses?

The enabling statute of the Board requires that the Board set fees by regulation so that revenues meet or exceed expenditures over a biennial period. The operating expenses of the Board are generally borne by the licensee population through biennial renewal revenue. Expenses related to services which are provided directly to individual licensees or applicants are excluded from general operating revenues so that only the licensee who uses a particular service pays for a service being provided to him or her. By this regulation, the cost of providing the service will be apportioned to users, rather than burdening the entire licensee population.

(12) State the public health, safety, environmental or general welfare risks associated with nonregulation.

Nonregulation could potentially adversely impact the fiscal integrity of the Board. If left unregulated, the costs of providing these services would be borne by the general licensing population, some of whom did not or would not receive a benefit from the service.

(13) Describe who will benefit from the regulation. (Quantify the benefits as completely as possible and approximate the number of people who will benefit.)

The licensing population generally will benefit by having costs of services which are utilized by only a portion of the licensees or applicants paid by those actually using the service.

# **Regulatory Analysis Form**

(14) Describe who will be adversely affected by the regulation. (Quantify the adverse effects as completely as possible and approximate the number of people who will be adversely affected.)

The Board has identified no group of individuals or entities who will be adversely affected by the regulation. Applicants for services or licenses will be required to bear the up-to-date costs of providing the services involved.

(15) List the persons, groups or entities that will be required to comply with the regulation. (Approximate the number of people who will be required to comply.)

Cosmetologist, manicurist, and cosmetician shop and individual applicants, and cosmetology school applicants for licensure, verifications of licensure, certification of scores or experience requirements, apprentice registration, school supervisor approval and school and shop inspections will be assessed the applicable fees. The Board estimates that approximately 14,391 persons will avail themselves of one or more of the enumerated services in a two-year period.

(16) Describe the communications with and input from the public in the development and drafting of the regulation. List the persons and/or groups who were involved, if applicable.

These regulations do not place requirements on licensees concerning their conduct or compliance with state law regarding the performance of a licensing duty under licensing statutes. The regulation embodies the fees which capture the cost of providing the service an applicant or licensee requests. Therefore, the information requested in this item is not applicable.

(17) Provide a specific estimate of the costs and/or savings to the regulated community associated with compliance, including any legal, accounting or consulting procedures which may be required.

The Board estimates that 14,391 persons will avail themselves of one or more of the enumerated services within a biennial period. Total aggregate additional cost for the regulated community for a biennial period would be approximately \$136,250.00. However, only those requesting the services will be affected. No legal, accounting or consulting procedures will be implicated in complying with the regulatory amendments.

# **Regulatory Analysis Form**

(18) Provide a specific estimate of the costs and/or savings to local governments associated with compliance, including any legal, accounting or consulting procedures which may be required.

Local governments would not be affected by the regulation.

(19) Provide a specific estimate of the costs and/or savings to state government associated with the implementation of the regulation, including any legal, accounting, or consulting procedures which may be required.

The Board will not incur an increase in administrative costs by implementing the regulation. Indeed, the regulatory amendments will permit the Board to recoup the costs of providing the enumerated services. Regulatory Analysis Form (20) In the table below, provide an estimate of the fiscal savings and costs associated with implementation and compliance for the regulated community, local government, and state government for the current year and five subsequent years.

	Current FY Year	FY +1 Year	FY +2 Year	FY +3 . Year	FY +4 Year	FY +5 Year
SAVINGS:	\$	\$	\$	\$	S	S
Regulated	\$N/A	\$N/A	\$N/A	\$N/A	SN/A	\$N/A
Local Government		[				
State Government				_		
Total Saving						
COSTS:						
Regulated						
Local Government						
State Government						
Total Costs						
<b>REVENUE LOSSES:</b>	l	<u></u>				
Regulated	<u> </u>					
Local Government	]					
State Government						
Total Revenue Losses						1

(20a) Explain how the cost estimates listed above were derived.

The <u>cost estimates are based upon the following number</u> of persons which the Board estimates will avail themselves of the specified service over a fiscal year period (one-half biennium) multiplied by the savings or additional cost to the applicant for the service:

	(Decrease) Increase	#Biennial Apps	FY Increase/ Decrease
1. License Application	<b>\$</b> 5	X 9,500	Divided by $2 = $23,750$
2. Shop	\$20	X 2,700	Divided by $2 = $27,000$
3. Shop Reinspection After Failure	\$25	X 10	Divided by $2 = $ \$ 125.00
4. Shop Change Inspection	\$20	X 700	Divided by $2 = $7,000$
5. Cosmo School	\$65	X 5	Divided by $2 = $ \$ 162.00
6. Reinspect School	\$40	X 1	Divided by $2 = $ \$ 20.00
7. Reciprocity	(\$ 5)	X 1,750	Divided by $2 = (\$ 875.00)$ Savings
8. Apprentice	\$30	X 20	Divided by $2 = $ \$ 300.00
9. School Supervisor	\$10	X 20	Divided by $2 = $ \$ 100.00
10. Certification of Hours	NEW \$30	X 75	Divided by $2 = $1,125$
11. Verification	NEW \$15	X 1,000	Divided by $2 = $7,500$

	Reg	ulatory Analysi	s Form	
(20b) Provide the	e past three year exper	nditure history for pro	grams affected by the	regulation.
	FY 96-97	FY 97-98	Projected FY 98-99	Budgeted FY 99-00
Program	FY -3	FY -2	FY -1	Current FY
State Board of		•		
Cosmetology	\$2,120,342.05	\$2,300,699.00	\$1,931,340.37	\$2,517,000.00
	ĺ	1	1	

(21) Using the cost-benefit information provided above, explain how the benefits of the regulation outweigh the adverse effects and costs.

The amendments to the existing regulations will assure that the costs of providing the specified services to certain applicants and licensees will be borne by individuals who receive the service.

(22) Describe the nonregulatory alternatives considered and the costs associated with those alternatives. Provide the reasons for their dismissal.

No nonregulatory alternatives were considered because the Board's enabling statute requires the Board to promulgate regulations to establish fees or changes thereto.

(23) Describe alternative regulatory schemes considered and the costs associated with those schemes. Provide the reasons for their dismissal.

See No. 22 above.

#### 16A-458 COSMETOLOGY FEES

.

.

bold = proposed	PA	NJ	NY*	MD	ОН	VA	D
Temp Permit							
Initial License-CL/CO/CQ	•	20	10	10		••	•
Initial License-Shop	10	30-60	25	25	21	30	•
Reinspect aft 1st fail-new/chg							
Shop Change-Insp. Req'd	55	280	200	200	110	100	•
New Sch App w/1st insp.	40	•	•	•	• •	•	•
Reinspect sch aft 1st fail-new/chg	55	280	30	••	••	••	•
Change School License	160	550	•	•	250	125-150	••••••••••••••••••••••••••••••••••••••
License by Reciprocity	40	•	•	•	•	•	•
Apprentice App	{	550	•	•	250	25	*
App-School Supv.	20	100	•	•	•	30	•
Certify Student/Apprentice Hrs	30	•	•	•	•	•	•
Verify Lic/Permit Regis/Approval	15	•	•	25	50	•	•
							······
• No comparible fee is imposed							
** Other state authorities were not ab	e to provide this in	formation					
·							

· ·.

.

,

Regulatory Analysis Form
(24) Are there any provisions that are more stringent than federal standards? If yes, identify the specific provisions and the compelling Pennsylvania interest that demands stronger regulation.
No federal licensure standards apply.
(25) How does this regulation compare with those of other states? Will the regulation put Pennsylvania at a competitive disadvantage with other states?
Additional information has been requested from other states. The following chart summarizes the information received. (See page 7A)
(26) Will the regulation affect existing or proposed regulations of the promulgating agency or other
state agencies? If yes, explain and provide specific citations.
This regulation will have no effect on other regulations of the Board or other state agencies.
(27) Will any public hearings or informational meetings be scheduled? Please provide the dates, times, and locations, if available.
In light of the statutory mandate, the Board has scheduled no public hearings or informational meetings regarding this regulation.

•

Regulatory Analysis Form
(28) Will the regulation change existing reporting, record keeping, or other paperwork requirements? Describe the changes and attach copies of forms or reports which will be required as a result of implementation, if available.
No changes to reporting, recordkeeping or other paperwork are required by this regulation.
(29) Please list any special provisions which have been developed to meet the particular needs of
affected groups or persons including, but not limited to, minorities, elderly, small businesses, and farmers. The Board has perceived no special needs of any subset of its applicants or licensees for whom
special accommodations should be made.
(30) What is the anticipated effective date of the regulation; the date by which compliance with the regulation will be required; and the date by which any required permits, licenses or other approvals must be obtained?
The regulation will be effective upon publication as an Order of Final Rulemaking in the <i>Pennsylvania Bulletin</i> .
(31) Provide the schedule for continual review of the regulation. The Board reviews its revenues and costs of its programs on a fiscal year and biennial basis.

.

·

•

CDL-1

			2 Constanting	
FACE SHEET FOR FILING DOCUMENTS		2001 APR 25 TH 1		
WITH THE LEGISLATIVE		REVIEW UU	nny Glassesij	
(Pursuant to Commonwea	lth Documents Law)	•••	ß	
	#2127	DO NO	T WRITE IN THIS SPACE	
Copy below is hereby approved as to form and legality. Attorney General	Copy below is hereby certified to copy of a document issued, prescri		Copy below is approved as to form and legality. Executive or Independent gencies.	
BY: (DEPUTY ATTORNEY GENERAL)	State Board of Cosmetology (AGENCY) DOCUMENT/FISCAL NOTE NO.	164-458	the V. Com	
DATE OF APPROVAL	DATE OF ADOPTION:	mpsin	3/30/0/ DATE OF APPROVAL	
	Carol M. Thompson TITLE: Chairperson	V	(Deputy General Counsel (Chief Counsel, Independent Agency (Strike inapplicable title)	
[ ] Check if applicable Copy not approved.	EXECUTIVE OFFICER, CHA	IRMAN OR SECRETARY)		
Objections attached.			[ ] Check if applicable. No Attorney General approval or objection within 30 day after submission.	

#### NOTICE OF FINAL RULEMAKING COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF STATE BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS STATE BOARD OF COSMETOLOGY 49 Pa. Code, Chapter 7

APPLICATION FEES

The State Board of Cosmetology (Board) adopts an amendment to its regulation at 49 Pa. Code §7.2, Fees (relating to fees for services charged by the Board), as set forth in Annex A.

Notice of proposed rulemaking was published at 30 Pa. B. 3266 (July 1, 2000). Publication was followed by a 30 day public comment period. The Board received no comments from the public, the House Professional Licensure Committee (HPLC), the Senate Consumer Protection and Professional Licensure Committee, or the Independent Regulatory Review Commission (IRRC).

#### Effective date

The amendments will be effective upon publication in the Pennsylvania Bulletin.

#### Statutory Authority

The amendments are authorized under Section 16 of the Beauty Culture Law (Law), Act of May 3, 1933, P.L. 242, <u>as amended</u>, 63 P.S. §522.

#### Calculation of Administrative Overhead

A. Use of Constant Overhead Cost Allocation and "Rounding Up"

In computing overhead charges, the Boards and the Bureau include expenses resulting from service of support staff operations, equipment, technology initiatives or upgrades, leased office space and other sources not directly attributable to a specific Board. Once the Bureau's expenses are determined, the Bureau's expenses are apportioned to each Board based upon that Board's share of the total active licensee population. The Board's share of the expenses is divided by the number of active licensees under that Board to calculate a "per application" charge which is added to the direct personnel cost to establish the cost of processing (the administrative overhead charge). The administrative charge is consistently applied to every application regardless of how much time the staff spends processing the application.

This method of calculating administrative overhead to be apportioned to fees for services was first included in the biennial reconciliation of fees and expenses conducted in 1988-89. In accordance with the regulatory review, the method was approved by the Senate and House Standing Committees and IRRC as reasonable and consistent with the legislative intent of statutory provisions which require the Board to establish fees which meet or exceed expenses.

IRRC suggested, in response to regulations promulgated by other Boards, that within each Board, the administrative charge should be determined by the amount of time required to process each application. For example, an application requiring one-half hour of processing time would pay one-half as much overhead charge as an application requiring one hour of processing time. The

Bureau concurs with IRRC that by adopting this methodology the Bureau and the Boards would more nearly and accurately accomplish their objective of setting fees that cover the cost of the service. Therefore, in accordance with IRRC's previous suggestions, the Bureau conducted a test to compare the resulting overhead charges obtained by applying IRRC suggested time factor versus the current method.

This review of Boards' operation showed that approximately 25% of staff time was devoted to providing services described in the regulations. The current method recouped 22% to 28% of the administrative overhead charges versus the 25% recouped using a ratio- based time factor. However, when the time factor is combined with the licensing population for each Board, the resulting fees vary widely even though different licensees may receive the same services. For example, using the time-factor method to issue a verification of licensure would cost \$34.58 for a landscape architect as compared with a cost of \$10.18 for a cosmetologist. Conversely, under the Bureau method, the administrative overhead charge of \$9.76 represents the cost of processing a verification application for all licensees in the Bureau. Also, the Bureau found that employing a time factor in the computation of administrative overhead would result in a different amount of overhead charge being made for each fee proposed.

With regard to IRRC's earlier suggestions concerning projected versus actual expenses, the Boards note that the computation of projected expenditures based on amounts actually expended has been the basis for biennial reconciliations for the past ten years. During these five biennial cycles, the experience of both the Boards and the Bureau has established that verifiable data can be substantiated by collective bargaining agreements, pay scales and cost benefit factors. This method has provided a reliable basis for fees. Also, the fees are kept at a minimum for licensees, but appear adequate to sustain the operations of the Boards over an extended period. Similarly, accounting, record keeping and swift processing of applications, renewals and other fees were the primary basis for "rounding up" the actual costs to establish a fee. This rounding up process has in effect resulted in the necessary but minimal cushion or surplus to accommodate unexpected needs and expenditures.

B. Variation in Administration Charge of Verification/Certification Versus Administrative Charge for Other Services

In response to previous regulations from the Bureau, the IRRC questioned why the administrative charge included for other services was different. The administrative charge of \$9.76 represents the cost of processing a verification or certification application for any licensee in the Bureau irrespective of what Board issues the license. The administrative charge of \$11.38 represents the cost of processing other types of licensure applications for only licensees under the State Board of Cosmetology. In other words, whereas the administrative charge for verification or certification of licensure is constant across all licensees under the Bureau, the license services performed that are specific to the type of license held are calculated based only on the number of licensees served by the Board. Thus, each board has two administrative charges applied to the provision of licensure

services: \$9.76 is applied to all Boards for verification or certification services and an individual fee (\$1.62) is applied on a per board basis.

#### Fees for Business Changes

Previously, the IRRC requested a more detailed explanation of the fee increases for change of business name or post office and change in business physical location.

When a business requests a name or address change, the Board staff reviews the application for completeness and contacts the applicant for any missing information. The staff verifies that the name of the dealership has not changed as a result of an ownership change and determines whether the address change is due to an actual physical location change or to a postal address reassignment. The staff then processes the new information through the computer and issues an updated license.

If there has been a physical location change, in addition to the above procedures, the Board staff prepares an inspection report form and forwards the form to the Bureau of Enforcement and Investigation (BEI). BEI conducts an on-site inspection, determines whether statutory and regulatory standards for the facility are met and sends the inspection results to the Board office. Board staff then updates the computer information and issues a license with the new address or, if BEI has found that the new location does not comply with applicable facility standards, issues a discrepancy notice. Inspection by BEI represents a change from the former procedure, where inspections were performed by the Pennsylvania State Police at no charge to the Board. The State Police no longer perform this service.

#### **Reinspection After Failure**

When applicable facility standards are not met at initial inspection for new or relocated businesses, BEI advises Board staff of the reasons for failure at the on-site inspection. The staff sends a discrepancy letter to applicant informing applicant of the deficiencies. Applicant notifies the Board office when the deficiencies have been corrected. The Board office then prepares a reinspection report form and forwards the form to BEI for follow-up inspection. After the follow-up inspection is completed, the results are sent to the Board staff. Board staff then either sends another discrepancy letter or issues the license.

Although the existing application fees capture the cost of the initial inspection by BEI prior to issuance of a license, the fees do not cover the cost of reinspection by BEI when the applicable facility standards were not met at the initial inspection. This new fee will cover the additional cost of reinspection and require that only those using the service must pay for the service.

#### Compliance with Executive Order 1996-1

The Board reviewed this rulemaking and considered its purpose and likely impact upon the public and the regulated population under the directives of Executive Order 1996-1. The final regulation addresses a compelling public interest as described in this Preamble and otherwise complies with Executive Order 1996-1.

#### **Fiscal Impact and Paperwork Requirements**

The amendments will have no adverse fiscal impact on the Commonwealth or its political subdivisions. The fees will have a modest fiscal impact on those members of the private sector who apply for services from the Board. The amendments will impose no additional paperwork requirements upon the Commonwealth, political subdivisions or the private sector.

#### Sunset Date

The Board continuously monitors the cost effectiveness of its regulations. Therefore, no sunset date has been assigned.

#### **Regulatory Review**

Pursuant to Section 5(a) of the Regulatory Review Act, the Act of June 30, 1989 (P.L. 73, No. 19), <u>as amended</u>, 71 P.S. §745.5(a), the Board submitted a copy of the Notice of Proposed Rulemaking, published at 30 Pa.B. 3266 (July 1, 2000), on June 2, 2000, to the Independent Regulatory Review Commission and the Chairmen of the House Professional Licensure Committee and the Senate Consumer Protection and Professional Licensure Committee. In addition to submitting the regulatory analysis form prepared by the Board in compliance with Executive Order 1996-1, "Regulatory Review and Promulgation." In preparing this final form regulation the agency has considered all comments received from the committees and IRRC.

This final form regulation was (deemed) approved by the House Professional Licensure Committee on \_\_\_\_\_\_ and (deemed) approved by the Senate Consumer Protection and Professional Licensure Committee on \_\_\_\_\_. The IRRC met on \_\_\_\_\_, and (deemed) approved the regulation in accordance with Section 5(e) of the Act.

#### **Further Information**

Individuals who need information about the regulation may contact the Board Administrator, State Board of Cosmetology, P.O. Box 2649, Harrisburg, PA 17105-2649, and (717) 783-7130.

#### **Findings**

The State Board of Cosmetology finds:

- A. Public notice of proposed rulemaking was given under Sections 201 and 202 of the Commonwealth Documents Law, 45 P.S. §§1201 and 1202, and the regulations promulgated under those sections at 1 Pa. Code §§7.1 and 7.2.
- B. A public comment period was provided as required by law and all comments were considered.
- C. This amendment does not enlarge the purpose of proposed rulemaking published at 30 Pa.B. 3266 (July 1, 2000).
- D. This amendment is necessary and appropriate for administration and enforcement of the Board's authorizing statute.

The Board therefore ORDERS:

- (1) The regulations of the State Board of Cosmetology, 49 Pa. Code Chapter 7, are amended to read as set forth in the attached Annex.
- (2) The Board shall submit a copy of the Annex to the Office of Attorney General and the Office of General Counsel for approval as required by law.
- (3) The Board shall certify this Order and Annex and shall deposit them with the Legislative Reference Bureau as required by law.
- (4) The regulations shall take effect immediately upon publication in the <u>Pennsylvania</u> <u>Bulletin.</u>

January 25, 2001 Application Fees 16A-458 Annex

#### ANNEX A

#### TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS PART I. DEPARTMENT OF STATE SUBPART A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS CHAPTER 7. STATE BOARD OF COSMETOLOGY

#### FEES

\* \* \* \*

### §7.2. Fees.

(b) Other fees charged by the Board:
Licensure of cosmetologist, manicurist or cosmetician \$[5] 10
Licensure of cosmetology shop manager or cosmetology teacher
Licensure of cosmetology shop, manicurist shop or cosmetician shop \$[35] 55
Licensure of cosmetology school \$[95] 160
Licensure by reciprocity \$[25] 20
Registration of cosmetology apprentice \$[35] 70
Biennial renewal of manicurist's license \$21
Biennial renewal of cosmetician's license \$21
Biennial renewal of cosmetologist's license \$23
Biennial renewal of cosmetology shop manager's or cosmetology teacher's
license
Biennial renewal of cosmetology shop's license \$41
Biennial renewal of cosmetician or manicurist shop's license
Biennial renewal of cosmetology schools's license \$66
Approval of cosmetology school supervisor \$[10] 20
Change in cosmetology, cosmetician or manicurist shop
(inspection required) \$[35] <u>55</u>
Change in cosmetology, cosmetician or manicurist shop
(no inspection required) \$15
Reinspection of cosmetology, cosmetician or manicurist
shop <u>or cosmetology school</u> \$[15] <u>40</u>
[Certification of licensure
Certification of student or apprentice training hours \$30
Verification of license, registration, permit or approval

JUL 1 8 2000

ł

# PROPOSED RULEMAKING BPOA LEGAL COUNSEL

# STATE BOARD OF COSMETOLOGY

#### [49 PA. CODE CH. 7]

#### Application Fees

The State Board of Cosmetology (Board) proposes to amend § 7.2 (relating to fees) by revising certain application fees to read as set forth in Annex A.

#### A. Effective Date

The proposed amendment will be effective upon publication of the final-form regulation in the *Pennsylvania Bulletin*.

#### **B.** Statutory Authority

The proposed amendment is authorized under section 16 of the Beauty Culture Law (law) (63 P. S. § 522).

#### C. Background and Purpose

The law requires the Board to set fees by regulation so that revenues meet or exceed expenditures over a biennial period. General operating expenses of the Board are funded through biennial license renewal fees. Expenses related to applications or services which are provided directly to individual licensees or applicants are excluded from general operating revenues and are funded through fees in which the cost of providing the service forms the basis for the fee.

In a recent systems audit of the operations of the Board within the Bureau of Professional and Occupational Affairs (Bureau), the fees for services to licensees and applicants were analyzed to determine if the fees reflected the actual cost of providing the services. Actual cost calculations are based upon the following formula:

#### number of minutes to perform the function

pay rate for the classification of personnel performing the function

a proportionate share of administrative overhead

#### Administrative Overhead

During reviews of other Bureau proposed fee regulations, the Independent Regulatory Review Commission (IRRC) requested that the Bureau and the boards: (1) itemize the overhead cost to be recouped by the fees; and (2) reexamine the method that is used to determine the administrative overhead factor for each fee.

IRRC commented that although the Bureau's method was reasonable, there was no assurance that the fees would recover the actual overhead cost because the charge was not related to the service, and because the charge was based on the actual rather than the projected expenditures. IRRC also commented that there was no certainty that the projected revenues would meet or exceed projected expenditures, as required under the boards' enabling statutes.

In computing overhead charges, the boards and the Bureau include expenses resulting from service of support staff operations, equipment, technology initiatives or upgrades, leased office space and other sources not directly attributable to a specific board. Once determined, the Bureau's total administrative charge is apportioned to each board based upon that board's share of the total active licensee population. In turn, the board's administrative charge is divided by the number of active licensees to calculate a "per application" charge which is added to direct personnel cost to establish the cost of processing. The administrative charge is consistently applied to every application regardless of how much time the staff spends processing the application.

, This method of calculating administrative overhead to be apportioned to fees for services was first included in the biennial reconciliation of fees and expenses conducted in 1988-89. In accordance with the regulatory review, the method was approved by the Senate and House Standing Committees and IRRC as reasonable and consistent with the legislative intent of statutory provisions which require the Board to establish fees which meet or exceed expenses.

IRRC suggested that within each board, the administrative charge should be determined by the amount of time required to process each application. For example, an application requiring 1/2 hour of processing time would pay one-half as much overhead charge as an application requiring 1 hour of processing time. The Bureau concurs with IRRC that by adopting this methodology the Bureau and the boards would more nearly and accurately accomplish their objective of setting fees that cover the cost of the service. Therefore, in accordance with IRRC's suggestions, the Bureau conducted a test to compare the resulting overhead charges obtained by applying IRRC suggested time factor versus the current method.

This review of Board operations showed that approximately 25% of staff time was devoted to providing services described in the regulations. The current method recouped 22% to 28% of the administrative overhead charges versus the 25% recouped using a ratio-based time factor. However, when the time factor is combined with the licensing population for each Board, the resulting fees vary widely even though different licensees may receive the same services. For example, using the time-factor method to issue a verification of licensure would cost \$34.58 for a landscape architect as compared with a cost of \$10.18 for a cosmetologist. Conversely, under the Bureau method the administrative overhead charge of \$9.76 represents the cost of processing a verification application for all licensees in the Bureau. Also, the Bureau found that employing a time factor in the computation of administrative overhead would result in a different amount of overhead charge being made for each fee proposed.

With regard to IRRC's suggestions concerning projected versus actual expenses, the boards note that the computation of projected expenditures based on amounts actually expended has been the basis for biennial reconciliations for the past 10 years. During these five biennial cycles, the experience of both the boards and the Bureau has been that established and verifiable data which can be substantiated by collective bargaining agreements, pay scales and cost benefit factors. This method has provided a reliable basis for fees. Also, the fees are kept at a minimum for licensees, but appear adequate to sustain the operations of the boards over an extended period. Similarly, accounting, recordkeeping and swift processing of applications, renewals and other fees were the primary basis for "rounding up" the actual costs to establish a fee.

PENNSYLVANIA BULLETIN, VOL 30, NO. 27, JULY 1, 2000

This rounding up process has in effect resulted in the necessary but minimal cushion or surplus to accommodate unexpected needs and expenditures.

For these reasons, the boards have not made changes in the method by which it allocates administrative expenditures and the resulting fees will remain as proposed.

The analysis, with regard to the Board, determined that the fees for eight services do not accurately reflect the actual cost of providing those services: licensure of cosmetologist, manicurist or cosmetician; licensure of cosmetology, manicurist or cosmetician shop; licensure of cosmetology school; licensure by reciprocity; registration of cosmetology apprentice; approval of cosmetology school supervisor; change in cosmetology shop (inspection required); and reinspection of cosmetology shop. No fee is in place for verification of license, registration, permit or approval; certification of student or apprentice training; or reinspection of cosmetology school.

In this proposal, fees for the services identified above would be adjusted to allocate costs to those who use the service or make application. The Board would continue to apportion enforcement and operating costs to the general licensing population by means of its license renewal fee through the biennial reconciliation of revenue and expenditures.

The fee for certification of licensure would be deleted as it was, in actuality, a verification rather than a certification and is covered under the new "verification of license, registration permit or approval" fee.

#### D. Description of Services

Professional licensing boards other than the Board have also been proposing revisions to nonrenewal fees. Review of the proposed new fee regulations by the legislative committees indicated that certain explanations of the services for which fees are charged would be helpful for an understanding of the need to set appropriate fees.

#### Certification of Student or Apprentice Training Hours

This service is necessary if a student is changing schools prior to completion of a program or to document training hours completed in this Commonwealth for another state board. The new fee will to recoup the cost of time required to research quarterly reports which are made by all schools for their students. The Board employs a manual reporting system with records maintained on microfilm and on paper. Because reporting is done quarterly, it is necessary to research numerous reports to ensure that all hours credited by schools are reported. See section 6 of the law (63 P. S. § 512(a)).

#### Certification and Verification Fees

1

The certification of a score is made at the request of a licensee when the licensee is seeking to obtain licensure in another state based upon licensure in this Commonwealth which was issued on the basis of a uniform National or regional examination which was taken in this Commonwealth. Generally, the state of original licensure is the only source of the score of the licensee, as testing agencies do not maintain this information. The licensure laws of many states include provisions that licensure by reciprocity or endorsement based on licensure in another state will be granted only if the board or agency determines that the qualifications are the same or substantially similar. Many state agencies have interpreted this provision to require that licensees have attained a score equal to or exceeding the passing rate in that jurisdiction at the time of original licensure. For this reason, these states require that the Board and other State boards certify the examination score the applicant achieved on the licensure examination.

The difference between the verification and certification fees is the amount of time required to produce the document requested by the licensee. States request different information when making a determination as to whether to grant licensure based on reciprocity or endorsement from another state. The Bureau has been able to create two documents from its records that will meet all of the needs of the requesting state. The licensee, when the licensee applies to the other state, receives information as to what documentation and form is acceptable in the requesting state. The Bureau then advises the licensee of the type of document the Bureau can provide and the fee.

In the case of a verification, the staff produces the requested documentation by a letter, usually computergenerated, which contains the license number, date of original issuance and current expiration date, and status of the license. The letters are printed for the Bureau's central computer records and sent to the Board staff responsible for handling the licensee's application. The letters are sealed, folded and mailed in accordance with the directions of the requestor. The Bureau estimates the average time to prepare this document to be 5 minutes.

The Bureau uses the term "certification fee" to describe the fee for a request for a document, again generally to support reciprocity or endorsement applications to other states, territories or countries or for employment or training in another state. A certification document contains information specific to the individual requestor. It may include dates or locations where examinations were taken, or scores achieved or hours and location of training. The information is entered onto a document which is usually supplied by the requestor. The average time to prepare a certification is 45 minutes. This is because a number of resources, such as files, microfilm and rosters must be retrieved and consulted to provide the information requested. The Board staff then seals and issues this document.

#### E. Compliance with Executive Order 1996-1

In accordance with Executive Order 1996-1 (February 6, 1996), in drafting and promulgating the proposed amendment the Board considered the least restrictive alternative to regulate costs for services requested by licensees and applicants.

#### F. Fiscal Impact and Paperwork Requirements

The proposed amendment will have no adverse fiscal impact on the Commonwealth or its political subdivisions. The fees will have a modest fiscal impact on those members of the private sector who apply for services from the Board. The proposed amendment will impose no additional paperwork requirements upon the Commonwealth, political subdivisions or the private sector.

#### G. Sunset Date

The Board continuously monitors the cost effectiveness of its regulations. Therefore, no sunset date has been assigned.

#### H. Regulatory Review

Under section 5(a) of the Regulatory Review Act (71 P. S. § 745.5(a)), on June 21, 2000, the Board submitted a copy of this proposed rulemaking to IRRC and the Chairpersons of the House Professional Licensure Committee and the Senate Consumer Protection and Professional Licensure Committee.

PENNSYLVANIA BULLETIN, VOL. 30, NO. 27, JULY 1, 2000

In addition to submitting the final-form regulation, the Board has provided IRRC and the Committees with a copy of a detailed regulatory analysis form prepared by the Board in compliance with Executive Order 1996-1, "Regulatory Review and Promulgation." A copy of this material is available to the public upon request.

Under section 5(g) of the Regulatory Review Act, if IRRC has objections to any portion of the proposed rulemaking, it will notify the Board within 10 days after the expiration of the Committees' review period. The notification shall specify the regulatory review criteria which have not been met by that portion. The Regulatory Review Act specifies detailed procedures for review, prior to final publication of the amendment, by the Board, the General Assembly and the Governor of objections raised.

#### I. Public Comment

Interested persons are invited to submit written comments, suggestions or objections regarding the proposed amendment to Sara Sulpizio; Administrative Assistant, State Board of Cosmetology, P. O. Box 2649, Harrisburg, PA 17105-2649, within 30 days of publication of this proposed rulemaking. Please reference No. 16A-458 (Application Fees), when submitting comments.

> CAROL M. THOMPSON, Chairperson

Fiscal Note: 16A-458. No fiscal impact; (8) recommends adoption.

#### Annez A

TITLE 49. PROFESSIONAL AND VOCATIONAL STANDARDS

PART L	DEPARTMENT	OF STATE
--------	------------	----------

Subpart A. PROFESSIONAL AND OCCUPATIONAL AFFAIRS

CHAPTER 7. STATE BOARD OF COSMETOLOGY FEES

§ 7.2. Fees.

(c) Other fees charged by the Board:	•
Licensure of cosmetologist, manicurist or cosmetician	\$[5]10
Licensure of cosmetology shop, manicurist shop or cosmetician shop	\$[ 35 ] 55
Licensure of cosmetology school	\$[ 95 ] 160
Licensure by reciprocity	\$[ 25 ] 20
Registration of cosmetology apprentice	\$[ 35 ] 70
Approval of cosmetology school supervisor	\$[ 10 ] 20
Change in cosmetology, cosmetician or manicurist shop (inspection required)	\$[ 35 ] 55
Change in cosmetology, cosmetician or manicurist shop (no inspection required)	\$15
Reinspection of cosmetology, cosmetician or manicurist shop or cosmetology school	\$[ 15 ] 40
[ Certification of licensure	\$10]
Certification of student or apprentice training hours	
Verification of license, registration, permit or approval	\$15

[Pa.B. Doc. No. 00-1128. Filed for public inspection June 30, 2000, 9:00 a.m.]

PENNSYLVANIA BULLETIN, VOL. 30, NO. 27, JULY 1, 2000

Agency: State - BPOA

Date: 03/22/00

Contact: David Williams

**Phone No.** 783-7194

### Fee Title, Rate and Estimated Collections:

License Application-Cosmetologia	st, Manicurist or	Cosmetician: \$	10.00
Estimated Biennial Revenue:	\$95,000.00	(9,500 applications x \$	(10.00

### Fee Description:

The fee will be charged to every applicant who applies for licensure as a Cosmetologist, Manicurist or Cosmetician.

#### Fee Objective:

The fee should offset the identifiable costs incurred by the State Board of Cosmetology to review and process a request for licensure for a Cosmetologist, Manicurist or Cosmetician and (2) defray a portion of the Board's administrative overhead.

#### **Fee-Related Activities and Costs:**

Board Staff - process application	(0.08)	1.62
Administrative Overhead:		<u> </u>
· · · · · · · · · · · · · · · · · · ·	Total Estimated Cost:	\$10.18
	Proposed Fee:	\$10.00

### Analysis, Comment, and Recommendation:

It is recommended that a fee of \$10.00 be established for processing an application for licensure as a Cosmetologist, Manicurist or Cosmetician.

#### Page 2 Application for Licensure- Cosmetologist, Manicurist or Cosmetician Date: 04/06/99

Board staff: Receives roster and computer tape of passing candidates from test contractor, forwards tape to M I S (Management Information Systems) for update into license computer system and production of a display license and wallet card. Printed document is sent to the Bureau's mailing contractor for processing and mailing to licensee. The administrative overhead charge offsets expenses such as rent, phones, mailroom/microfilm services that are charged to each board based on a licensee population.

j,

Agency: State - BPOA

·• •

Date: 03/22/00

Contact: David Williams

**Phone No.** 783-7194

### Fee Title, Rate and Estimated Collections:

License Application-Cosmetolog	y, Manicurist or C	osmetician Shop:	\$55.00
Estimated Biennial Revenue:	\$148,500.00	(2,700 applications	x \$55.00)

#### Fee Description:

The fee will be charged to every applicant who applies for licensure of a Cosmetology, Manicurist or Cosmetician Shop.

### Fee Objective:

.

The fee should (1) offset the identifiable costs incurred by the State Board of Cosmetology to review and process a request for licensure of a Cosmetology, Manicurist or Cosmetician Shop and (2) defray a portion of the Board's administrative overhead.

### **Fee-Related Activities and Costs:**

Staff time- process application	(1.00 hr)		20.30
BEI - inspect facility	(1.10 hr)		25.51
Administrative Overhead:			<u> </u>
		Total Estimated Cost:	\$54.37
· ·		Proposed Fee:	\$55.00

### Analysis, Comment, and Recommendation:

It is recommended that a fee of \$55.00 be established for processing an application for licensure of a Cosmetology, Manicurist or Cosmetician Shop.

#### Page 2 Application for Licensure- Cosmetology, Manicurist or Cosmetician Shop Date: 03/22/00

Board staff: Receives application, reviews for completeness, contacts applicant to obtain any missing information and/or documents, forwards to Bureau of Enforcement and Investigation for inspection of facility. BEI conducts inspection, forwards report to board staff who issue license if requirements are met or letter of discrepancy if unmet.

Agency: State - BPOA

٦,

Date: 03/22/00

Contact: David Williams

**Phone No.** 783-7194

# Fee Title, Rate and Estimated Collections:

. .

Re-inspection after initial failure-New or Relocated Cosmetology, Manicurist or Cosmetician Shop: \$40.00

Estimated Biennial Revenue: \$400.00

(10 applications x \$40.00)

#### Fee Description:

The fee will be charged to re-inspect a new or relocated Cosmetology, Manicurist or Cosmetician Shop after initial failure.

### Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Cosmetology to inspect a Cosmetology, Manicurist or Cosmetician Shop after initial failure and (2) defray a portion of the Board's administrative overhead.

### **Fee-Related Activities and Costs:**

Staff time- process application	(.17 hr)		3.38
BEI - inspect facility	(1.10 hr)		25.51
Administrative Overhead:			<u>8.56</u>
		Total Estimated Cost:	\$37.45
		Proposed Fee:	\$40.00

# Analysis, Comment, and Recommendation:

It is recommended that a fee of \$40.00 be established to re-inspect a new or relocated Cosmetology, Manicurist or Cosmetician Shop after initial failure.

#### Page 2 Re-Inspect after Initial Failure- New or Relocated Cosmetology, Manicurist or Cosmetician Shop Date: 03/22/00

۰.

٢

÷

Board staff: After failure at initial inspection, applicant notifies board when deficiencies have been corrected, board forwards to Bureau of Enforcement and Investigation for inspection of facility. BEI conducts inspection, forwards report to board staff who issue license if requirements are met or letter of discrepancy if unmet. This fee will be charged each time a re-inspection is necessary to determine compliance with regulations for a new or relocated shop.

.\*

Agency: State - BPOA

Date: 03/22/00

Contact: David Williams

**Phone No.** 783-7194

### Fee Title, Rate and Estimated Collections:

Change to Existing Shop - Inspection Required:		\$55.00
Estimated Biennial Revenue:	\$38,500.00	(700 applications x \$55.00)

#### **Fee Description:**

The fee will be charged to process a request to change an existing license (change of location, remodeling, etc.) when an inspection is required to determine compliance with requirements for Cosmetology, Manicurist or Cosmetician Shop.

### Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Cosmetology to process a request to change a Cosmetology, Manicurist or Cosmetician Shop license and (2) defray a portion of the Board's administrative overhead.

#### **Fee-Related Activities and Costs:**

Staff time- process application	(1.10 hr)		20.30
BEI - inspect facility	(1.10 hr)		25.51
Administrative Overhead:	ζ γ		<u> </u>
		Total Estimated Cost:	\$54.37
		Proposed Fee:	\$55.00

#### Analysis, Comment, and Recommendation:

It is recommended that a fee of \$55.00 be established to process a request to change an existing Cosmetology, Manicurist or Cosmetician Shop license.

#### Page 2 Change Existing License-Cosmetology, Manicurist or Cosmetician Shop Date: 03/22/00

Board staff: receives application, reviews for completeness, contacts candidate to request any missing information and/or documents, forwards to Bureau of Enforcement and Investigation for inspection of facility. BEI conducts inspection, forwards report to board staff who update computer information and issue license if requirements are met or letter of discrepancy if unmet.

.5

Agency: State - BPOA

٢

Date: 03/22/00

. . . . . .

----

Contact: David Williams

**Phone No.** 783-7194

# Fee Title, Rate and Estimated Collections:

Initial License - Cosmetology School:		\$160.00
Estimated Biennial Revenue:	\$800.00	(5 applications x \$160.00)

#### Fee Description:

The fee will be charged to process an application for licensure of a Cosmetology School.

#### Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Cosmetology to process a request for licensure for a Cosmetology School and (2) defray a portion of the Board's administrative overhead.

# Fee-Related Activities and Costs:

Staff time- prepare application	(1.00 hr)	20.30
Draud A durinistration process application	(1.00 hr)	30.20
Board Administrator - process application	(1.10 hr)	25.51
BEI - inspect facility	(0.25 hr)	72.00
Board Meeting - review/discuss/vote Administrative Overhead:	(0.20 m)	<u> </u>
Administrative Overhead.	Total Estimated Cost:	\$156.57
	Proposed Fee:	\$160.00

# Analysis, Comment, and Recommendation:

It is recommended that a fee of \$160.00 be established to process an application for licensure of a Cosmetology School.

#### Page 2 License Application - Cosmetology School Date: 03/22/00

Board staff: receives application, reviews for completeness, contacts applicant to request any missing information and/or documents, places on agenda for board review of curriculum, facilities, etc. If approved by board, request is forwarded to Bureau of Enforcement and Investigation for inspection of facility. BEI conducts inspection, forwards report to board staff who issue license through computer if requirements are met or letter of discrepancy if unmet.

Agency: State - BPOA

Date: 03/22/00

Contact: David Williams

**Phone No.** 783-7194

### Fee Title, Rate and Estimated Collections:

Re-inspect New or Relocated Co	smetology Sc	hool after initial failure:	\$40.00
Estimated Biennial Revenue:	\$40.00	(1 application x \$40.00)	

### **Fee Description:**

The fee will be charged to re-inspect a new or relocated Cosmetology School after initial failure.

### Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Cosmetology to re-inspect a new or relocated Cosmetology School after initial failure and (2) defray a portion of the Board's administrative overhead.

### **Fee-Related Activities and Costs:**

Staff time- prepare application	(.17 hr)	3.38
BEI - inspect facility	(1.10 hr)	25.51
Administrative Overhead:		<u> </u>
	Total Estimated Cost:	\$ 37.45
-	Proposed Fee:	\$ 40.00

# Analysis, Comment, and Recommendation:

It is recommended that a fee of \$40.00 be established to re-inspect a new or relocated cosmetology school after initial failure.

#### Page 2 Re-inspect new or relocated Cosmetology School after initial failure: Date: 03/22/00

Board staff: receives notification that discrepancy have been corrected, notifies Bureau of Enforcement and Investigation to schedule inspection of facility.. BEI conducts inspection, forwards report to board staff who update computer issue license if requirements are met or letter of discrepancy if unmet. This fee will be charged each time a re-inspection is necessary to determine compliance for a new or relocated cosmetology school.

Agency: State - BPOA

Date: 03/22/00

Contact: David Willialms

**Phone No.** 783-7194

### Fee Title, Rate and Estimated Collections:

License by Reciprocity-Cosmetician/Cosmetologist/Manicurist/Cosmetology Teacher: \$20.00 Estimated Biennial Revenue: \$7,000.00 (350 applications x \$20.00)

#### Fee Description:

The fee will be charged to every applicant who applies for licensure by reciprocity.

#### Fee Objective:

The fee should (1) offset the costs incurred by the State Board of Cosmetology to process an application for license by reciprocity and (2) defray a portion of the Board's administrative overhead.

### **Fee-Related Activities and Costs:**

Board staff - process application	(.50 hr)	10.15
Administrative Overhead:		<u> </u>
	Total Estimated Cost:	\$18.71
· · · ·	Proposed Fee:	\$20.00

# Analysis, Comment, and Recommendation:

It is recommended that a fee of \$20.00 be established for processing an application for licensure by reciprocity as a Cosmetician, Cosmetologist, Manicurist, or Cosmetology Teacher.

Page 2 License by Reciprocity-Cosmetician/Cosmetologist/Manicurist/Cosmetology Teacher Date: 03/22/00

:

Board staff: Receives application, reviews for completeness and contacts applicant to obtain any missing information and/or documents. When application is complete and requirements are met the license is issued through the computer.

Agency: State - BPOA

Date: 03/22/00

Contact: David Williams

**Phone No.** 783-7194

# Fee Title, Rate and Estimated Collections:

Application for Apprentice Permit:	\$70.00	
Estimated Biennial Revenue:	\$1,400.00	(20 applications x \$70.00)

### Fee Description:

The fee will be charged to every applicant for an Apprentice Permit.

### Fee Objective:

The fee should (1) offset the costs incurred by the State Board of Cosmetology to process an application for an Apprentice Permit and (2) defray a portion of the Board's administrative overhead.

### **Fee-Related Activities and Costs:**

Board staff - prepare application	(1.00 hr)	20.30
Board Administrator - process application	(1.00 hr)	30.20
Board Member Committee - avg. cost	•	4.00
Board Meeting - review recommendation/vote	(0.02 hr)	4.80
Administrative Overhead:		8.56
	Total Estimated Cost:	\$67.86
	Proposed Fee:	\$70.00

# Analysis, Comment, and Recommendation:

It is recommended that a fee of \$70.00 be established for processing an application for an Apprentice Permit.

Page 2	Application for Apprentice Permit:	03/22/00
	The second se	

Board staff: Receives application, reviews for completeness and contacts applicant to obtain any missing information and/or documents. When application is complete it is sent to the Board Administrator for technical review and then to the School Committee for evaluation and finally, on to a board meeting for vote on the committee recommendation. If approved, the permit is issued.

Agency: State - BPOA

Date: 03/22/00

Contact: David Williams

**Phone No.** 783-7194

### Fee Title, Rate and Estimated Collections:

Application for Approval of Schoo	l Superviso	sr: \$20.00
Estimated Biennial Revenue:	\$400.00	(20 applications x \$20.00)

### **Fee Description:**

The fee will be charged to every applicant for approval of a school supervisor.

### Fee Objective:

The fee should (1) offset the costs incurred by the State Board of Cosmetology to process an application for approval of a school supervisor and (2) defray a portion of the Board's administrative overhead.

# Fee-Related Activities and Costs:

Board staff - process application	(.50 hr)	10.15
Administrative Overhead:		<u> </u>
	Total Estimated Cost:	\$18.71
	Proposed Fee:	\$20.00

# Analysis, Comment, and Recommendation:

It is recommended that a fee of \$20.00 be established for processing an application for approval of a School Supervisor.

# Page 2 Application to Approval School Supervisor: Date: 03/22/00

Board staff: Receives application, reviews for completeness and contacts applicant to obtain any missing information and/or documents. When application is complete the approval letter is issued if all requirements are met; letter of discrepancy if unmet.

.

Agency: State - BPOA

: ,.

Date: 03/22/00

Contact: David Williams

**Phone No.** 783-7194

### Fee Title, Rate and Estimated Collections:

Certify Student or Apprentice Training Hours:		\$30.00	
Estimated Biennial Revenue:	\$2,250.00	(75 applications x \$30.00)	

### Fee Description:

The fee will be charged to every applicant for certification of student or apprentice training hours.

### Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Cosmetology to process a request for certification of student or apprentice training hours and (2) defray a portion of the Board's administrative overhead.

### **Fee-Related Activities and Costs:**

Staff time-process application	(1.00 hr)		20.30
Administrative Overhead:			<u>    8.56  </u>
		Total Estimated Cost:	<b>\$</b> 28.86
		Proposed Fee:	\$ 30.00

# Analysis, Comment, and Recommendation:

It is recommended that a fee of \$30.00 be established for processing a request for certification of student or apprentice training hours.

Page 2 Certify Student or Apprentice Training Hours

Date:03/22/00

Board Staff - receives request to report training hours recorded in Pennsylvania to another state board and/or out of state school, researches computer, microfilm or other files to retrieve information, transfers that information onto document submitted by requester, affixes Bureau seal onto documents, forwards as instructed by applicant.

.

.

Agency: State - BPOA

.

Date 03/22/00

Contact: David Williams

**Phone No.** 783-7194

#### Fee Title, Rate and Estimated Collections:

Verification of License, Registration, Permit or Approval:	\$15.00
--	---------

Estimated Biennial Revenue: \$15,000.00 (1,000 verifications x \$15.00)

### Fee Description:

The fee will be charged to every applicant who requests a verification of license, registration, permit or approval.

### Fee Objective:

The fee should (1) offset the identifiable costs incurred by the State Board of Cosmetology to review and process a request for verification and (2) defray a portion of the Board's administrative overhead.

### Fee-Related Activities and Costs:

Staff time- process request for verification	(.08 hr)	1.62
Bureau Average Administrative Overhead:		<u>9.76</u>
	Total Estimated Cost:	\$11.38
	Proposed Fee:	<b>\$</b> 15.00

# Analysis, Comment, and Recommendation:

It is recommended that a fee of \$15.00 be established for verification of license, registration, permit, or approval.

51

Page 2 Verification of License, Registration, Permit or Approval March 22, 2000

Board Staff: Reviews request for verification, researches computer, microfilm or other files to retrieve pertinent information, transfers that information onto document submitted by requester, affixes Bureau seal onto documents, forwards as instructed by applicant.



#### COMMONWEALTH OF PENNSYLVANIA DEPARTMENT OF STATE BUREAU OF PROFESSIONAL AND OCCUPATIONAL AFFAIRS STATE BOARD OF COSMETOLOGY

Post Office Box 2649 Harrisburg, Pennsylvania 17105-2649 (717) 7130

April 26, 2001

The Honorable John R. McGinley, Jr., Chairman INDEPENDENT REGULATORY REVIEW COMMISSION 14<sup>th</sup> Floor, Harristown 2, 333 Market Street Harrisburg, Pennsylvania 17101

> Re: Final Regulation State Board of Cosmetology APPLICATION FEES: 16A-458

Dear Chairman McGinley:

Enclosed is a copy of a final rulemaking package of the State Board of Cosmetology pertaining to application fees.

The Board will be pleased to provide whatever information the Commission may require during the course of its review of the rulemaking.

Sincerely, bard my Thompson

Carol M. Thompson, Chairperson State Board of Cosmetology

CMT/DBE/dn Enclosure John T. Henderson, Jr., Chief Counsel c: Department of State Albert H. Masland, Commissioner Bureau of Professional and Occupational Affairs Joyce McKeever, Deputy Chief Counsel Department of State Christal Pike-Nase, Regulatory Counsel Bureau of Professional and Occupational Affairs Herbert Abramson, Senior Counsel in Charge Bureau of Professional and Occupational Affairs Deborah B. Eskin, Counsel State Board of Cosmetology State Board of Cosmetology

#### TRANSMITTAL SHEET FOR REGULATIONS SUBJECT TO THE REGULATORY REVIEW ACT

I.D. NUMBER	R: 16A-458
SUBJECT:	State Board of Cosmetology - Application Fees
AGENCY:	DEPARTMENT OF STATE
	TYPE OF REGULATION Proposed Regulation
х	Final Regulation
	Final Regulation with Notice of Proposed Rulemaking Omitted
	120-day Emergency Certification of the Attorney General
	120-day Emergency Certification of the Attorney General   6   6     120-day Emergency Certification of the Governor   7
	Delivery of Tolled Regulation a. With Revisions b. Without Revisions
	FILING OF REGULATION
DATE	SIGNATURE DESIGNATION
<u>чрарі ×</u>	hely Aping HOUSE COMMITTEE ON PROFESSIONAL LICENSURE
4/26/01 0	Samma Senate committee on consumer protection & professional licensure
apilos Sty	ム 天. Affre INDEPENDENT REGULATORY REVIEW COMMISSION
	ATTORNEY GENERAL
·	LEGISLATIVE REFERENCE BUREAU
March 20, 200	)]