



## HOUSE COMMITTEE ON APPROPRIATIONS

# FISCAL NOTE

HOUSE BILL NO. 1558

PRINTERS NO. 4073

PRIME SPONSOR: O'Neill

### COST / (SAVINGS)

| FUND  | FY 2014/15          | FY 2015/16          |
|---|---------------------|---------------------|
| Professional Licensure Augmentation Account | See "Fiscal Impact" | See "Fiscal Impact" |

**SUMMARY:** Amends the Cosmetology Law to allow students to be eligible for licensure upon graduation from cosmetology school and allows massage therapists to practice in cosmetology salons. This legislation would take effect in 60 days.

**ANALYSIS:** This legislation amends the Cosmetology Law (Act 86 of 1933) to change the exam requirements for licensure to allow students to be eligible for licensure upon graduation from cosmetology school and allows massage therapists to practice in cosmetology salons under certain conditions.

**Exam Requirement Changes:** The legislation changes the exam requirements for licensure upon graduation from cosmetology school. The exam shall be written only and have theoretical and procedural based questions. The applicant may receive a license after completing the school requirements (with the school certifying completion) and passing the exam. The number of hours of school required prior to taking the exam and the total number of hours of instruction required for licensure are as follows:

- Cosmetology License: 900 hours (of 1,250 hours)
- License to teach cosmetology, natural hair braiding, nail technology or esthetics: 400 hours (of 500 hours)
- Limited license: 250 hours (of 300 hours)
- Nail technician license: 150 hours (of 200 hours)
- Natural hair braiding license: 250 hours (of 300 hours)

**Massage Therapists Practicing in Cosmetology Salons:** The legislation adds a new Section 9.3 to allow massage therapists to practice massage therapy within a cosmetology salon under the following conditions:

- The massage therapist must be an employee or the owner of the salon.
- No physical barriers separating the areas used for massage therapy from the areas used for cosmetology or esthetics shall be required when a massage therapist performs only the massage services that cosmetologists or estheticians are authorized to perform (scalp, face, arms, legs up to the knee and upper part of the body).

- Separate massage therapy rooms with permanent walls and doors to ensure privacy shall be required for full massage therapy services.
- Esthetician services may be provided to clients while in the massage therapy room provided they are not performed concurrently with massage therapy.
- Salons employing massage therapists shall be subject to inspection by both the Cosmetology Board and the Massage Therapy Board.
- The Cosmetology Board and the Massage Therapy Board shall jointly promulgate regulations to implement these provisions within 18 months of the effective date of this section.

**FISCAL IMPACT:** According to the Department of State, there would be additional duties and corresponding costs placed on the State Board of Massage Therapy in that the inspections of the salons would now have to include areas where massage therapy is performed. It is expected that the State Board of Massage Therapy would have to share in the inspection-related costs when a salon includes massage therapy services.

According to the Department of State, the total cost of this legislation to create a new inspection program would be \$385,548 in the first year and approximately \$379,548 each year thereafter. These costs include the salary and benefits of 4 full-time regulatory enforcement inspectors as well as operating costs.

Within Pennsylvania, there are 15,772 cosmetology and esthetician salons currently licensed in the state. Assuming that half of the salons started to employ massage therapists within their establishment, this would be the equivalent of 7,886 facilities. According to the Department, it would not be unreasonable to inspect a large percentage of the referenced facilities within one year, with the goal to reach all facilities within a biennial cycle. The Department is expected to increase the biennial registration fee on massage therapists to offset the increased expenses.

**PREPARED BY:** Tim Rodrigo  
House Appropriations Committee (R)

**DATE:** September 17, 2014

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*