

ADMINISTRATIVE RULES Fiscal Estimate & Economic Impact Analysis

1. Type of Estimate and Analysis <input checked="" type="checkbox"/> Original <input type="checkbox"/> Updated <input type="checkbox"/> Corrected	2. Date October 4, 2023
3. Administrative Rule Chapter, Title and Number (and Clearinghouse Number if applicable) SPS 50 and 60 - 65	
4. Subject Barbering licensure and practice outside of a licensed establishment	
5. Fund Sources Affected <input type="checkbox"/> GPR <input type="checkbox"/> FED <input checked="" type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEG-S	6. Chapter 20, Stats. Appropriations Affected s.20.165(1)(g)
7. Fiscal Effect of Implementing the Rule <input type="checkbox"/> No Fiscal Effect <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs <input type="checkbox"/> Decrease Costs <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Could Absorb Within Agency's Budget	
8. The Rule Will Impact the Following (Check All That Apply) <input type="checkbox"/> State's Economy <input checked="" type="checkbox"/> Specific Businesses/Sectors <input type="checkbox"/> Local Government Units <input type="checkbox"/> Public Utility Rate Payers <input type="checkbox"/> Small Businesses (if checked, complete Attachment A)	
9. Estimate of Implementation and Compliance to Businesses, Local Governmental Units and Individuals, per s. 227.137(3)(b)(1). \$0	
10. Would Implementation and Compliance Costs Businesses, Local Governmental Units and Individuals Be \$10 Million or more Over Any 2-year Period, per s. 227.137(3)(b)(2)? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
11. Policy Problem Addressed by the Rule These rules clarify statute changes from the 2017 Wisconsin Act 81 and 2017 Wisconsin Act 82 on barbering.	
12. Summary of the Businesses, Business Sectors, Associations Representing Business, Local Governmental Units, and Individuals that may be Affected by the Proposed Rule that were Contacted for Comments. These rules were posted for 14 days on the Department of Safety and Professional Services website to solicit comments on the potential economic impact. No comments were received.	
13. Identify the Local Governmental Units that Participated in the Development of this EIA. No local governmental units participated in the development of this EIA.	
14. Summary of Rule's Economic and Fiscal Impact on Specific Businesses, Business Sectors, Public Utility Rate Payers, Local Governmental Units and the State's Economy as a Whole (Include Implementation and Compliance Costs Expected to be Incurred) DSPS estimates a total of \$4,800 in one-time costs and an indeterminate IT impact to implement the rule. The proposed rule aligns 2017 Wisconsin Act 81 and 2017 Wisconsin Act 82 with current industry, regulatory, and academic practices. The estimated one-time staffing need for .1 limited term employees (LTE) is for final rule drafting and filing, webpage and form review, public hearing notices, and legal review. The one-time estimated costs cannot be absorbed in the currently appropriated agency budget.	
15. Benefits of Implementing the Rule and Alternative(s) to Implementing the Rule The benefits of implementing this rule are that the Department of Safety and Professional Services' section of the Administrative Code will be aligned with Wisconsin State Statutes.	
16. Long Range Implications of Implementing the Rule The long range implications of implementing the rule is updating the practice of barbering based upon passage of 2017 Wisconsin Act 81 and 2017 Wisconsin Act 82 to make them consistent with current industry, regulatory, and professional practice.	
17. Compare With Approaches Being Used by Federal Government None.	

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18. Compare With Approaches Being Used by Neighboring States (Illinois, Iowa, Michigan and Minnesota)

In Illinois, barbers are regulated by the Illinois Department of Financial and Professional Regulation. Licenses for barbers, barber teachers, and barber schools expire July 31st of each odd numbered year. No apprenticeship requirements or accreditation standards were found. [Illinois Compiled Statutes ch 68 § 1175.200-375]. It does not appear that a separate license is required to manage an establishment, however, if the owner is not a licensee they must employ a licensed practitioner to operate the establishment (225 ILCS 410/3D-5 (b)). Administrative rules do require practitioners to maintain supplies of disinfectants and other sanitary standards.

Illinois state law does have a process allowing for expedited issuance of reciprocal credentials for active service members, their spouses, and those who were discharged from the service within the last two years. An applicant must show that they have a credential in good standing in another jurisdiction that is substantially equivalent to the Illinois credential sought, and must submit all required fees and application documents. The credential must be issued within 60 days of receipt of a completed application (20 ILCS 5/5-715).

Iowa:

In Iowa, barbers are regulated by the Iowa Board of Barbering. Licensed barbering schools in Iowa must renew on an annual basis. Iowa accepts Barbering schools required course of study consists of 2,100 hours of instruction. Apprenticeship hours earned in other states may be applied towards the required 2,100 hours course of study. [645 Iowa Administrative Code ch. 23]. Professions regulated by the cosmetology board are required to complete 6 hours of continuing education each biennium (IA Admin Code § 64.2(2)). Iowa does prohibit the use of certain products or techniques, including but not limited to the use of animals or substances banned or determined to be hazardous by the FDA (IA Admin Code § 63.18). Iowa law does require cosmetology arts instructors to be licensed both as practitioners and as instructors (IA Stats. § 157.8 (3) (c)). Iowa does not appear to require an establishment manager license to manage an establishment.

Reciprocal licenses may be granted by the board if the applicant has held their license in another state for at least 12 of the last 24 months, pay the required licensure fee, and pass either a state or national exam depending on when the individual completed cosmetology school (IA Admin Code § 60.7). Iowa requires the board to expedite reciprocal license applications for veterans as defined under Iowa law, as long as the board determines the individual is licensed in another jurisdiction and the requirements to obtain that license are substantially equivalent to the requirements to obtain the license in Iowa. If the requirements are not substantially equivalent, the applicant may receive a provisional license to allow practice while meeting remaining requirements for equivalency (IA Stats. § 272C.4 (12)).

Michigan:

Michigan barbers are regulated by the Michigan Licensing and Regulatory Affairs Bureau of Professional Licensing, and overseen by the Michigan State Board of Barbers. Licenses for barbers, barber instructors, barbershops, and barber colleges are renewed on a 2-year cycle expiring on September 30th. A barber college's license is automatically revoked if there is a transfer of ownership or change of location. No apprenticeship requirements or accreditation standards were found. [Michigan Compiled Laws 339.1108-339.1110]. Michigan does not require continuing education for license renewal.

Michigan law requires the board to issue a reciprocal credential if the applicant is at least 17, is of good moral character, has a license in good standing in another jurisdiction, and the requirements to obtain the license in the other jurisdiction are substantially equal to Michigan requirements (MI Stats. § 339.1211).

Minnesota:

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Minnesota barbers are regulated by the Minnesota Board of Barber Examiners. Barbers, barber shops, barber instructors, and barber schools are registered in Minnesota. According to Chapter 154.01 of the Minnesota Statutes, barber schools must renew their registration on an annual basis. Barber rules governing licensing, instruction and operation are contained within Minn R. 2100.5000-6600. Although Minnesota registers apprentices; the statutes and rules do not explicitly reference apprentice training experience requirements. Minnesota requires eight hours of continuing education in the three years prior to renewing a license, and must include one hour in state statutes and administrative rules relevant to their practice, three hours in OSHA standards applicable to cosmetology, and four hours combined in any of product chemistry and chemical interaction, proper use and maintenance of machines and instruments, business management, professional ethics, human relations, or techniques relevant to the type of license held (MN Stats. § 155A.271 (1)). Minnesota does not appear to have a special license for barber school instructors.

A barber salon must employ a licensed salon manager. Practice is allowed outside of a licensed salon if the practitioner has obtained a “homebound” or “special services” license under MN Admin. Code § 2105.0410 (3).

19. Contact Name Nilajah Hardin, Administrative Rules Coordinator	20. Contact Phone Number 608-267-7139
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ATTACHMENT A

1. Summary of Rule's Economic and Fiscal Impact on Small Businesses (Separately for each Small Business Sector, Include Implementation and Compliance Costs Expected to be Incurred)

2. Summary of the data sources used to measure the Rule's impact on Small Businesses

3. Did the agency consider the following methods to reduce the impact of the Rule on Small Businesses?

- Less Stringent Compliance or Reporting Requirements
- Less Stringent Schedules or Deadlines for Compliance or Reporting
- Consolidation or Simplification of Reporting Requirements
- Establishment of performance standards in lieu of Design or Operational Standards
- Exemption of Small Businesses from some or all requirements
- Other, describe:

4. Describe the methods incorporated into the Rule that will reduce its impact on Small Businesses

5. Describe the Rule's Enforcement Provisions

6. Did the Agency prepare a Cost Benefit Analysis (if Yes, attach to form)

- Yes No
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