

Multiple Agency Fiscal Note Summary

Bill Number: 2109 HB	Title: Permanent cosmetics
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Estimated Cash Receipts

Agency Name	2023-25			2025-27			2027-29		
	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total	GF-State	NGF-Outlook	Total
Department of Licensing	0	0	3,632,000	0	0	2,655,000	0	0	2,492,000
Total \$	0	0	3,632,000	0	0	2,655,000	0	0	2,492,000

Estimated Operating Expenditures

Agency Name	2023-25				2025-27				2027-29			
	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total	FTEs	GF-State	NGF-Outlook	Total
Department of Licensing	5.1	0	0	3,632,000	9.6	0	0	2,655,000	9.1	0	0	2,492,000
Department of Health	.1	37,000	37,000	37,000	.0	0	0	0	.0	0	0	0
Total \$	5.2	37,000	37,000	3,669,000	9.6	0	0	2,655,000	9.1	0	0	2,492,000

Estimated Capital Budget Expenditures

Agency Name	2023-25			2025-27			2027-29		
	FTEs	Bonds	Total	FTEs	Bonds	Total	FTEs	Bonds	Total
Department of Licensing	.0	0	0	.0	0	0	.0	0	0
Department of Health	.0	0	0	.0	0	0	.0	0	0
Total \$	0.0	0	0	0.0	0	0	0.0	0	0

Estimated Capital Budget Breakout

NONE

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Prepared by: Kyle Siefering, OFM	Phone: (360) 995-3825	Date Published: Final 1/15/2024
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Individual State Agency Fiscal Note

Bill Number: 2109 HB	Title: Permanent cosmetics	Agency: 240-Department of Licensing
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

ACCOUNT	FY 2024	FY 2025	2023-25	2025-27	2027-29
Business and Professions Account-State 06L-1		3,632,000	3,632,000	2,655,000	2,492,000
Total \$		3,632,000	3,632,000	2,655,000	2,492,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	10.1	5.1	9.6	9.1
Account					
Business and Professions Account-State 06L-1	0	3,632,000	3,632,000	2,655,000	2,492,000
Total \$	0	3,632,000	3,632,000	2,655,000	2,492,000

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Michelle Rusk	Phone: 360-786-7153	Date: 01/09/2024
Agency Preparation: Gina Rogers	Phone: 360-634-5036	Date: 01/15/2024
Agency Approval: Collin Ashley	Phone: (564) 669-9190	Date: 01/15/2024
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 01/15/2024

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

This bill creates new definitions and education requirements for permanent cosmetic artist licenses. It is intended to separate their profession from the cosmetology license.

Per RCW 43.24.086, the cost of administering professional and business licensing programs must be funded by those industry's licensing fees. Cash receipt impacts are driven by fee increases to satisfy this requirement.

This bill creates 4 new license types in the Cosmetology program:

- Permanent Cosmetics
- Enhanced Permanent Cosmetics
- Enhanced Permanent Cosmetics with performance of corrective procedures.
- Permanent Cosmetic shops

This bill also creates new endorsements for:

- Schools - will have the ability to offer the 3 permanent cosmetic curriculums.
- Instructors - will be able to get licensed to teach in the 3 permanent cosmetic curriculums.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

Per RCW 43.24.086, the cost of administering professional and business licensing programs must be funded by those industry's licensing fees. Cash receipt impacts are driven by fee setting to satisfy this requirement.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Please see attached fiscal note.

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
06L-1	Business and Professions Account	State	0	3,632,000	3,632,000	2,655,000	2,492,000
Total \$			0	3,632,000	3,632,000	2,655,000	2,492,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		10.1	5.1	9.6	9.1
A-Salaries and Wages		726,000	726,000	1,364,000	1,276,000
B-Employee Benefits		265,000	265,000	501,000	472,000
C-Professional Service Contracts					
E-Goods and Other Services		2,635,000	2,635,000	778,000	732,000
G-Travel		6,000	6,000	12,000	12,000
J-Capital Outlays					
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total \$	0	3,632,000	3,632,000	2,655,000	2,492,000

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
Contracts Specialist 2	72,552		1.0	0.5	1.0	1.0
EMS Band 3	122,400		0.1	0.1	0.1	0.1
Investigator 1	55,224		1.0	0.5	1.0	1.0
Investigator 2	65,748		1.0	0.5	1.0	1.0
Investigator 4	84,192		0.3	0.2	0.3	0.3
Licensing Services Manager	84,192		0.3	0.2	0.3	0.3
Management Analyst 4	86,208		1.0	0.5	0.5	
Professional Licensing Representative 1	55,224		2.0	1.0	2.0	2.0
Professional Licensing Representative 2	67,380		2.8	1.4	2.8	2.8
WMS Band 1	108,000		0.5	0.3	0.5	0.5
WMS Band 2	120,000		0.1	0.1	0.1	0.1
Total FTEs			10.1	5.1	9.6	9.1

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

DOL will need to amend current rules related to cosmetology and tattooing, as well as amend the current fee schedules as permanent cosmetics licenses will move from a 1-year renewal cycle to a 2-year renewal cycle.

Individual State Agency Fiscal Note

Agency 240 – Department of Licensing

Bill Number: HB 2109

Bill Title: Regulating permanent cosmetics

Part 1: Estimates

No Fiscal Impact

Estimated Cash Receipts:

Per RCW 43.24.086, the cost of administering professional and business licensing programs must be funded by those industry’s licensing fees. Cash receipt impacts are driven by fee increases to satisfy this requirement.

Revenue	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	-	3,632,000	3,632,000	2,736,000	1,246,000
Account Totals		-	3,632,000	3,632,000	2,736,000	1,246,000

Estimated Expenditures:

Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	-	3,632,000	3,632,000	2,655,000	2,492,000
Account Totals		-	3,632,000	3,632,000	2,655,000	2,492,000

The revenue and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions.

- If the fiscal impact is **less than \$50,000** per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- If fiscal impact is **greater than \$50,000** per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Michelle Rusk	Phone: (360) 786-7153	Date:
Agency Preparation: Gina Rogers	Phone: (360) 634-5036	Date: 1/13/24
Agency Approval: Collin Ashley	Phone: (360) 634-5384	Date:

Request #	1
Bill #	2109

Part 2 – Explanation

This bill creates new license types within the permanent cosmetics profession, and moves their regulation from the current tattooing licensing umbrella, to cosmetology.

2.A – Brief Description Of What The Measure Does That Has Fiscal Impact

This bill creates 4 new license types in the Cosmetology program:

- Permanent Cosmetics
- Enhanced Permanent Cosmetics
- Enhanced Permanent Cosmetics with performance of corrective procedures.
- Permanent Cosmetic shops

This bill also creates new endorsements for:

- Schools - will have the ability to offer the 3 permanent cosmetic curriculums.
- Instructors - will be able to get licensed to teach in the 3 permanent cosmetic curriculums.

Sec. 2- Amends RCW 18.16.020

- (9) “Board” now means the cosmetology, hair design, barbering, esthetics, master esthetics, manicuring, permanent cosmetics, and enhanced permanent cosmetics advisory board
- (12)(a)(vii) The permanent cosmetics artist curriculum is 100 hours
 - (viii) The enhanced permanent cosmetics artist curriculum is 200 hours or 300 hours if the scope of practice includes corrective procedures
 - (ix) The instructor-trainee 500 hour curriculum now includes permanent and enhanced permanent cosmetics
- (18) “Individual license” includes references to permanent and enhanced permanent cosmetics artists
- (19)(b) “Instructor” means a person who:
 - (i) Provides classroom theory training on permanent cosmetics, enhanced permanent cosmetics, or both, to an individual in a curriculum approved by DOL;
 - (ii) Holds a current license as a permanent or enhanced permanent cosmetics artist or has held a permanent cosmetics license issued by DOL for the 5 years prior to the bill’s effective date;
 - (iii) Is able to demonstrate 5 consecutive years of performing permanent or enhanced permanent cosmetics; and
- (20) “Instructor-trainee” now includes references to permanent cosmetics artist
- (21) “Location license” now includes references to a permanent cosmetics shop
- (25) “Online training” now includes references to permanent and enhanced permanent cosmetics
- (34) “School” includes references to permanent cosmetics, enhanced permanent cosmetics, and permanent cosmetics programs
- (35)(b) “Student” means a person 18 or older who is enrolled in a school licensed under this chapter, including a permanent cosmetics program, and received instruction in permanent or enhanced permanent cosmetics with or without tuition, fee, or cost, and who doesn’t receive a wage/commission (applies to permanent and enhanced permanent cosmetics)
- (37) “Enhanced permanent cosmetics artist” means an individual licensed under this chapter to engage in the practice of enhanced permanent cosmetics
- (38) “Permanent cosmetics artist” means a an individual licensed under this chapter to engage in the practice of permanent cosmetics

- (39) “Permanent cosmetics program” means any that offers a curriculum exclusively in the practice of permanent or enhanced permanent cosmetics or both to students licensed under this chapter
- (40) “Permanent cosmetics shop” means any building or structure other than a school where the commercial practice of permanent or enhanced permanent cosmetics is conducted
- (41) “Practice of enhanced permanent cosmetics” means piercing/puncturing of human skin with a needle or other instrument for the purposes allowed in the definition of the practice of permanent cosmetics
 - Also includes piercing/puncturing mucous membranes and adjacent areas for the purpose of applying eyeliner, lip liner/color
 - Practice of enhanced permanent cosmetics is prohibited on individuals under 18
- (42) “Practice of permanent cosmetics” means piercing/puncturing human skin with a needle or other instrument for the purpose of applying permanent eyebrows, hair follicles, or scar camouflage to improve/restore a person’s appearance
 - Practice of permanent cosmetics is prohibited on individuals under 18

Sec. 3 – Amends RCW 18.16.030

- (4) Includes permanent cosmetic artists, enhanced permanent cosmetics artists, artist shops, and permanent cosmetics programs in DOL’s authority to establish minimum safety and sanitation standards

Sec. 4 – Amends RCW 18.16.050

- (1) The cosmetology board now covers permanent and enhanced permanent cosmetics
 - Specifies that 1 of the 6 currently practicing members must be engaged in the practice of permanent or enhanced permanent cosmetics

Sec. 5 – Amends RCW 18.16.060

- (2)(a) and (d) Includes permanent and enhanced permanent cosmetics, and permanent cosmetics shops in DOL’s authority to take action against unlicensed activity

Sec. 6 – Amends RCW 18.16.100

- (1) Excludes permanent and enhanced permanent cosmetics artist licenses from issuance
- (3) After completing an application and paying the proper fee, DOL shall issue a permanent or enhanced permanent cosmetics artist license to any individual who:
 - Is at least 18 years or older
 - Has completed and graduated from a licensed school, including a permanent cosmetics program, licensed under this chapter that covers the training hours required
 - Provides proof of bloodborne pathogen certification
 - Has received a passing grade on the appropriate licensing exam approved/administered by DOL

Sec. 7 – Amends RCW 18.16.130

- (1) Includes references to permanent and enhanced permanent cosmetics artists

Sec. 8 – Amends RCW 18.16.170

- (1) Includes references to permanent and enhanced permanent cosmetics artists, and permanent cosmetics shops

Sec. 9 – Amends RCW 18.16.190

- (2) Creates a violation for individuals to engage in the commercial practice of permanent or enhanced permanent cosmetics:
 - (a) Except in a licensed permanent cosmetics shop
 - (b) In violation of RCW 26.28.085
 - (c) In violation of RCW 70.54.350

Sec. 10 – Amends RCW 18.16.200

- (3) Includes references to permanent or enhanced permanent cosmetics
- (6) Allows DOL to take disciplinary action if the licensee/applicant has performed permanent or enhanced permanent cosmetics on an individual under 18 years of age

Sec. 11 – Amends RCW 18.16.260

- (3)(a) Prior to December 31, 2026 any person holding an active permanent cosmetics license in good standing issued under RCW 18.300 may be licensed as a permanent cosmetics artist under this chapter after paying the license fee and demonstrating they have held the license in good standing for the prior 3 consecutive years
 - (b) Any permanent or enhanced permanent cosmetics licensee renewing under this subsection must provide proof to DOL of their certification to perform the procedures of a permanent or enhanced permanent cosmetics artist recognized by DOL rule

Sec. 12 – Amends RCW 18.16.290

- (1) Includes references to permanent and enhanced permanent cosmetics artists

Sec. 14 – New section added to chapter 18.16 RCW concerning Artist shop requirements - Inspections

- (1) Permanent cosmetics shops shall meet minimum requirements:
 - (a) Maintain an outside entrance separate from rooms used for sleeping/residential purposes
 - (b) Provide adequate toilet facilities for customers located within/adjacent to the permanent cosmetics shop
 - (c) Permanent cosmetics shop rooms may not be used for residential purposes, but toilet facilities can be used for residential and business purposes
 - (d) Meet county/city zoning requirements
 - (e) Provide safe storage and labeling for equipment/substances used for the practice of permanent and enhanced permanent cosmetics
 - (f) Meet all applicable local/state fire codes
 - (g) Certify the permanent cosmetics shop is covered by a public liability insurance policy of no less than \$100,000 for combined bodily injury and property damage liability
- (2) DOL may determine other requirements by rule necessary for permanent cosmetics shop safety/sanitation

- DOL may consult with the State Board of Health and LNI to establish minimum requirements
- (3) DOL is required to inspect permanent cosmetics shops:
 - Upon receiving a written complaint that a permanent cosmetics shop has violated chapter provisions, RCW 18.235, or rules under either chapter
 - At least once every 2 years for existing permanent cosmetics shops
 - If DOL determines a permanent cosmetics shop isn't in compliance, they shall send written notice to the permanent cosmetics shop
 - Permanent cosmetics shops who fail to correct conditions within a reasonable time shall be subject to penalties upon due notice
 - DOL may enter any permanent cosmetics shop during business hours for inspection
 - DOL may contract with health authorities of local governments to conduct inspections
- (4) Permanent cosmetics shops shall obtain a registration certificate from DOR
- (5) Permanent cosmetics shop location licenses issued by DOL must be in the reception area
- (6) Permanent or enhanced permanent cosmetics licenses issued by DOL must be posted at the licensee's work station

Sec. 15 – Adds a new section to chapter 18.16 RCW

- DOL shall prepare and provide a consumer notice to all licensed permanent cosmetics shops that states:
 - Permanent cosmetics artist shops are required to be licensed
 - Permanent cosmetics shops are required to maintain minimum safety/sanitation standards
 - Customer complaints of permanent cosmetics shops may be reported to DOL with a telephone number and address

Sec. 16 – Adds a new section to chapter 18.16 RCW

- DOL shall immediately suspend any license if they receive information the licensee has not complied with RCW 74.08.580(2)
- If the licensee is otherwise eligible for licensure, DOL may reinstate the suspended license when the holder has complied with RCW 74.08.580(2)

Sec. 17 – Amends RCW 18.300.010

- (8) Tattooing excludes the practice of permanent and enhanced permanent cosmetics defined in RCW 18.16.020

Sec. 18 – Amends RCW 5.40.050

- Includes references to permanent and enhanced permanent cosmetics

Sec. 19 – Amends RCW 18.235.020

- (2)(a)(v) Includes references to permanent and enhanced permanent cosmetics

Sec. 20 – Amends RCW 26.28.085

- Includes references to the practice of permanent or enhancing permanent cosmetics

Sec. 21 – Amends RCW 70.54.320

- Includes references to permanent and enhanced permanent cosmetics

Sec. 22 – Amends RCW 70.54.330

- Includes definitions for the practice of permanent and enhanced permanent cosmetics

Sec. 23 – Amends RCW 70.54.340

- Includes references to the practice of permanent and enhanced permanent cosmetics

Sec. 24 – Amends RCW 70.54.350

- Includes references to body art, body piercing, permanent and enhanced permanent cosmetics

Sec. 25 – Amends RCW 43.24.150

- (1)(b) Includes permanent and enhanced permanent cosmetics artists

Sec. 26 – Amends RCW 74.08.580

- (2)(f) Includes artist shops regulated under chapter 18.16 RCW

Sec. 27 – Amends RCW 82.04.050

- (3)(f) Includes permanent and enhanced permanent cosmetics services

Sec. 29 – New Section

- Effective January 1, 2026

2.B - Cash receipts Impact

Revenue	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	-	3,632,000	3,632,000	2,736,000	1,246,000
Account Totals		-	3,632,000	3,632,000	2,736,000	1,246,000

2.C – Expenditures

Information Services:

Cost Category	Description	Rate	2024	2025	2026	2027	2028	2029	Total Cost
TESTER	Test to verify individual components meet requirements; ensure that other business transactions have not been impacted.	\$ 27,144	-	271,400	-	-	-	-	271,400
BUSINESS ANALYST	Determine business requirements; translate requirements into what changes are needed to various systems including account codes, inventory codes, testing considerations, etc.	\$ 19,836	-	53,600	-	-	-	-	53,600
PROJECT MANAGER	Manage schedule and contracts	\$ 34,452	-	68,900	-	-	-	-	68,900
QUALITY ASSURANCE	Plan and carry out activities to assure project deliverables; e.g. preventative defect activities, align quality measures and business objectives.	\$ 44,892	-	336,700	-	-	-	-	336,700
SECURITY AND ARCHITECT SERVICES	Create the conceptual model that defines the structure, behavior and framework of a computerized system including a breakdown of the system into components, the component interactions and interfaces (including with the environment, especially the user), and the technologies and resources to be used in the design.	\$ 19,836	-	27,800	-	-	-	-	27,800
SERVER & NETWORK SUPPORT	Services such as network infrastructure, cloud infrastructure, firewall and load balancing. Installations, maintenance, troubleshooting of server systems, and management of Windows-based systems to ensure reliability for clients.	\$ 19,836	-	-	-	-	-	-	-
DEVELOPERS	Modify programming and coding to all major systems	\$ 22,968	-	11,500	-	-	-	-	11,500
CONTRACTED FAST DEVELOPER / TESTER	Updates to the DRIVES system will require additional vendor hours outside of the contracted maintenance to make system updates to implement this bill.	\$ 37,236	-	-	-	-	-	-	-
Trainer	Trains business partners and employees in new system processes and capabilities.	\$ 27,144	-	73,300	-	-	-	-	73,300
Organizational Change Management	Prepares stakeholders for the change and develops strategies to ensure the changes are fully adopted.	\$ 44,892	-	336,700	-	-	-	-	336,700
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ 29,824	-	118,000	-	-	-	-	118,000
Totals			-	1,297,900	-	-	-	-	1,297,900

What IS Will Implement:

- Create three new license types under the Cosmetology program: Enhanced Permanent Cosmetics, Corrective Permanent Cosmetics, and Permanent Cosmetics Shop.
- Add three new endorsement types: Permanent Cosmetics, Enhanced Permanent Cosmetics, and Corrective Permanent Cosmetics to be available to Cosmetology Schools and Instructors.
- Reconfigure Permanent Cosmetics license to move from Tattoo to the Cosmetology program.
- Create ability for applicants to submit applications for new, reciprocity, renewal, and reinstatement applications and provide staff ability to process.
- Build a special application to allow existing Permanent Cosmetics license holders to apply for a license without the education requirement.
- Configure system to provide standard functions for new licenses such as expiration and renewal logic.
- Update system automations and notifications templates to include new license types.
- Add new license types to Criminal Conviction Screening.
- Configuration to support student/school relationships, entering student hours, enforcing minimum education hours, and exam referral logic for Permanent Cosmetics professions.
- Create a new system integration with external exam vendor to allow system to send exam referrals and receive exam results.
- Changes to support complaints process and compliance activities for new license types.
- Additions and updates to fees.
- Add new license types to Public License Search.

The agency will use appropriated funds to hire contract programmers to accomplish this work or to support current staff implementing this legislation within the required timeline. Appropriated funds may also be used to hire agency temporary staff to support permanent staff assigned to this legislative effort.

Any change requires a process to ensure changes are correctly applied to the system. This involves Project Managers that manage the team that completes the update, business analyst that documents and reviews the system changes, architect services that analyzes how the update could have an effect on other systems or DOL processes, developers who create the change, and testers and quality assurance teams that ensure the update is working correctly.

Support Services:

Agency Administrative Overhead is included at a rate of 23.4 percent of the direct program costs. This funding received covers agency-wide functions such as vendor payments, contract administration, financial management, mail processing, equipment management, help desk support, and technical assistance to DOL employees. These indirect costs are shown under object E.

Part 3 – Expenditure Detail

3.A – Operating Budget Expenditures

Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	-	3,632,000	3,632,000	2,655,000	2,492,000
Account Totals		-	3,632,000	3,632,000	2,655,000	2,492,000

3.B – Expenditures by Object or Purpose

Object of Expenditure	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
FTE Staff Years	0.0	10.1	5.3	9.6	9.1
Salaries and Wages	-	726,000	726,000	1,364,000	1,276,000
Employee Benefits	-	265,000	265,000	501,000	472,000
Goods and Services	-	2,635,000	2,635,000	778,000	732,000
Travel	-	6,000	6,000	12,000	12,000
Total By Object Type	-	3,632,000	3,632,000	2,655,000	2,492,000

Object E - Description	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
EA - General Office Supplies	-	2,290	2,290	4,360	4,140
EB - Phone/Install/Usage	-	8,340	8,340	15,850	15,020
EC - Utilities	-	4,350	4,350	8,270	7,840
ED - Facility/Lease Costs	-	54,960	54,960	104,480	99,040
EE - Repairs, Alterations & Maintenance	-	12,260	12,260	23,300	22,080
EG - Training	-	1,620	1,620	3,080	2,920
EH - Manage Print Services	-	8,370	8,370	15,910	15,080
EK - Facilities and Services	-	12,730	12,730	24,200	22,940
ER - Contracted psychometrician	-	813,600	813,600	9,100	8,620
ER - Application Programmers	-	1,297,900	1,297,900	-	-
EY - Software Maintenance	-	34,710	34,710	65,990	62,560
EZ - Other Goods & Svcs	-	384,290	384,290	503,640	472,700
Total Goods & Services	-	2,635,000	2,635,000	778,000	733,000

Exams:

There are no valid national exams that correlate with the new license types created in this bill.

Costs needed for exams:

Contract with psychometrician to develop written and practical exams, 6 total for (estimated cost one-time \$500,000):

- Permanent Cosmetics (2)

- Enhanced Permanent Cosmetics (2)
- Enhanced Permanent Cosmetics with performance of corrective procedures (2)

Contract with exam vendor to provide exams ongoing for (4,790)

Vendor Services for Commercial Off the Shelf (COTS) Product - (Not DRIVES)

Periodic review and updates: \$4,790 (FY25), \$4,550 (on-going)

Application Programmers: Details in the IS section of the narrative (section 2.C) \$1,297,900 (one-time)

Commercial Off the Shelf (COTS) product \$308,810 (one-time)

The system changes identified above impact an existing Commercial Off the Shelf (COTS) product and require modifications by the vendor. The design, development and configuration services are estimated to cost \$308,810.

3.C – FTE Detail

Staffing	Salary	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Contracts Specialist 2	72,552	0.0	1.0	0.5	1.0	1.0
PROFESSIONAL LICENSING REPRES	55,224	0.0	2.0	1.0	2.0	2.0
PROFESSIONAL LICENSING REPRES	67,380	0.0	2.8	1.4	2.8	2.8
Management Analyst 4	86,208	0.0	1.0	0.5	0.5	0.0
Investigator 1	55,224	0.0	1.0	0.5	1.0	1.0
Investigator 2	65,748	0.0	1.0	0.5	1.0	1.0
Investigator 4	84,192	0.0	0.3	0.2	0.3	0.3
LICENSING SERVICES MANAGER	84,192	0.0	0.3	0.2	0.3	0.3
WSM Band 1	108,000	0.0	0.5	0.3	0.5	0.5
WSM Band 2	120,000	0.0	0.1	0.1	0.1	0.1
ESM Band 3	122,400	0.0	0.1	0.1	0.1	0.1
Total FTE		0.0	10.1	5.3	9.6	9.1

Licensing & Customer Support Services Section:

Quantity	Title	Job description	Ongoing or Project
1	Customer Service Specialist 2	Provides customer service support on phones, email, and written correspondence.	Ongoing
2	Professional Licensing Rep 1	Processes applications and renewals, supports exam administration.	Ongoing
.8	Professional Licensing Rep 2	Supervise and oversee day to day operations of licensing, examination, and system support.	Ongoing
.5	WMS1	Provides overall program management of licensing and examination requirements.	Ongoing
.1	WMS2	Provides long term goals, strategic direction, and program support.	Ongoing
.1	EMS3	Provides long term goals, strategic direction, and program support.	Ongoing
1	Management Analyst 4	Provides senior level professional analysis; coordinates and conducts rulemaking to implement new changes; support stakeholder outreach; and assists with process and policy development.	24 Month Project

Central Investigations and Audits Unit:

1	Professional Licensing Rep 2	Process intake complaints, evaluate for relevancy, provide consumer guidance and direction to the AGO consumer complaints division.	Ongoing
1	Investigator 1	Conduct routine inspections to meet licensure, safety and sanitation requirements.	Ongoing
1	Investigator 2	Conduct investigations associated with complaints filed tied to consumer complaints and/or business entities.	Ongoing
.3	Investigator 4	Supervise and provide escalated regulatory support.	Ongoing

Regulatory Compliance/UCC/Firearms Section:

1	Professional Licensing Rep 2	Regulatory compliance, facilitate due process, monitoring of sanctions and direction to the AGO consumer complaints division.	Ongoing
.3	Licensing Service Manager	Provide assistance and guidance to staff including interpreting licensing laws and regulations; tracking and monitoring compliance cases and due process sanctions.	Ongoing

Boards and Commissions Section:

1	Program Specialist 5	Provides specialized expertise for program and commission support and agency level recommendations.	Ongoing
1	Program Specialist 3	Support creation of 14-member commission, facilitating 4X commission meetings annually, arranging board travel, board pay and board training.	Ongoing

Rulemaking Section:

1	Management Analyst 4	Provides senior level professional analysis; coordinates and conducts rulemaking to implement new changes; support stakeholder outreach; and assists with process and policy development.	12 Month Project
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Part 4 – Capital Budget Impact

None.

Part 5 – New Rule Making Required

DOL will need to amend current rules related to cosmetology and tattooing, as well as amend the current fee schedules as permanent cosmetics licenses will move from a 1-year renewal cycle to a 2-year renewal cycle.

Individual State Agency Fiscal Note

Bill Number: 2109 HB	Title: Permanent cosmetics	Agency: 303-Department of Health
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Part I: Estimates

No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	0.2	0.1	0.0	0.0
Account					
General Fund-State 001-1	0	37,000	37,000	0	0
Total \$	0	37,000	37,000	0	0

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

- If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.
- If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).
- Capital budget impact, complete Part IV.
- Requires new rule making, complete Part V.

Legislative Contact: Michelle Rusk	Phone: 360-786-7153	Date: 01/09/2024
Agency Preparation: Sheri Spezze	Phone: (360) 236-4557	Date: 01/12/2024
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 01/12/2024
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 01/12/2024

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Significant provisions of the bill and any related workload or policy assumptions that have revenue or expenditure impact on the responding agency by section number.

Section 23:

The secretary of health shall adopt by rule requirements, in accordance with nationally recognized professional standards, for precautions against the spread of disease, including the sterilization of needles and other instruments, including sharps and jewelry, employed by electrologists, persons engaged in the practice of body art, body piercing, permanent cosmetics, or enhanced permanent cosmetics, and tattoo artists. The secretary shall consider the standard precautions for infection control, as recommended by the United States centers for disease control, and guidelines for infection control, as recommended by national industry standards in the adoption of these sterilization requirements.

Will require Department of Health to revise WAC 246-145 incorporating permanent cosmetics and enhanced permanent cosmetics and updating the definition of tattooing and associated rules.

II. B - Cash receipts Impact

Cash receipts impact of the legislation on the responding agency with the cash receipts provisions identified by section number and when appropriate, the detail of the revenue sources. Description of the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explanation of how workload assumptions translate into estimates. Distinguished between one time and ongoing functions.

II. C - Expenditures

Agency expenditures necessary to implement this legislation (or savings resulting from this legislation), with the provisions of the legislation that result in the expenditures (or savings) identified by section number. Description of the factual basis of the assumptions and the method by which the expenditure impact is derived. Explanation of how workload assumptions translate into cost estimates. Distinguished between one time and ongoing functions.

Section 23 will require 0.1 FTE of a Health Services Consultant 4 and a 0.1 FTE of a Management Analyst 4 for Fiscal Year 2025. This team will identify underreached communities and engage them in the rulemaking process. This process will include two meetings with interested parties as well as one formal rules hearing, all held virtually, and will take approximately 12 months to complete. The Department of Health anticipates providing the rules hearing announcement and materials in both English and Spanish and providing ASL and Spanish interpretation services at the rules hearing. Costs include staff, associated expenses (including goods and services, intra-agency, and indirect charges), and Office of Attorney General support in the amount of \$4,000.

FY 2025 one-time costs will be 0.2 FTE and \$37,000

Part III: Expenditure Detail

III. A - Operating Budget Expenditures

Account	Account Title	Type	FY 2024	FY 2025	2023-25	2025-27	2027-29
001-1	General Fund	State	0	37,000	37,000	0	0
Total \$			0	37,000	37,000	0	0

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		0.2	0.1		
A-Salaries and Wages		18,000	18,000		
B-Employee Benefits		6,000	6,000		
E-Goods and Other Services		11,000	11,000		
T-Intra-Agency Reimbursements		2,000	2,000		
9-					
Total \$	0	37,000	37,000	0	0

III. C - Operating FTE Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2024	FY 2025	2023-25	2025-27	2027-29
HEALTH SERVICES CONSULTANT 4	86,208		0.1	0.1		
MANAGEMENT ANALYST 4	86,208		0.1	0.1		
Total FTEs			0.2	0.1		0.0

III. D - Expenditures By Program (optional)

NONE

Part IV: Capital Budget Impact

IV. A - Capital Budget Expenditures

NONE

IV. B - Expenditures by Object Or Purpose

NONE

IV. C - Capital Budget Breakout

Acquisition and construction costs not reflected elsewhere on the fiscal note and description of potential financing methods.

NONE

IV. D - Capital FTE Detail: *FTEs listed by classification and corresponding annual compensation. Totals agree with total FTEs in Part IVB.*

NONE

Part V: New Rule Making Required

Provisions of the bill that require the agency to adopt new administrative rules or repeal/revise existing rules.

Section: 23 The Department of Health will revise and adopt rules for precautions against the spread of infection for those commercially engaged in the business of permanent cosmetics work, including the sterilization of needles, sharps and other equipment used in the trade. The Department of Health will be utilizing a team of subject matter experts to implement this bill.



Multiple Agency Ten-Year Analysis Summary

Bill Number 2109 HB	Title Permanent cosmetics
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This ten-year analysis is limited to the estimated cash receipts associated with the proposed tax or fee increases.

Estimated Cash Receipts

	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	2024-33 TOTAL
Department of Licensing	0	3,632,000	1,409,000	1,246,000	1,246,000	1,246,000	1,246,000	1,246,000	1,246,000	1,246,000	13,763,000
Department of Health	0	0	0	0	0	0	0	0	0	0	0
Total	0	3,632,000	1,409,000	1,246,000	1,246,000	1,246,000	1,246,000	1,246,000	1,246,000	1,246,000	13,763,000



Ten-Year Analysis

Bill Number 2109 HB	Title Permanent cosmetics	Agency 240 Department of Licensing
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts

 Partially Indeterminate Cash Receipts

 Indeterminate Cash Receipts

Estimated Cash Receipts

Name of Tax or Fee	Acct Code	Fiscal Year 2024	Fiscal Year 2025	Fiscal Year 2026	Fiscal Year 2027	Fiscal Year 2028	Fiscal Year 2029	Fiscal Year 2030	Fiscal Year 2031	Fiscal Year 2032	Fiscal Year 2033	2024-33 TOTAL
Business and Professions	06L		3,632,000	1,409,000	1,246,000	1,246,000	1,246,000	1,246,000	1,246,000	1,246,000	1,246,000	13,763,000
Total			3,632,000	1,409,000	1,246,000	1,246,000	1,246,000	1,246,000	1,246,000	1,246,000	1,246,000	13,763,000
Biennial Totals			3,632,000	2,655,000	2,492,000	2,492,000	2,492,000	2,492,000	2,492,000	2,492,000	2,492,000	13,763,000

Narrative Explanation (Required for Indeterminate Cash Receipts)

Per RCW 43.24.086, the cost of administering professional and business licensing programs must be funded by those industry's licensing fees. Cash receipt impacts are driven by fee setting to satisfy this requirement.

Agency Preparation: Gina Rogers	Phone: 360-634-5036	Date: 1/15/2024 11:29:13 an
Agency Approval: Collin Ashley	Phone: (564) 669-9190	Date: 1/15/2024 11:29:13 an
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 1/15/2024 11:31:46 an



Ten-Year Analysis

Bill Number 2109 HB	Title Permanent cosmetics	Agency 303 Department of Health
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This ten-year analysis is limited to agency estimated cash receipts associated with the proposed tax or fee increases. The Office of Financial Management ten-year projection can be found at <http://www.ofm.wa.gov/tax/default.asp>.

Estimates

No Cash Receipts **Partially Indeterminate Cash Receipts** **Indeterminate Cash Receipts**

Name of Tax or Fee	Acct Code												
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Agency Preparation: Sheri Spezze	Phone: (360) 236-4557	Date: 1/12/2024 4:01:28 pm
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 1/12/2024 4:01:28 pm
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 1/15/2024 11:31:46 an