

Multiple Agency Fiscal Note Summary

Bill Number: 2109 S 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	0	0	0	0	0	0	2,671,000
Total \$	0	0	0	0	0	0	0	0	2,671,000

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	809,000	809,000	809,000	1.7	1,858,000	1,858,000	1,858,000	9.1	0	0	2,671,000
Department of Health	.1	37,000	37,000	37,000	.0	0	0	0	.0	0	0	0
Total \$	0.6	846,000	846,000	846,000	1.7	1,858,000	1,858,000	1,858,000	9.1	0	0	2,671,000

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 2/ 2/2024
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Individual State Agency Fiscal Note

Bill Number: 2109 S 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					2,671,000
Total \$					2,671,000

Estimated Operating Expenditures from:

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years	0.0	1.0	0.5	1.7	9.1
Account					
General Fund-State 001-1	0	809,000	809,000	1,858,000	0
Business and Professions Account-State 06L-1	0	0	0	0	2,671,000
Total \$	0	809,000	809,000	1,858,000	2,671,000

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: 01/26/2024
Agency Preparation: Gina Rogers	Phone: 360-634-5036	Date: 02/02/2024
Agency Approval: Collin Ashley	Phone: (564) 669-9190	Date: 02/02/2024
OFM Review: Kyle Siefering	Phone: (360) 995-3825	Date: 02/02/2024

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

Difference between HB 2109 and SHB 2109:

- Creates a separate license for the practice of corrective enhanced permanent cosmetics
- Expands the cosmetology advisory board by one member to represent the permanent cosmetics industry (can be a practicing member of permanent cosmetics, enhanced permanent cosmetics, or corrective enhanced permanent cosmetics)
- Allows permanent cosmetics license applicants to take their exams if within 50 hours of education completion
- Modifies instructor qualification for permanent cosmetics, enhanced permanent cosmetics, and corrective enhanced permanent cosmetics
- Allows students over 16 to take exams
- Allows individuals enrolled in a permanent cosmetics curriculum to submit experience documentation in another cosmetology licensed profession to receive up to 50 hours of credit towards their permanent cosmetics license
- Sets new effective dates for:
 - o June 30, 2025, for rulemaking to be completed
 - o November 1, 2027, for licensing requirements

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.

Please see attached fiscal note.

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
001-1	General Fund	State	0	809,000	809,000	1,858,000	0
06L-1	Business and Professions Account	State	0	0	0	0	2,671,000
Total \$			0	809,000	809,000	1,858,000	2,671,000

III. B - Expenditures by Object Or Purpose

	FY 2024	FY 2025	2023-25	2025-27	2027-29
FTE Staff Years		1.0	0.5	1.7	9.1
A-Salaries and Wages		89,000	89,000	273,000	1,226,000
B-Employee Benefits		29,000	29,000	95,000	464,000
C-Professional Service Contracts					
E-Goods and Other Services		691,000	691,000	1,478,000	969,000
G-Travel				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	809,000	809,000	1,858,000	2,671,000

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
Customer Service Specialist 2	48,864				0.1	1.0
EMS Band 3	122,400				0.1	0.1
Investigator 1	55,224				0.1	1.0
Investigator 2	65,748				0.1	1.0
Investigator 4	84,192				0.1	0.3
LICENSING SERVICES MANAGER	84,192				0.1	0.3
Management Analyst 4	86,208		1.0	0.5	0.5	
PROFESSIONAL LICENSING REPRESENTATIVE 1	55,224				0.2	2.0
PROFESSIONAL LICENSING REPRESENTATIVE 2	67,380				0.3	2.8
WMS Band 1	108,000				0.2	0.5
WMS Band 2	120,000				0.1	0.1
Total FTEs			1.0	0.5	1.7	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.

June 30, 2025, for rulemaking to be completed

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: SHB 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 beginning in the biennium the license is implemented.

Revenue	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	-				2,671,000
Account Totals		-				2,671,000

Estimated Expenditures:

Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	-				2,671,000
General Fund State	001		809,000	809,000	1,858,000	
Account Totals		-	809,000	809,000	1,858,000	2,671,000

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: 1/31/24
Agency Approval: Collin Ashley	Phone: (360) 634-5384	Date: 2/1/24

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

Difference between HB 2109 and SHB 2109:

- Creates a separate license for the practice of corrective enhanced permanent cosmetics
- Expands the cosmetology advisory board by one member to represent the permanent cosmetics industry (can be a practicing member of permanent cosmetics, enhanced permanent cosmetics, or corrective enhanced permanent cosmetics)
- Allows permanent cosmetics license applicants to take their exams if within 50 hours of education completion
- Modifies instructor qualification for permanent cosmetics, enhanced permanent cosmetics, and corrective enhanced permanent cosmetics
- Allows students over 16 to take exams
- Allows individuals enrolled in a permanent cosmetics curriculum to submit experience documentation in another cosmetology licensed profession to receive up to 50 hours of credit towards their permanent cosmetics license
- Sets new effective dates for:
 - June 30, 2025, for rulemaking to be completed
 - November 1, 2027, for licensing requirements

NEW DESCRIPTION:

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.

Effective dates:

- June 30, 2025, for rulemaking to be completed
- November 1, 2027, for licensing requirements

2.B - Cash receipts Impact

The bill creates a new licensed profession.

Revenue	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	-				2,671,000
Account Totals		-				2,671,000

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 beginning in the biennium the license is implemented.

Revenue will not start generating until 11/1/27 when license is implemented.

2.C – Expenditures

Operating Expenditures	Fund	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Business and Professions	06L	-				2,671,000
General Fund State	001		809,000	809,000	1,858,000	
Account Totals		-	809,000	809,000	1,858,000	2,671,000

Per RCW 43.24.086, the cost of administering professional and business licensing programs must be funded by those industry's licensing fees. However, the license revenue does not begin until 11/1/2027 and fund balance is inadequate to carry the expenditures until the biennium of license implementation. State General Fund is required to fund these requirements.

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	-	-	13,600	230,700	27,100	-	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	-	9,900	19,800	23,800	-	-	53,500
PROJECT MANAGER	Manage schedule and contracts	\$ 34,452	-	6,900	20,700	20,700	20,700	-	69,000
QUALITY ASSURANCE	Plan and carry out activities to assure project deliverables; e.g. preventative defect activities, align quality measures and business objectives.	\$ 44,892	-	4,500	148,100	148,100	35,900	-	336,600
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	-	-	7,900	19,800	-	-	27,700
DEVELOPERS	Modify programming and coding to all major systems	\$ 22,968	-	-	-	-	11,500	-	11,500
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	-	4,500	148,100	148,100	35,900	-	336,600
Project Contingency	Office of the Chief Information Officer designated rate of 10%	\$ 29,824	-	2,600	43,200	59,100	13,100	-	118,000
Totals			-	28,400	474,700	650,300	144,200	-	1,297,600

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	-				2,671,000
General Fund State	001		809,000	809,000	1,858,000	
Account Totals		-	809,000	809,000	1,858,000	2,671,000

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	1.0	0.5	1.9	9.1
Salaries and Wages	-	89,000	89,000	273,000	1,226,000
Employee Benefits	-	29,000	29,000	95,000	464,000
Goods and Services	-	691,000	691,000	1,478,000	969,000
Travel	-	-	-	12,000	12,000
Total By Object Type	-	809,000	809,000	1,858,000	2,671,000

Object E - Description	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
EA - General Office Supplies	-	230	230	770	4,140
EB - Phone/Install/Usage	-	830	830	2,810	15,020
EC - Utilities	-	430	430	1,460	7,840
ED - Facility/Lease Costs	-	5,440	5,440	18,500	99,040
EE - Repairs, Alterations & Maintenance	-	1,210	1,210	4,120	22,080
EG - Training	-	160	160	540	2,920
EH - Manage Print Services	-	830	830	2,820	15,080
EK - Facilities and Services	-	1,260	1,260	4,290	22,940
ER - Contracted psychometrician	-	500,470	500,470	205,430	113,620
ER - Application Programmers	-	28,400	28,400	1,125,000	144,200
EY - Software Maintenance	-	3,440	3,440	11,690	62,560
EZ - Other Goods & Svcs	-	147,940	147,940	100,290	459,640
Total Goods & Services	-	691,000	691,000	1,478,000	969,000

Board members: 1 (ongoing) Object A and B \$400 (4 meetings x \$50)

Contract with psychometrician to develop written and practical exams, 6 total for (one-time FY25 \$500,000)

Application Programmers: Details in the IS section of the narrative (section 2.C) \$1,297,600.
 \$28,400 FY25
 \$474,700 FY26
 \$650,300 FY27
 \$144,200 FY28

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 \$308,820.

\$203,820 FY27
 \$105,000 FY28

Travel: For DOL and Board Members for required travel beginning 25-27 Biennium \$12,000 (ongoing). Assumed travel for site visits that include audit, compliance, education and quarterly board meetings.

3.C – FTE Detail

Staffing	Salary	FY 24	FY 25	23-25 Total	25-27 Total	27-29 Total
Customer Service Specialist 2	48,864	0.0	0.0	0.0	0.1	1.0
PROFESSIONAL LICENSING REPRESENTATIVE 1	55,224	0.0	0.0	0.0	0.2	2.0
PROFESSIONAL LICENSING REPRESENTATIVE 2	67,380	0.0	0.0	0.0	0.3	2.8
Management Analyst 4	86,208	0.0	1.0	0.5	0.5	0.0
Investigator 1	55,224	0.0	0.0	0.0	0.1	1.0
Investigator 2	65,748	0.0	0.0	0.0	0.1	1.0
Investigator 4	84,192	0.0	0.0	0.0	0.1	0.3
LICENSING SERVICES MANAGER	84,192	0.0	0.0	0.0	0.1	0.3
WMS Band 1	108,000	0.0	0.0	0.0	0.2	0.5
WMS Band 2	120,000	0.0	0.0	0.0	0.1	0.1
EMS Band 3	122,400	0.0	0.0	0.0	0.1	0.1
Total FTE		0.0	1.0	0.5	1.9	9.1

Rounding used

Rulemaking: start 7/1/2024

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
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Licensing & Customer Support Services Section: Start 5/1/2027

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

Central Investigations and Audits Unit: Start 5/1/2027

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: Start 5/1/2027

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

Part 4 – Capital Budget Impact

None.

Part 5 – New Rule Making Required

June 30, 2025, for rulemaking to be completed

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 S 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: 01/26/2024
Agency Preparation: Sheri Spezze	Phone: (360) 236-4557	Date: 01/31/2024
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 01/31/2024
OFM Review: Breann Boggs	Phone: (360) 485-5716	Date: 02/02/2024

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.

The substitute bill has added corrective enhanced permanent cosmetics to be covered under the bill and requires all rulemaking to be completed by June 30, 2025. Section 23 is now Section 24.

Section 24:

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.

Section 30:

All rulemaking must be completed by June 30, 2025.

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.

Section 30: All rulemaking will be completed by June 30, 2025.



Multiple Agency Ten-Year Analysis Summary

Bill Number 2109 S 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	0	0	0	1,460,000	1,211,000	1,211,000	1,211,000	1,211,000	1,211,000	7,515,000
Department of Health	0	0	0	0	0	0	0	0	0	0	0
Total	0	0	0	0	1,460,000	1,211,000	1,211,000	1,211,000	1,211,000	1,211,000	7,515,000



Ten-Year Analysis

Bill Number 2109 S 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	
	06L					1,460,000	1,211,000	1,211,000	1,211,000	1,211,000	1,211,000	7,515,000	
Total						1,460,000	1,211,000	1,211,000	1,211,000	1,211,000	1,211,000	7,515,000	
Biennial Totals						2,671,000	2,422,000	2,422,000	2,422,000				7,515,000

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 increases to satisfy this requirement beginning in the biennium the license is implemented.

Revenue will not start generating until 11/1/27 when license is implemented.

Agency Preparation: Gina Rogers	Phone: 360-634-5036	Date: 2/2/2024 8:44:53 am
Agency Approval: Collin Ashley	Phone: (564) 669-9190	Date: 2/2/2024 8:44:53 am
OFM Review:	Phone:	Date:



Ten-Year Analysis

Bill Number 2109 S 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: 1/31/2024 10:57:44 an
Agency Approval: Kristin Bettridge	Phone: 3607911657	Date: 1/31/2024 10:57:44 an
OFM Review:	Phone:	Date: