

**Economic Impact Statement**

LSA Document #12-64

**IC 4-22-2.1-5 Statement Concerning Rules Affecting Small Businesses**

IC 25-8-2-15.5 created a new license type for mobile salons offering cosmetology, electrology, esthetics, manicuring, and barbering. Mobile salon is defined as a self-contained facility that may be moved, towed, or transported from one location to another in which cosmetology, electrology, esthetics, manicuring, or barbering is practiced, or a business in which cosmetology, electrology, esthetics, manicuring, or barbering equipment is transported to and used on a temporary basis at a location other than a selected salon site. This new license type created a need for sanitation and safety rules designed specifically for a mobile setting to provide needed protection for the public.

The proposed rules address safety and sanitary concerns for the beauty culture patrons in a mobile facility and in locations other than a salon where the need for proper equipment and sanitary practices could be lacking in the absence of proper regulation.

Under the proposed rules, rules affecting small businesses are amended as follows:

- License, signage display, and address and contact information language is amended to add mobile salons to existing language.
- Salon equipment language is amended to address mobile salons.
- New language is added to address safety concerns that are unique to a self-contained mobile facility.
- Disinfectant language is amended to add mobile salons to existing language.

**Impact on Small Businesses****1. Estimate of the number of small businesses, classified by industry sector, that will be subject to the proposed rule:**

NAICS CODE 812112	Mobile Salons	14
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IC 4-22-2.1-4 provides that "small business" means any person, firm, corporation, limited liability company, partnership, or association that:

- (1) is actively engaged in business in Indiana and maintains its principal place of business in Indiana;
- (2) is independently owned and operated;
- (3) employs one hundred (100) or fewer full-time employees; and
- (4) has gross annual receipts of five million dollars (\$5,000,000) or less.

**2. Estimate of the average annual reporting, record keeping, and other administrative costs that small business will incur to comply with the proposed rule.**

The proposed rule requires minimal record keeping requirements for mobile salons. It is estimated that the cost will be very minimal and not unlike records already maintained in salons.

**3. Estimate of the total annual economic impact that compliance with the proposed rule will have on all small businesses subject to the rule.**

The proposed rules add mobile salons to existing salon rules. Beauty culture professionals have always been required to practice in a licensed salon. Proposed rules for operating a mobile salon that is self-contained will not increase the expense to these licensees. It is estimated that operating a mobile salon that is not a self-contained facility will decrease the economic impact due to the fact that the beauty culture professional is not required to maintain a facility, rather they take their equipment with them to temporary locations to practice.

**4. Statement justifying any requirement or cost that is imposed on small businesses by the rule; or any other state or federal law.**

To prevent the spread of bacterial and viral infections, it is necessary to disinfect and decontaminate implements, linens, and surfaces in salons. The proposed rules will ensure mobile salons follow the same sanitary and equipment requirements that existing salons are required to follow to protect the public.

**5. Regulatory flexibility analysis****Consideration of alternative methods of achieving the purpose of the proposed rule**

The purpose of the proposed rule is to update cosmetology regulations to ensure mobile salons comply with current sanitary and equipment requirements. The Cosmetology Board has worked diligently to ensure that the proposed rules provide the required regulations at the lowest cost to consumers and small businesses.

**Conclusion**

According to the Centers for Disease Control, outbreaks of skin infections on the legs and feet of patrons following spa pedicures have caused concern about spa safety. The CDC states that disinfectants used in the foot spa should indicate on the label that they are approved for hospital use. A disinfectant label should clearly show its uses and that it is EPA-approved. Salons should use an EPA-registered hospital disinfectant. Mobile salons have the potential to put patrons at risk for infection and disease and should be held to the same standards as other licensed salons.

### **Supporting Data, Studies, or Analyses**

Selected EPA-registered Disinfectants:

<http://www.epa.gov/oppad001/chemregindex.htm>

Recommended Cleaning and Disinfection Procedures for Foot Spa Basins in Salons:

[http://www.epa.gov/opp00001/factsheets/footspa\\_disinfection.htm](http://www.epa.gov/opp00001/factsheets/footspa_disinfection.htm)

Preventing Pedicure Foot Spa Infections:

<http://www.epa.gov/opp00001/factsheets/pedicure.htm>

Vugia DJ, Jang Y, Zizek C, Ely J, Winthrop KL, Desmond E. Mycobacteria in nail salon whirlpool footbaths, California. *Emerg Infect Dis* (serial on the Internet). 2005 Apr (date cited). Available from:

<http://www.cdc.gov/ncidod/EID/vol11no04/04-0936.htm>

CleanSweepSupply.com:

<http://www.cleansweepsupply.com/pages/subsection1611.html>

International Nail Technicians Association, Pedicure Equipment Cleaning and Disinfecting Procedures:

[http://www.probeauty.org/about/committees/nmc/docs/INTA\\_PBA\\_pediprocedures.pdf](http://www.probeauty.org/about/committees/nmc/docs/INTA_PBA_pediprocedures.pdf)

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