

Members present:

Chairman Jeffrey
Vice Chairman Robinson
Assemblyman Bennett
Assemblyman Chaney
Assemblyman Horn

Assemblyman FitzPatrick
Assemblyman Rusk
Assemblyman Tanner
Assemblyman Weise

Members excused:

Assemblyman Bremner
Assemblyman Sena

Guests present: See attached list.

Chairman Jeffrey called the meeting to order at 3:09 p.m. and stated that Mr. Weise would be leaving the meeting to attend a Taxation Sub-committee and therefore would be excused for the balance of the meeting. He stated that the purpose of the meeting was to hear AB 420.

AB 420: Mr. Robert Schouweiler, attorney representing the State Board of Pharmacy stated that the bill would be reviewed section by section by Mr. David Ericksen. He also introduced some of the members of the Board of Cosmetology who were present in the audience and stated that they would all be open to questions on the changes in the bill.

Mr. David Ericksen opened his testimony by reading from the text of Exhibit "A" which is attached hereto and made a part hereof by reference. He then proceeded to go through the bill section by section and stating at the outset that their prime concerns were that their expenses of doing business had increased by some 25% over the last year and that they wished to have more control over manicurists because of the phenomenal increase in the area of nail care with the false nail products being introduced into the marketplace.

He stated the changes on page 1, lines 5 and 6 were so that it would be clear that they did not have responsibility for barber shops, as they are covered under other sections of NRS. He said that the change on line 17 was due to the current practice of serving men in their establishments which is becoming more common.

Mr. Ericksen then went to page 2, lines 14-16. Upon discussing this change, the committee and Mr. Ericksen and Mrs. Lorrada Sebbas, a beauty college owner from Reno and instructor of electrology techniques, decided that the language in this section referring to "the use of electricity" was too broad and Mr. Ericksen and Mrs. Sebbas would work on some better language with Mr. Schouweiler and submit it to the committee as soon as they could relating to electrical appellation techniques and equipment. Mrs. Sebbas also explained to the committee that there are two techniques used in the permanent removal of unwanted hair and

those are: a) thermolysis (the use of stricly electrical means for removal), and b) electrolysis (the use of both chemical and electrical means for removal).

Mr. Ericksen went then to page 2, line 23 and stated that currently there are shops which deal in fabricated false nails and who do not charge clients for working on their nails, but that the clients are required to pay for the materials used. This way they are not actually receiving compensation for performing the manicure or related proceedure and they felt that excluding the reference to compensation would make it easier for the board to regulate these shops and the unlicensed manicurists working in those establishments. After an involved discussion with the committee as to what was meant by someone being compensated, it was decided by the members of the committee that this provision in the current law should be left unchanged. He stated that lines 24-28 were necessitated due to the increase in use of false nails and the fact that area of work was becoming very big business and he felt it should be more closely regulated.

Mr. Ericksen also stated that the balance of the changes proposed on page two were made by the bill drafter and that they had not requested those.

He stated that the next change which they had requested was page three, line 14. They stated this was changed to agree with the national guidelines. Mr. Ericksen also stated that this section should be elaborated upon by adding that a GED type test equivalent would also be permissible if it were a type which was authorized by the State Board of Education. This change would also apply on page 4, line 6.

Mr. Schouweiler stated that there should be an addition between lines 10 and 11 on page 4. The new section 5b would read at shown on the attached Exhibit "B" submitted by him. After discussion with the committee it was agreed that there should be a specific time provisions showing equivalents of time worked compared to hours of class time. One hundred hours of class time to each three months of practical experience was suggested and thought to be workable.

Mr. Horn asked Mrs. Sebbas if she would explain lines 46 and 47 on page 3. Mrs. Sebbas stated that this change was done by the bill drafter but that it would give the person credit for experience or training outside this state. Mr. Horn asked if the curriculum in this was the same in the other states. Mr. Ericksen stated that it was similar in most states and that the board reviewed each case separately and they would make sure that the training was comparable.

Mr. Ericksen then went on to discuss with the committee the necessity for the increased fees in the bill. He offered to the committee a Financial Statement dated June 30, 1978 to help in his presentation and it is attached and marked as Exhibit "C".

After some discussion regarding the increases in fees, Chairman Jeffrey asked the Board to forecast the total revenues based on these new fees with the projected expenses for that same period. Mr. Ericksen and Mr. Schouweiler stated that they would get together with the accountant for the Board and have this done as soon as possible and report their figures back to the committee. Mr. Ericksen also pointed out to the committee that many of these new fees were based upon a proposed two-year licensing period as provided for in the bill rather than the yearly period as is used currently. He also pointed out on Exhibit "C" that on page 4, lines 46-48 would be deleted.

In discussing the last change proposed on Exhibit "C", Mr. Ericksen stated that this would clarify the language and make the fees easier to calculate when someone was renewing a license.

Mr. FitzPatrick stated that he felt lines 25-28 on page 5 should be changed to make it absolutely necessary for anyone who had been retired in excess of three years to be re-examined before being issued a new license. The Board agreed with this suggested change to the bill.

Dr. Robinson asked Mr. Ericksen why the deletion on page 6, lines 24-28. Mr. Ericksen stated that they presently do not have licensed physicians on these staffs (the Board hasn't enforced this provision) and also that the reference to "registered" persons was vague and therefore they wanted to eliminate these references from the law. Dr. Robinson also asked why they had deleted the salary of the secretary on page 2, lines 34-36. Mr. Ericksen stated that they had done this because the current secretary is not being paid nor have others in the past. It was decided by the committee that they felt the provision for the salary should be left in so that if in the future they decided to pay their secretary they would not have to come back to ask for another change.

Mr. Ericksen pointed out that AB 420 was the result of a two year committee study made up of representatives from various parts of their industry. Chairman Jeffrey asked Mr. Ericksen and Mr. Schouweiler how long they felt they needed to get their new language for the bill and the financial impact forecast. Mr. Schouweiler stated he felt they could have it all back to the committee within one week's time. That concluded testimony on this bill.

AB 423: Mr. FitzPatrick moved for a Do Pass and Mr. Rusk seconded the motion and it carried unanimously with Mr. Bennett not being present to vote and Mr. Weise, Mr. Bremner and Mr. Sena excused.

AB 424: Dr. Robinson moved for a Do Pass and Mr. FitzPatrick seconded the motion and it carried unanimously with Mr. Bennett not being present to vote and Mr. Weise, Mr. Bremner and Mr. Sena excused.

Date:.....March 7, 1979

Page:.....Four

AB 425: Dr. Robinson moved for a Do Pass and Mr. Horn seconded the motion and it carried unanimously with Mr. Bennett not being present to vote and Mr. Weise, Mr. Bremner and Mr. Sena excused.

There being no further business to come before the committee, Dr. Robinson moved for adjournment, Mr. Horn seconded the motion and Chairman Jeffrey adjourned the meeting at 4:25 p.m.

Respectfully submitted,

Linda D. Chandler
Linda D. Chandler
Secretary

ASSEMBLY COMMERCE COMMITTEE

ROLL CALL:

Hearing date: March 7 , 1979

CHAIRMAN JEFFREY
VICE CHAIRMAN ROBINSON
MR. BENNETT
MR. BREMNER
MR. CHANEY
MR. HORN
MR. SENA
MR. FITZPATRICK
MR. RUSK
MR. TANNER
MR. WEISE

Present	Absent	Excused
x		
x		
x		
		x
x		
x		
		x
x		
x		
x		
x		x

Date of Hearing 3-7-79

ASSEMBLY COMMERCE COMMITTEE

GUEST LIST

NAME (Please print)	REPRESENTING (organization)	WISH TO SPEAK	
		Yes	No.
Laron Frederick	St. Board of Cosmetology		✓
Donna Steggs	St. Board of Cosmetology		
Wendy Erickson	" " "	✓	✓
Lucy H. Kendall	" " "		
Rae Naughton	St. Board of Cosmetology (Inspector)		✓
Jay Morris	" " " "		✓
Pamela Young			

STATE BOARD OF COSMETOLOGY

Dorothy G. Feeney, President and Executive Director

Established: 1931

Statutory Authority: NRS 644

Office: 1700 East Desert Inn Road, Suite 410, Las Vegas, Nevada 89109

Telephone: (702) 386-5231

	FY 1977	FY 1978
Full Time Employees	5	5
Expenditures	\$72,701	\$94,410

* * * * *

The board consists of 5 members appointed by the Governor. All members must be registered as a hairdresser and cosmetician, and actually engaged in practice. Registering and licensing all qualified cosmetologists, manicurists, instructors, electrologists and demonstrators is the responsibility of the board. The board also licenses qualified schools of cosmetology and electrology, and cosmological establishments.

COALS: Protect the public through the establishment and maintenance of high professional standards. Regulate institutions offering education in this area to assure competency and expertise in the industry, and to investigate any violations of the law or board regulations.

HIGHLIGHTS: During the 1976-1978 Biennium, the board held fourteen examinations, and 35 formal hearings. Approximately 40 inspections of cosmological establishments and schools were conducted per week. The board licensed 3,626 cosmetologists, 550 manicurists, 18 electrologists, 73 instru

276 demonstrators, 1,056 cosmetological establishments, and 7 schools of cosmetology/electrology. Presently there are 3,965 cosmetologists, 380 manicurists, 23 electrologists, 77 instructors, 152 demonstrators, 1,170 cosmetological establishments, and 8 schools of cosmetology. The board handled approximately 14,250 phone calls per year, 11,245 pieces of outgoing mail, and counter service to 1,825 persons per annum.

The 1977 Legislature eliminated the requirement of a certificate of health by the student or licensee.

MAJOR PUBLICATIONS: State of Nevada Laws, Rules and Regulations
Governing the Practice of Cosmetology in Nevada.

EXHIBIT A

NEVADA STATE BOARD OF COSMETOLOGY

1700 EAST DESERT INN ROAD, SUITE 410

LAS VEGAS, NEVADA 89109

TELEPHONE 385-8455



ADDITIONAL LEGISLATIVE PROPOSALS AGREED UPON AT THE 2/26/79 BOARD MEETING IN LAS VEGAS.

- 644.200 (b) Change to read: Board will give hour credit for working experience at their discretion. (Page 4)
- 644.310 (5) Delete entirely (page ⁴ 7)
- 644.320 (3) Change to read: The renewal fee for each license is \$30. except if the license will be valid for fewer than 21 months, the fee would be \$15.00. (Page ⁵ 7)

*100 hrs
per 3 mos*

not state statute

Submitted by:

Laurie

Laurie Ferrino
Executive Secretary
2/28/79

*Project - cost of license breakdown
against receipts -*

Committee - Retire for three years (3)

N.S. 644.330

ROBERT L. SCHOUWEILER
ATTORNEY AT LAW
SUITE 1000 FIRST NATIONAL BANK BUILDING
ONE EAST FIRST STREET
RENO, NEVADA 89501
TELEPHONE 322-0632

NEVADA STATE BOARD OF COSMETOLOGY

* * * * *

FINANCIAL STATEMENTS

* * * * *

JUNE 30, 1978

GOUSSAK & RABEN, LTD.
CERTIFIED PUBLIC ACCOUNTANTS
557 E. SAHARA
LAS VEGAS, NEVADA 89104

EXHIBIT "C"

NEVADA STATE BOARD OF COSMETOLOGY
FINANCIAL STATEMENTS
JUNE 30, 1978

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Goussak & Raben, Ltd.
Certified Public Accountants
551 East Sahara Ave.
Las Vegas, Nevada 89104
702 734-0747

ARNOLD GOUSSAK CPA
TERRY RABEN CPA

MEMBERS:
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS
NEVADA SOCIETY OF CERTIFIED PUBLIC ACCOUNTANTS

September 5, 1978

Nevada State Board of Cosmetology
Las Vegas, Nevada

We have examined the balance sheet of the Nevada State Board of Cosmetology at June 30, 1978 and the related statements of cash receipts and disbursements and analysis of changes in fund balance for the year then ended. Our examination was made in accordance with generally accepted auditing standards, and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

In our opinion, the financial statements referred to above present fairly the financial position of the Nevada State Board of Cosmetology at June 30, 1978 and the results of its operations for the year then ended in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Goussak & Raben, Ltd.

September 5, 1978

NEVADA STATE BOARD OF COSMETOLOGY
BALANCE SHEET
JUNE 30, 1978

ASSETS

Cash on hand and in banks	\$ 9,691
OTHER ASSETS:	
Refundable deposits	550
Equipment	<u>1</u>
	<u>551</u>
	<u>\$ 10,242</u>

LIABILITIES AND FUND BALANCE

LIABILITIES:	
Withheld payroll taxes	\$ 416
FUND BALANCE	<u>9,826</u>
	<u>\$ 10,242</u>

EXHIBIT C --

The accompanying letter and notes are an integral part of the financial statements.

Scoussak & Ruben, Ltd., Certified Public Accountants

NEVADA STATE BOARD OF COSMETOLOGY
STATEMENT OF CASH RECEIPTS AND DISBURSEMENTS
YEAR ENDED JUNE 30, 1978

CASH RECEIPTS:

Licenses - hairdressers	\$ 45,174
Licenses - other	6,577
Shop renewal fees	9,486
Delinquency fees	6,626
Back fees	7,593
School renewal fees	2,700
Student enrollment	2,030
Exam fees	<u>2,853</u>
Interest	1,094
Other income	<u>2,007</u>
	<u>86,140</u>

CASH DISBURSEMENTS:

Salaries - office <i>inspectors</i>	48,114
Salaries - board members	5,380
Payroll taxes and insurance	3,358
Travel and subsistance <i>3 inspectors car @ 14¢/mile</i>	17,777
Printing	1,936
Office supplies and expenses	2,736
Postage	1,490
Rent	3,675
Telephone	1,839
Exams	2,181
Health insurance	1,646
Legal and accounting	3,799
Miscellaneous	<u>480</u>
	<u>94,411</u>

EXCESS DISBURSEMENTS OVER RECEIPTS

\$ 8,271

EXHIBIT C

The accompanying letter and notes are an integral part of the financial statements.

Goussak & Ruben, Ltd., Certified Public Accountants

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NEVADA STATE BOARD OF COSMETOLOGY
ANALYSIS OF CHANGES IN FUND BALANCE
YEAR ENDED JUNE 30, 1978

FUND BALANCE - June 30, 1977	\$ 18,097
EXCESS DISBURSEMENTS OVER RECEIPTS	<u>8,271</u>
FUND BALANCE - June 30, 1978	<u>\$ 9,826</u>

EXHIBIT C

The accompanying letter and notes are an integral part of the financial statements.

NEVADA STATE BOARD OF COSMETOLOGY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1978

1. Summary of Significant Accounting Policies

The Association keeps its books and records on the cash basis. This statement is prepared on the cash basis method of accounting.

EXHIBIT C