



NORTH CAROLINA GENERAL ASSEMBLY

Session 2019

Legislative Fiscal Note

Short Title: Modify B.O.B.E. Fees and Reciprocity Reqs.
Bill Number: House Bill 444 (First Edition)
Sponsor(s): Representative Setzer

SUMMARY TABLE

FISCAL IMPACT OF H.B. 444, V.1 (\$ in thousands)

	<u>FY 2019-20</u>	<u>FY 2020-21</u>	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>
North Carolina Board of Barber Examiners Impact					
Board Revenue	130.9	132.4	132.0	132.0	132.8
Less Expenditures	-	-	-	-	-
Board Impact	130.9	132.4	132.0	132.0	132.8
NET BOARD IMPACT	\$130.9	\$132.4	\$132.0	\$132.0	\$132.8

FISCAL IMPACT SUMMARY

House Bill 444 amends GS 86A-25 by increasing all of the fees charged by the Board except the following: examination fees, fee for the issuance of any duplicate copy of a license, certificate, or permit, fee for the inspection of newly established barber school, fee for the issuance of a registered barber or apprentice certificate by certification, fees charged barbers 70 years and older for certificate or renewal, and charges for certified copies of public documents and duplication services and material.

FISCAL ANALYSIS

House Bill 444 would amend various fees collected by the Board of Barber Examiners. Listed below are the current fees, proposed fees, and any changes in those fees.

North Carolina State Board of Barber Examiners Fees

	Current Fee	Proposed Fee	Change in Fee
Certificate of registration or renewal as a barber	\$50.00	\$59.00	\$9.00
Certificate of registration or renewal as an apprentice barber	\$50.00	\$59.00	\$9.00
Barbershop permit or renewal	\$50.00	\$59.00	\$9.00
Examination to become a registered barber	\$85.00	\$85.00	\$0.00
Examination to become a registered apprentice barber	\$85.00	\$85.00	\$0.00
Late fee for restoration of an expired barber certificate within first year after expiration	\$35.00	\$41.00	\$6.00
Late fee for restoration of an expired barber certificate after first year after expiration but within five years after expiration	\$70.00	\$82.00	\$12.00
Late fee for restoration of an expired apprentice certificate within first year after expiration	\$35.00	\$41.00	\$6.00
Late fee for restoration of an expired apprentice certificate after first year after expiration but within three years of first issuance of the certificate	\$45.00	\$53.00	\$8.00
Late fee for restoration of an expired barbershop certificate	\$45.00	\$53.00	\$8.00
Examination to become a barber school instructor	\$165.00	\$192.00	\$27.00
Student permit	\$25.00	\$30.00	\$5.00
Issuance of any duplicate copy of a license, certificate, or permit	\$10.00	\$10.00	\$0.00
Barber school permit or renewal	\$130.00	\$152.00	\$22.00
Late fee for restoration of an expired barber school certificate	\$85.00	\$99.00	\$14.00
Barber school instructor certificate or renewal	\$85.00	\$99.00	\$14.00
Late fee for restoration of an expired barber school instructor certificate within first year after expiration	\$45.00	\$53.00	\$8.00
Late fee for restoration of an expired barber school instructor certificate after first year after expiration but within three years after expiration	\$85.00	\$99.00	\$14.00
Inspection of newly established barbershop	\$120.00	\$100.00	-\$20.00
Inspection of newly established barber school	\$220.00	\$220.00	\$0.00
Issuance of a registered barber or apprentice certificate by certification	\$120.00	\$120.00	\$0.00
Barbers 70 years and older certificate or renewal	No charge	Removed	\$59.00
Reasonable charges for certified copies of public documents			
Reasonable charges for duplication services and material			



The North Carolina Board of Barber Examiners provided fee collection data for FY2012-13 through FY2017-18. The six year average was used to estimate the impact of the proposed fee changes. The estimated change in fee collections is shown in the table below.

Fees	Current fee	Proposed fee	Estimated instances	Current fee collections	Proposed fee collections	Change in fee collections
Registered certificates	\$50	\$59	5,850	\$292,500	\$345,150	\$52,650
Apprentice certificates	\$50	\$59	782	\$39,100	\$46,138	\$7,038
Instructor certificates	\$85	\$99	136	\$11,560	\$13,464	\$1,904
Apprentice exam fees	\$85	\$85	1,035	\$87,975	\$87,975	\$0
Registered exam fees	\$85	\$85	375	\$31,875	\$31,875	\$0
Instructor exam fees	\$165	\$192	49	\$8,085	\$9,408	\$1,323
Shop permits	\$50	\$59	2,556	\$127,800	\$150,804	\$23,004
Student permits	\$25	\$30	1,113	\$27,825	\$33,390	\$5,565
School permits	\$130	\$152	36	\$4,680	\$5,472	\$792
Inspection fees	\$120	\$100	257	\$30,840	\$25,700	-\$5,140
Late fees	\$35	\$41	2,230	\$78,050	\$91,430	\$13,380
Free certificate - 70 years or older	N/A	\$59	515	\$0	\$30,385	\$30,385
Total				\$740,290	\$871,191	\$130,901

The above table assumes that all of those individuals who are currently 70 years of age or older, and receive a free certificate to practice as a barber, will opt to pay for a certificate. According to the North Carolina Board of Barber Examiners, it's likely that a significant portion of those individuals are not currently active barbers and would not opt to pay for the certificate.

Over the next five years, Moody's Analytics estimates modest job growth in North Carolina for the Other Services sector. The board's revenue impact is grown using those estimates.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

MOODY'S ANALYTICS, NORTH CAROLINA BOARD OF BARBER EXAMINERS

LEGISLATIVE FISCAL NOTE – PURPOSE AND LIMITATIONS

This document is an official fiscal analysis prepared pursuant to Chapter 120 of the General Statutes and rules adopted by the Senate and House of Representatives. The estimates in this analysis are based on the data, assumptions, and methodology described in the Fiscal Analysis section of this document. This document only addresses sections of the bill that have projected direct fiscal impacts on State or local governments and does not address sections that have no projected fiscal impacts.

CONTACT INFORMATION

Questions on this analysis should be directed to the Fiscal Research Division at (919) 733-4910.

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