



NORTH CAROLINA GENERAL ASSEMBLY

Session 2021

Legislative Fiscal Note

Short Title: Barbers/Electrolysis Boards/Merger.
Bill Number: House Bill 792 (Second Edition)
Sponsor(s): Representative Stevens

SUMMARY TABLE

FISCAL IMPACT OF H.B. 792, V.2 (\$ in thousands)

	<u>FY 2021-22</u>	<u>FY 2022-23</u>	<u>FY 2023-24</u>	<u>FY 2024-25</u>	<u>FY 2025-26</u>
Board Revenues	-	-	-	-	-
Less Expenditures	-	-	-	-	-
Board Impact	Likely Insignificant Budget Savings - Refer to Fiscal Analysis section				

FISCAL IMPACT SUMMARY

House Bill 792 (Second Edition) would merge the existing State Board of Barber Examiners and the Board of Electrolysis Examiners into a single board. The terms of the newly created Board would begin on January 1, 2022.

The bill would authorize mobile barbershops, revise barber school requirements, establish an electrolysis apprenticeship program, and modify certain fee provisions.

It would establish three new maximum fees for mobile barbershops. They include a maximum fee of \$120 for the inspection of a newly established mobile barbershop, a maximum fee of \$50 for a mobile barbershop permit or renewal, and a maximum late fee of \$45 for restoration of an expired mobile barbershop permit.

Also, the maximum fee for an initial licensure for an electrologist or laser hair practitioner would decrease from \$150 to \$125. And the maximum fee for an electrologist licensing examination would increase from \$125 to \$150.

FISCAL ANALYSIS

The North Carolina State Board of Barber Examiners believes there will be interest in licensing mobile barbershops. However, since the allowance of mobile barbershops would be a newly created service, it is not possible to estimate the number of barbers who would opt for purchasing and licensing a mobile barbershop.

The bill also changes two maximum fees, with the initial licensure for an electrologist or laser hair practitioner decreasing from \$150 to \$125 and the fee for an electrologist licensing examination

increasing from \$125 to \$150. For 2021, the North Carolina Board of Electrolysis Examiners reports approximately 75 licensed individuals, including approximately 10 new licensees. The impact of these fee changes is negligible, as the total fee for a newly licensed electrologist or laser hair practitioner would remain at a maximum of \$275. That amount includes both the licensing examination fee and the initial licensure fee.

The North Carolina State Board of Barber Examiners estimates \$776,576 in revenues for FY21-22, while the Board of Electrolysis Examiners reported \$24,510 in revenues for FY20-21. Under House Bill 792 (Second Edition), the two boards would be merged into the newly formed North Carolina Board of Barber and Electrolysis Examiners. It's estimated that the newly created Board would collect approximately \$800,000 in annual fee revenues. With the merger of boards, it's expected that overall administrative costs would decrease slightly.

TECHNICAL CONSIDERATIONS

N/A.

DATA SOURCES

NORTH CAROLINA STATE BOARD OF BARBER EXAMINERS, NORTH CAROLINA BOARD OF ELECTROLYSIS 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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Signed copy located in the NCGA Principal Clerk's Offices