

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 2975-01  
Bill No.: HB 792  
Subject: Boards, Commissions, Committees, Councils; Economic Development Dept.;  
Licenses - Professional  
Type: Original  
Date: January 12, 2004

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**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
<b>Total Estimated Net Effect on General Revenue Fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON STATE FUNDS</b>			
<b>FUND AFFECTED</b>	<b>FY 2005</b>	<b>FY 2006</b>	<b>FY 2007</b>
Barber Fund	\$0	\$2,250	\$540
<b>Total Estimated Net Effect on <u>All</u> State Funds</b>	<b>\$0</b>	<b>\$2,250</b>	<b>\$540</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### FISCAL ANALYSIS

#### ASSUMPTION

Officials from the **Department of Economic Development - Division of Professional Registration** state the proposal creates a barber apprentice and apprentice supervisor license. The State Board of Barber Examiners estimates that there will be approximately 50 apprentice applicants and 35 apprentice supervisor applicants. It is estimated that a \$10 fee will be charged to the apprentice and a \$50 fee charged to the supervisor. A 3% growth rate has also been calculated. Supervisor licenses would be for a two year period. Using the 3% growth rate, 1 additional supervisor would be licensed in FY 07. Using a two-year licensing period, the additional supervisor would pay \$25 for a 1-year license. It is assumed that all costs can be covered by the board's current appropriation.

Officials from the **Office of Secretary of State (SOS)** state this proposal modifies the requirements for licensure of barbers and requires licensure of barber apprentices. The State Board of Barber Examiners may promulgate rules to implement this legislation. These rules will be published in the *Missouri Register* and the *Code of State Regulations*. Based on experience with other divisions, the rules, regulations and forms issued by the State Board of Barber Examiners could require as many as 16 pages in the *Code of State Regulations*. For any given rule, roughly one-half again as many pages are published in the *Missouri Register* as are published in the Code because cost statements, fiscal notes and notices are not published in the Code. The estimated cost of a page in the *Missouri Register* is \$23.00. The estimated cost of a page in the *Code of State Regulations* is \$27.00. The actual costs could be more or less than the

ASSUMPTION (continued)

numbers given. The fiscal impact of this legislation in future years is unknown and depends upon the frequency and length of rules filed, amended, rescinded and withdrawn. The SOS estimates the cost of this legislation to be \$984 [(16 pp x \$27) + (24 pp x \$23)].

**Oversight** assumes the SOS could absorb the costs of printing and distributing regulations related to this proposal. If multiple bills pass which require the printing and distribution of regulations at substantial costs, the SOS could request funding through the appropriation process. Any decisions to raise fees to defray costs would likely be made in subsequent fiscal years.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
<b>BARBER FUND</b>			
<u>Income - Department of Economic Development - Professional Registration</u>			
Revenue from Licensure Fees			
Apprentices	\$0	\$500	\$515
Supervisors	<u>\$0</u>	<u>\$1,750</u>	<u>\$25</u>
Total <u>Income</u> - Department of Economic Development - Professional Registration	<u>\$0</u>	<u>\$2,250</u>	<u>\$540</u>
<b>ESTIMATED NET EFFECT ON BARBER FUND</b>	<b><u>\$0</u></b>	<b><u>\$2,250</u></b>	<b><u>\$540</u></b>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

The proposal could impact existing small businesses operating barber shops and barber schools. The proposal would authorize the creation of barber apprenticeship businesses.

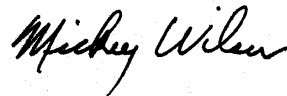
### DESCRIPTION

This proposal provides for the licensing of barber apprentices and certification of barber apprentice supervisors. Prior to being eligible to apply for a barber's license, barber apprentices must work no less than 2,000 hours under a licensed barber who is certified by the State Board of Barber Examiners to act as a barber apprentice supervisor. Applicants for a barber apprentice certificate must be at least 17 years old.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

### SOURCES OF INFORMATION

Department of Economic Development -  
Professional Registration  
Office of Secretary of State



Mickey Wilson, CPA  
Director  
January 12, 2004