Ohio State Barber Board

- The deficit in revenues compared to expenses continues to be a problem in the next biennium
- $479,264 Executive recommended funding for FY2002; and $505,999 Executive recommended funding

OVERVIEW

The Ohio State Barber Board was established in 1934 to ensure that the consuming public was protected from communicable diseases. The Board requires all barbers to attend a licensed barber school, after which they must pass an examination to determine their ability and competence. Additionally, licensed barbers must possess knowledge of skin diseases. In addition to licensing barbers, the Board also regulates barber schools and barber shops. Other activities undertaken by the Board include, the inspections of barber shops and schools, setting standards for licensure and enforcement of those standards through examinations, investigations, and disciplinary actions.

As of June 2000 (FY00), there were 9496 barbers, 3076 shops, 55 teachers, and 14 schools. The Board made 8,091 inspections of barber shops resulting in 1834 warnings and 144 actual violations being written. Approximately 29 complaints were received, which were resolved by letters or inspections. Numerous complaints were received and handled by phone calls. There were no formal hearings, and a total of $22,200 was received from fines imposed for violations.

The Board renews its licenses biennially. The Board's revenues and expenditures are funneled through General Services Fund 4K9, for occupational licensing boards. Creating board self-sufficiency continues to be the primary goal for the Barber Board. Even though the Ohio State Barber Board has increased its licensing fees in the past (last time was July 1997) and the Board considered requesting a fee increase for FY2002-FY2003, the Board was advised by OBM that their revenues were at a level that they would not need a fee increase, so the Board's plan to request a fee increase was withdrawn.

ANALYSIS OF EXECUTIVE PROPOSAL

OHIO STATE BARBER BOARD

Purpose License and regulate barbers, barber shops, and barber schools

The following table shows the line items that are used to fund this program series, as well as the Governor's recommended funding levels.

Fund	ALI	Title	FY 2002	FY 2003
4K9	877-609	Operating Expenses	$479,264	$505,999
Total funding: Ohio State Barber Board				

Ohio State Barber Board

Program Description: In accordance with Chapter 4709. of the ORC, the Ohio State Barber Board licenses barbers, barber shops, and barber schools and teachers; conducts health, sanitation, and safety related inspections of shops and schools; and sets the standards for licensure; and enforces its standards through examinations, investigations, and disciplinary actions.

Funding Source: GSF Fund 4K9 (a rotary fund) – All revenue from the 22 occupational licensing boards is placed in Fund 4K9 and then reallocated to each board. Each board must raise enough revenue through its license fees to cover its expenses.

Line Items: 877-609 Operating Expenses

Implication of the Executive Recommendation: The Executive recommendation includes funding for the Board of $479,264 in FY 2002 and $505,999 in FY 2003. The FY 2002 increase of $36,607 represents an 8.3% increase over FY 2001. The FY 2003 executive recommendation of $505,999 is an increase of $26,735 over FY 2002 and represents a 5.6% increase in funding.

Revenues from the occupational licensing boards are deposited in the 4K9 Rotary Fund for use by this and other boards throughout the biennium. The Barber Board has experienced difficulty meeting its expenditures solely through license revenue. When a board's expenditures exceed its revenues, funds provided to the 4K9 from other occupational boards are used to subsidize the board that is operating as a deficit.

Recent Barber Board Revenues and Expenditures are as follows:

FY1999			**FY2000**			**2 Year Net**
Revenue	Expenditure	Net	Revenue	Expenditure	Net	
$940,751	$427,618	$513,133	$95,185	$430,340	($335,155)	$177,978

The Board's license fees are reflected in the following list (ORC 4709.12).

Ohio State Barber Board Fee Structure	
Barber Examination Application Fee	$60
Barber Re-Take Examination Fee	$30
Barber License Fee (New)	$20
Barber License Fee (Renew)	$75
Barber Expired License Restoration Fee and Each Lapsed Year Fee (not to exceed $460)	$100 $50
Barber or Shop Duplicate License Fee	$30
Shop Inspection and Issuance of License (new, reopening, change of ownership)	$75
Shop Renewal (Biennial)	$50
Shop License Restoration	$75
Shop Relocation of Premises Inspection Fee	$500
School – Initial License Fee	$500
School - Renewal License Fee	$500
School – Restoration of License Fee	$600
Student Registration Fee	$25
Teacher or Assistant Teacher – Exam and New License Fee	$125
Teacher or Assistant Teacher – Renewal License Fee	$100
Teacher or Assistant Teacher – License Restoration Fee and Each Lapsed Year Fee (not to exceed $300)	$150 $40
Barber License by reciprocity pursuant to Section 4709.08	$200
Fee for providing licensing information to applicant	$25

In accordance with 4709.12 (B), the Barber Board may, with Controlling Board's approval, establish fees in excess of the current amounts, not to exceed 50% of the current amounts.

ADDITIONAL FACTS AND FIGURES

State Board of Barber Examiners Staffing Levels						
					Estimated	
Program Series/Division	**1998**	**1999**	**2000**	**2001**	**2002**	**2003**
Board Members	3	3	3	3	3	3
Administrative Staff	3	3	3	3	3	3
Investigators	4	4	4	4	4	4
Totals	**10**	**10**	**10**	**10**	**10**	**10**

The Board had a part-time investigator from October 1995 to March 1998. This position has been eliminated.

Number of Licensees

License Type	*FY2001*
Barber	9,496
Barber School Teacher	55
Barber Shop	3,076
Barber School	14

Current License Fees

Current fees for the four primary Barber Board license types reflect increases that were granted in July 1997. The Board renews its licenses biennially.

License Type	*NEW*	*RENEWAL*
Barber	$20	$75
Barber School Teacher	$125	$100
Barber Shop	$75	$50
Barber School	$500	$500

PERMANENT AND TEMPORARY LAW SECTION

This section describes permanent and temporary law provisions contained in the executive budget that will affect the department's activities and spending decisions during the next biennium.

There are no permanent or temporary law provisions with fiscal effects on this agency.

REQUESTS NOT FUNDED

There were no unfunded requests.

LSC Budget Spreadsheet by Line Item, FY 2002 - FY 2003

Fund	ALI	ALI Title	Revised Estimated 2001	As Introduced 2002	House Sub Bill 2002	% Change Est. 2001 to House 2002	As Introduced 2003	House Sub Bill 2003	% Change House 2002 to House 2003
BRB		**Barber Examiners, Board of**							
4K9	877-609	Operating Expenses	$442,657	$ 479,264	$ 479,264	8.3%	$ 505,999	$ 505,999	5.6%
		General Services Fund Group Total	**$ 442,657**	**$ 479,264**	**$ 479,264**	**8.3%**	**$ 505,999**	**$ 505,999**	**5.6%**
		Total All Budget Fund Groups	***$ 442,657***	***$ 479,264***	***$ 479,264***	***8.3%***	***$ 505,999***	***$ 505,999***	***5.6%***

General Services Fund Group

4K9 877-609 Operating Expenses

1998	1999	2000	2001 Estimate	2002 Executive Proposal	2003 Executive Proposal
$448,868	$427,618	$430,340	$442,657	**$479,264**	**$505,999**
	-4.7%	0.6%	2.9%	**8.3%**	**5.6%**

Source: GSF: Revenue received by the occupational licensing boards is deposited into Fund 4K9.

Legal Basis: originally established by Am. Sub. H.B. 152 of the 120th G.A.

Purpose: The funds in this line item are used for general operating expenses, including payroll, supplies, and equipment for the Ohio State Barber Board. The Board protects the health and welfare of the public by setting standards for the licensure of barbers, barber shops, schools, and teachers and by enforcing its standards through examination, renewal, clinical inspection, investigation, and disciplinary action.