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Laura Kelly, Governor

March 9, 2021

The Honorable Bill Sutton, Chairperson House Committee on General Government Budget Statehouse, Room 274A-W Topeka, Kansas 66612

Dear Representative Sutton:

SUBJECT: Fiscal Note for HB 2419 by House Committee on Appropriations

In accordance with KSA 75-3715a, the following fiscal note concerning HB 2419 is respectfully submitted to your committee.

HB 2419 would amend existing law concerning the licensure and regulation of barbers to create the Kansas Barbering Act. The bill would update existing language and add a number of new definitions to the Act, including "barber pole," "chair lease area," and "charitable event." The bill would increase statutory fee caps and each of the two parts of the examination for an applicant to practice barbering would have an individual fee with a cap of not more than \$100. In addition, the following new fees would be established:

- 1. For reexamination of the written examination to practice barbering—not more than \$75;
- 2. For restoration of license from senior status license—not more than \$125;
- 3. For examination of applicant to instruct barbering—not more than \$150;
- 4. For restoration of expired school or college license, if expiration period is under 90 days, the lapsed fees plus a restoration fee of not more than \$150;
- 5. For issuance of a chair lease license—not more than \$50;
- 6. For issuance of a temporary permit—not more than \$25;
- 7. For issuance of a senior status license—not more than \$50;
- 8. For a letter of verification of licensure—not more than \$25; and
- 9. For a duplicate license—not more than \$5.

The bill would expand and clarify existing requirements for Board approval of barber schools and colleges and for Board issuance of licenses and permits. A barber or barber instructor whose license is expired would be specifically prohibited from engaging in the practice of barbering, and no person could be employed to practice barbering and no barber shop could operate without a valid license.

Under the provisions of the bill, a person who files an application for a license to practice barbering and has been convicted of a felony offense or certain misdemeanor offenses would have the burden to establish sufficient rehabilitation to warrant public trust. The bill provides the factors the Board may consider in determining whether the applicant has met that burden. In addition, the bill would establish a list of class B misdemeanors including advertising of barbering by display of a barber pole where no person licensed as a barber is practicing barbering and advertising as a licensed barber or licensed barber shop by an unlicensed individual. To the list of reasons the Board could censure, limit, condition, suspend, revoke or refuse to issue, reinstate, restore or renew a license, the bill would add conviction of any offense under the laws of another jurisdiction that is substantially the same as a felony or class A misdemeanor offense; obtaining or attempting to obtain a license by fraud or deceit; and practicing barbering or employing an individual who has practiced barbering without a valid current license or permit. The Board would be authorized to assess civil fines not to exceed \$1,000.

The bill would also allow the Board to issue subpoenas to persons from whom information may be desired and establishes the rights of that person in responding to the subpoena. If a final order issued by the Board in any administrative proceeding under the Kansas Barbering Act is adverse to the applicant or licensee, the costs incurred by the Board, as defined by the bill, in conducting the investigation and administrative proceeding would be assessed against the parties in the proceeding. The Administrative Officer of the agency would be the Secretary of the Board, and the Board would have the authority to enter and inspect any place where barbering is being performed to enforce rules and regulations adopted by the Board and the Secretary of the Kansas Department of Health and Environment. The bill would also make a number of technical changes to existing law.

According to the Board of Barbering, enactment of HB 2419 would result in additional expenditures in FY 2022 of \$580 for printing senior status licenses and chair licenses. The Board estimates that enactment of the bill would result in additional revenue of \$5,850 in FY 2022. The current fee of \$100 for the barbering examination covers both exams, with \$60 applied to the written test and \$40 to the practical test. HB 2419 would separate the two examinations to establish a separate fee for each. There would be no change to the existing amount applied to the written portion and an increase of \$35 to the amount applied to the practical portion, resulting in additional revenue of \$5,250 (\$35 per practical exam X 150 examinees). The agency estimates that 400 chair licenses will be issued at \$5 each and 20 certification letters at \$5 each for a total of \$2,100. The current fee for a barbering license is \$80 annually. The bill would establish a senior status license with a one-time fee of \$50. Conversion of 50 barbering licenses to senior status in FY 2022 would result in a loss of \$30 per licensee for a total reduction in revenue of \$1,500. The agency expects

this amount to increase in future years as more barbers hear about the license and want to take advantage of the new status. Any fiscal effect associated with HB 2419 is not reflected in *The FY 2022 Governor's Budget Report*.

Sincerely,

Adam Proffitt

Director of the Budget

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cc: Cassiopeia Capps, Board of Barbering