

Ohio State Barber Board

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- Contributed \$40,189 to the GRF in FY 2004
- Licensed over 12,500 barbers, barber school teachers, barbershops, and barber schools in FY 2004
- Planned consolidation within the Department of Commerce in FY 2007

OVERVIEW

Duties and Responsibilities

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 barbershops. Other activities undertaken by the Board include the inspections of barbershops and schools, setting standards for licensure and enforcement of those standards through examinations, investigations, and disciplinary actions. Though the Barber Board does not receive or spend any GRF funding, it transferred \$40,189 to the GRF in FY 2004 from the Occupational Licensing and Regulatory Fund (Fund 4K9).

Agency in Brief

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Number of Employees*	Total Appropriations-All Funds		GRF Appropriations		Appropriation Bill(s)
	2006	2007	2006	2007	
7	\$568,126	\$0	\$0	\$0	Am. Sub. H.B. 66

*Employee count obtained from the Department of Administrative Services (DAS) payroll reports as of June 2005.

4K9 Fund

The Barber Board is funded by Fund 4K9, which is a fund in the General Services Fund group that serves as a repository for license fees and other assessments collected by the state's occupational licensing and regulatory boards. The 4K9 Fund allows the agencies that it funds the ability to maintain operations during years where licenses are not renewed and revenue is much lower. However, the philosophy of the 4K9 fund is that each board must generate enough revenue to cover their expenses. Yet, it is also quite common for the boards to develop a surplus in the fund to cover unforeseen economic hardships.

Licensure

The Barber Board handles the administrative work for roughly 12,500 barbers, barber schools, and barbershops. The Board renews its licenses biennially with estimated revenue of \$1,066,701 versus \$926,139 in expenditures over the two-year licensing period from FY 2003 to FY 2004. This has resulted

in a net gain of \$140,562 to the 4K9 Fund in that span. The Barber Board's enacted budget appropriates a total of \$568,126 for FY 2006, but does not make an appropriation for FY 2007, as the board is slated for consolidation within the Department of Commerce.

Board Consolidation

The enacted budget recommended that 20 independent occupational licensing boards be absorbed into the departments of Health, Commerce, and Public Safety. As such, the enacted budget does not appropriate funding in FY 2007 for the boards and commissions included in the consolidation proposal. The specifics of the consolidation plan will be addressed during FY 2006 by a task force consisting of the agencies acquiring the boards, the Department of Administrative Services, the Office of Budget and Management (OBM), and three individuals selected by the boards included in the consolidation proposal. According to the plan, current staff will be retained through FY 2006 and a hiring freeze and early retirement incentives will be offered to regulatory board staff. These incentives should result in staff reductions. Effective July 1, 2006, all remaining regulatory board staff will be transferred to the relevant agency. Board and commission members for each agency will be retained and continue to serve in the manner in which they were appointed.

Annual Review of Rules

A provision in the enacted budget requires the Barber Board to annually review its rules in order to compare those rules with those adopted by the State Board of Cosmetology. If the Barber Board determines that rules adopted by the State Board of Cosmetology (including rules concerning technical career schools) would be beneficial to the barbering profession, the Barber Board must adopt similar rules. The Barber Board states that it does not expect any additional expense as a result of this provision.

Illegal Barbershops

The Barber Board is currently attempting to address a situation that is occurring within the barbering craft in the state of Ohio. The Board has found that many foreign individuals are coming to Ohio looking for employment and are in need of barbering services. As such, a significant number of unlicensed individuals are cutting hair, posing a potentially serious problem concerning public health and safety. The enacted budget allows the Board to maintain current service levels, but within the Board's funding levels, it will be a challenge to find illegal barbers and make sure they are licensed.

Vetoed Provisions

The Governor did not veto any provisions affecting the Barber Board.

ANALYSIS OF THE ENACTED BUDGET

For budget purposes, as detailed below, the Ohio State Barber Board is considered a single program series agency and its activities are not subdivided into separate programs.

Program Series 1

Operating Expenses

Purpose: To license and regulate barbers, barbershops, and barber schools.

The following table shows the line items that are used to fund the Ohio State Barber Board as well as the enacted budget's funding levels.

Fund	ALI	Title	FY 2006	FY 2007
General Services Fund				
4K9	877-609	Operating Expenses	\$568,126	\$0
Total Funding: Ohio State Barber Board			\$568,126	\$0

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

Funding Source: GSF Fund 4K9

Implication of the Enacted Budget: The Barber Board received funding of \$568,126 in FY 2006 and \$0 in FY 2007, as the Board is slated for consolidation within the Department of Commerce. At this funding level, the Board states that it will have to eliminate overnight travel for its four inspectors and limit the number of training sessions attended by staff.