

MEMORANDUM

TO: Senator Linda Garrou, Co-chair
Representative Mickey Michaux, Co-chair
Statewide/Capital/General Government Subcommittee
Joint Legislative Committee on Governmental Operations

DATE: April 15, 2008

FROM: Kelly W. Braam, Executive Director
North Carolina Board of Barber Examiners

RE: Review of Proposed Fee Increase by the North Carolina Board of Barber Examiners, 21 NCAC 06N .0101 (21) and (25)

The North Carolina Board of Barber Examiners is a state agency charged with the responsibility of permitting and licensing registered barbers, apprentice barbers, student barbers and barbershops and permitting barber schools in the State of North Carolina. The Board is a state occupational licensing board pursuant to Chapter 86A of the General Statutes and is fully fee-funded and as such receives no financial support through the State's General Fund.

The Board of Barber Examiners is seeking an increase of its fee in 21 NCAC 06N .0101 (21) from \$80.00 to \$85.00. This fee increase is being made to correct an error that occurred following administrative rule changes effective April 2005 which increased the Board's fees. The April 2005 fee change actually only increased the amount to \$80.00. The Board's staff erroneously noted that the fee was \$85.00 and has been charging a registered barber and apprentice certificate by certification fee of \$85.00.

The Board is also seeking a new administrative fee where the Board is required to issue a "pickup" order for permittee or licensee whose license is suspended for failure to pay a civil penalty as authorized by N.C.G.S. § 86A-25. This new fee will be set forth as 21 NCAC 06N .0101 (25). The Board recently changed its disciplinary practices in order to cut the expenses

associated with an administrative hearing and now suspends a permittee or licensee's license when they fail to pay a civil penalty. Experience has now shown that the licensees are refusing to voluntarily stop work and surrender their license necessitating an Inspector for the Board physically going to the licensee or permittee's place of employment and picking up the license. Although an attempt was made to cut costs through the civil penalty in lieu of suspension policy, in fact, additional costs are now associated with the physical act of having an Inspector pickup the license. The Board is attempting to recoup that additional cost that is a direct result of a disciplinary action against a permittee or a licensee. N.C.G.S. § 86A-27(d) allows the Board to charge costs to a licensee against whom a disciplinary action is brought.