

Date of State Budget Office Approval:

Date Requested: Thursday, January 23, 2020

Date Due: Sunday, February 2, 2020

Impact on Expenditures

FY 2020 N/A
 FY 2021 N/A
 FY 2022 N/A

Impact on Revenues

FY 2020 \$0
 FY 2021 (\$240,000)
 FY 2022 (\$240,000)

**Explanation by State
 Budget Office:**

This bill amends RIGL Sections 5-10-8, 5-10-15, and 23-1-54. The modification to Section 5-10-8 removes the requirement that licensure for cosmetology and hairdressing be limited to United States citizens and those with legal entry status, as well as the requirement that the license applicant be "of good moral character." Further, the modification to Section 23-1-54 repeals licensure fees for barbers/hairdressers, which are currently set at \$170 for both initial licensure and annual renewals. Note, this bill removes these fees but not the licensure requirements; therefore, barbers and hairdressers would still require a shop license, but there would be no cost to obtain them.

**Comments on
 Sources of Funds:**

Also note that the amendment to Section 5-10-15, which is a strikeout of a reference to fees established pursuant to 23-1-54, appears to be an inconsequential change.

The fees collected for shop licensing of barbers and hairdressers are recorded as general revenue.

**Summary of Facts
 and Assumptions:**

There is no discernable growth pattern to the number of new licenses or renewals for barbers/hairdressers from FY 2010 to FY 2019. Revenue from this fee has varied (but not widely) year-to-year. In order to estimate the revenue impact from repeal of these fees, the mean number of new licenses and renewals for the past ten fiscal years were used. Using these averages, 180 new licenses and 1,238 renewals would be anticipated in FY 2021 and FY 2022. The fees were applied to the cost of new and renewal licenses.

**Summary of Fiscal
 Impact:**

Based on the assumptions(s) outlined above, the repeal of the barber and hairdresser shop licensure fees will result in approximately \$240,000 in foregone revenue per year. There should be no fiscal impact from repealing the language on citizenship/immigration status and moral character, as any resultant changes to numbers of shop license applicants is negated by the repeal of the shop licensure fees. Due to assumed timing of passage, no fiscal impact is presumed in FY 2020.

Budget Office Signature:

Fiscal Advisor Signature:

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