

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
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FISCAL IMPACT STATEMENT

LS 6638
BILL NUMBER: SB 307

DATE PREPARED: Dec 15, 1999
BILL AMENDED:

SUBJECT: Barbers and cosmetologists.

FISCAL ANALYST: Mark Goodpaster
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FUNDS AFFECTED: **GENERAL**
 DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: This bill provides that a person who knowingly or intentionally practices barbering without a license commits a Class B misdemeanor. It enhances the offense to a Class A misdemeanor if the person has one prior unrelated conviction for practicing barbering without a license, and enhances the offense to a Class D felony if the person has at least two prior unrelated convictions for practicing barbering without a license. It provides that in addition to the established term of imprisonment for the particular class of offense, the following fines must be assessed against a person convicted of practicing barbering without a license: (1) For a Class B misdemeanor, a fine of at least \$250 and not more than \$1,000. (2) For a Class A misdemeanor, a fine of at least \$500 and not more than \$5,000. (3) For a Class D felony, a fine of at least \$1,000 and not more than \$10,000. It establishes the same offenses and fines for a person who knowingly or intentionally practices cosmetology without a license.

Effective Date: July 1, 2000.

Explanation of State Expenditures: Under current law, persons performing work as either barbers or cosmetologists without a license commit a Class C infraction. Under this bill, performing work as either a barber or cosmetologist without a license would be a Class B misdemeanor for the first conviction, a Class A misdemeanor if there is a prior unrelated conviction and a Class D Felony if there were two prior unrelated convictions. This bill also requires courts to impose minimum fines for these specific offenses. Maximum fines remain unchanged. The following table illustrates how the bill would change the offenses, the fines, and the maximum terms of imprisonment:

Incident	offense	maximum judgement	minimum fine	maximum fine	court fee	maximum incarceration
current law	Class C Infraction	\$500	--	--	\$70	--
proposed: no prior convictions	Class B Misdemeanor	--	\$250	\$1,000	\$120	180 days in jail
proposed: one prior unrelated conviction	Class A Misdemeanor	--	\$500	\$5,000	\$120	one year in jail
proposed: two prior unrelated convictions	Class D Felony	--	\$1,000	\$10,000	\$120	three years in state prison

Note: Judgements are deposited in the State General Fund while fines are deposited in the Common School Fund

A Class D felony can be reduced to a Class A misdemeanor if there are mitigating circumstances. If the Department of Correction can house offenders in existing facilities with no additional staff, the average cost for medical care, food, and clothing would be approximately \$1,825 annually. The average expenditure to house an adult offender was \$17,500 in FY 1998. Individual facility expenditures range from \$11,900 to \$29,400, not including the cost of new construction.

The Professional Licensing Agency does not have information on the number of unlicensed barbers or cosmetologists in Indiana. The agency has three investigators and eight inspectors for the state. The agency reports 4,487 barbers and 42,485 cosmetologists with active licenses. There are 1,868 barbershops and 9,300 cosmetology shops in Indiana with active licenses.

Explanation of State Revenues: The State General Fund would receive a 70% of the additional court fee if the case is filed in a circuit, superior or county court and 55% if the case is filed in a city or town court.

Explanation of Local Expenditures: Local expenditures could increase if offenders are incarcerated in local jails instead of being only assessed a judgment. The average daily cost of housing an offender in jail is reported to be \$44.

Explanation of Local Revenues: Local units of government would receive 30% or 45% of the added court fee depending on whether the case is filed in circuit, superior or county courts or in city or town courts.

State Agencies Affected: Professional Licensing Agency, Department of Correction.

Local Agencies Affected: Trial courts, local law enforcement agencies, prosecuting attorneys.

Information Sources: Professional Licensing Agency, Indiana Sheriffs Association, Department of Correction.