

Greenbook
LBO Analysis of Enacted Budget
Cosmetology and Barber Board

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TABLE OF CONTENTS

Quick look..... 1
Analysis of FY 2020-FY 2021 budget 1
Licenses and fees..... 2

LBO Greenbook

Cosmetology and Barber Board

Quick look...

- The State Cosmetology and Barber Board (COS) licenses approximately 135,000 individuals, businesses, and beauty and barbering schools. Licenses are renewed biennially in odd-numbered fiscal years.
 - The operations of the Ohio State Barber Board were consolidated into the State Board of Cosmetology effective January 2018.
- The Board is governed by 13 members appointed by the Governor. Daily operations are overseen by an executive director.
- The Board employs a staff of 45, including 16 field inspection staff, eight exempt management positions, eight examination schedulers and examiners, four customer service personnel, four licensing staff, three administrative action staff, and two fiscal staff.
- The Board receives no money from the GRF, it is entirely supported by licensing fees and related revenues. Appropriations total \$5.4 million in FY 2020 and \$5.7 million in FY 2021.

FY 2016 Actual	FY 2017 Actual	FY 2018 Actual	FY 2019 Actual	FY 2020 Appropriation	FY 2021 Appropriation
State Board of Cosmetology – Fund 4K90 ALI 879609, Operating Expenses					
\$3,693,776	\$3,817,641	\$4,218,428	\$5,265,839	\$5,425,748	\$5,716,944
% change	3.4%	10.5%	24.8%	3.0%	5.4%
Ohio State Barber Board – Fund 4K90 ALI 877609, Operating Expenses					
\$571,725	\$640,167	\$486,863	\$0	\$0	\$0
% change	12.0%	-23.9%	-100.0%	N/A	N/A

Note: The Ohio State Barber Board’s operations were merged with those of the State Board of Cosmetology beginning in January 2018, the midpoint of FY 2018. The combined operations are now funded under Fund 4K90 ALI 879609, Operating Expenses.

Analysis of FY 2020-FY 2021 budget

The State Cosmetology and Barber Board (COS), headquartered in Grove City, is funded entirely by licensing fees and other revenues it collects and deposits into the Occupational Licensing and Regulatory Fund (Fund 4K90). Appropriation item 879609, Operating Expenses, covers the payroll and fringe benefits for the 45 staff members employed by the Board, as well as supplies and maintenance, including charges assessed by the Department of Administrative Services for administrative support and COS’s share of user fees related to the state’s eLicensing system, an online platform used to track and store licenses among the state’s occupational licensing boards.

COS is responsible for establishing and maintaining sanitary and professional standards in beauty salons. It licenses individuals who provide cosmetology services and related services such as manicuring, esthetics, hair design, natural hair styling, as well as cosmetology schools. In addition, the Board has oversight over the indoor tanning industry through regulation of ultraviolet radiation devices. The Board also oversees barbers, barbershops, and barber schools as a result of the consolidation of the State Board of Cosmetology and the Ohio State Barber Board under H.B. 49, the main operating budget act for the FY 2018-FY 2019 biennium. That consolidation occurred in January 2018.

H.B. 166, the main operating budget act for the FY 2020-FY 2021 biennium, includes language allowing an individual to practice a branch of cosmetology without a license or registration if the individual does so for free for the purpose of researching or developing a cosmetic. This change will likely have little, if any, effect on the Board's operations, revenues, or expenditures.

Licenses and fees

COS is one of the state's largest licensing boards in terms of the number of licenses that it issues. Overall, there are 30 license types issued by the Board. Among the barbering and cosmetology professions, there were almost 135,000 active licenses overseen by COS in FY 2018.

Under current law, the Board is required to review fee amounts every two years and establish the fee amounts by rule for all the licenses that it issues. Current law caps fees at specific amounts; however, the Board is permitted, with Controlling Board approval, to increase fees beyond the maximum amounts by as much as 50%. The table on the following page shows the license and fee types and corresponding amounts charged by the Board as of July 2019.

License Fees by Type Issued by COS		
License Type	Current Fee	Statutory Maximum
Issuance of a practicing, advanced, or instructor license for any branch of cosmetology	\$45	Not more than \$75
Renewal of practicing, advanced, or instructor license for any branch of cosmetology	\$45	Not more than \$70
Issuance of a salon license; ownership or name change	\$75	Not more than \$100
Salon license renewal	\$60	Not more than \$90
Issuance of a duplicate license	\$20	Not more than \$30
Independent contractor	\$75	Established by rule
Independent contractor renewal	\$60	Established by rule
Issuance of a reciprocal license	\$70	Not more than \$70
Issuance or renewal of private cosmetology school license	\$250	Not more than \$250
Tanning facility permit	\$65	Established by rule
Tanning facility permit renewal	\$50	Established by rule
Temporary pre-examination work permit	\$7.50	Not more than \$15
Initial application to take an examination/retake an examination after failing	\$31.50	Not more than \$40
Examination after previously failing to show	\$40	Not more than \$55
Lapsed renewal fee	\$45	Not more than \$45
Mailing license to another state	\$50	Not more than \$50
Special Occasions Work Permit	\$50	Established by rule