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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
and Drafting

Legislative Budget
Office

H.B. 433
134th General Assembly

Fiscal Note & Local Impact Statement

[Click here for H.B. 433's Bill Analysis](#)

Version: As Reported by House State and Local Government

Primary Sponsor: Rep. Gross

Local Impact Statement Procedure Required: No

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Highlights

- The Ohio State Cosmetology and Barber Board may incur biennial license revenue loss totaling between approximately \$12,000 to \$16,000 as a result of the bill's elimination of licenses for natural hair stylists, natural hair style instructors, natural hair style salons, and boutique services salons. License revenue is deposited to the credit of the Occupational Licensing and Regulatory Fund (Fund 4K90).
- Losses could be partially offset via one-time \$25 boutique salon registration fees that the bill requires in place of the eliminated licenses.

Detailed Analysis

The bill eliminates natural hair stylist, advanced natural hair stylist, natural hair style instructor, and natural hair style salon licenses and removes a requirement for boutique services salons to be licensed by the Ohio State Cosmetology and Barber Board. As a result, the Board may incur a loss of license revenue totaling between approximately \$12,000 and \$16,000 on a biennial basis. This loss could be partially offset via fees for boutique salon registrations under the bill. Under the bill, rather than licensure, natural hair style practitioners and others providing boutique services must instead obtain a boutique salon registration. The bill establishes a one-time fee of \$25 for boutique salon registrations. License and registration revenue collected by the Board is deposited to the credit of the Occupational Licensing and Regulatory Fund (Fund 4K90).

Current law establishes maximum fees for the licenses affected by the bill. Continuing law requires the Board to adjust fees biennially, by rule, to provide sufficient revenues to meet its expenses. Continuing law also allows the Board to adjust fees in excess of the statutory maximums by up to 50%, subject to Controlling Board approval. The table on the following page

shows the statutory maximum and Board-adjusted fees (as of May 15, 2022), and the number of active licenses of each during FY 2021, the most recent year for which active license data was readily available.

Statutory Maximum and Board-Established Fees for Licenses Eliminated Under H.B. 433 as of May 15, 2022			
License Type	Statutory Maximum New/Renewal	Board-Established New/Renewal	FY 2021 Active Licenses
Natural Hair Stylist	\$75/\$70	\$45/\$55	13
Advanced Natural Hair Stylist	\$75/\$70	\$45/\$55	43
Natural Hair Style Instructor	\$75/\$70	\$45/\$55	2
Natural Hair Style Salon	\$100/\$90	\$75/\$70	21
Boutique Services Salon	\$100/\$90	\$75/\$70	114