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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Office

S.B. 89
135th General Assembly

Fiscal Note & Local Impact Statement

[Click here for S.B. 89's Bill Analysis](#)

Version: As Reported by Senate Government Oversight

Primary Sponsor: Sen. Roegner

Local Impact Statement Procedure Required: No

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Highlights

- The bill enters Ohio as a party to the Cosmetology Licensure Compact. Although participation in the Compact could have effects on the revenue and expenditures of the State Cosmetology and Barber Board, there would be no immediate impact because the Compact is not yet in effect. Revenue and expenditures of the Board transact through the Occupational Licensing and Regulatory Fund (Fund 4K90).
- It is difficult to quantify any potential effect on revenue and expenditures of the Board because the Compact is not yet in effect.

Detailed Analysis

The bill enters Ohio as a party to the Cosmetology Licensure Compact, an agreement between member states to improve public access to and safety of cosmetology services, and reduce barriers to licensure, by permitting eligible cosmetologists to work in multiple states. Participation in the Compact could have effects on the revenue and expenditures of the State Cosmetology and Barber Board. However, there would be no immediate fiscal effect. The Compact does not go into effect until it is enacted by at least seven member states. According to the Council of State Governments (CSG), as of April 2024, only four states – Alabama, Arizona, Kentucky, and Virginia – have enacted the Compact. Legislation to enter the Compact is pending in California, Colorado, Maryland, New York, Pennsylvania, and Tennessee.

Multistate licensure

The main tenet of the Compact appears to be the provision of multistate licensure. Participation in the Compact would require Ohio to recognize multistate cosmetology licenses issued by other participating states. Likewise, Ohio cosmetologists that hold a multistate license issued in Ohio would be able to practice cosmetology in other states that are party to the

Compact. The Compact allows a member state to charge a fee for a multistate license; however the fee amount is not specified under the Compact.

Administrative functions

Participation in the Compact would require the Board to perform certain administrative functions, many of which the Board already undertakes. However, data reporting and information sharing requirements under the Compact could add to costs paid by the Board. Additionally, the Board could incur additional costs to delegate a member to the Cosmetology Licensure Compact Commission (the Compact's governing body) and to pay Ohio's share of the Commission's operating expenses. Because the Compact is not yet effective the costs are indeterminate. Any increased costs incurred by the Board, however, could be at least partially offset by fees for multistate cosmetology licenses discussed above.