

# Redbook

## LBO Analysis of Executive Budget Proposal

### Cosmetology and Barber Board

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# LBO Redbook

## Cosmetology and Barber Board

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### Quick look...

- The Cosmetology and Barber Board (COS) licenses approximately 146,000 individuals, businesses, and beauty and barbering schools. Licenses are renewed biennially in odd-numbered fiscal years.
- 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 40, including 15 field inspection staff, 9 management and administrative positions, 5 examination schedulers and examiners, 3 customer service personnel, 4 licensing staff, 3 administrative action staff, and 1 continuing education staff. The Board receives no money from the GRF; it is entirely supported by licensing fees and related revenues. The executive recommended budget provides funding of \$5.5 million in FY 2026 and \$5.8 million in FY 2027.

| FY 2022<br>Actual  | FY 2023<br>Actual | FY 2024<br>Actual | FY 2025<br>Estimate | FY 2026<br>Introduced | FY 2027<br>Introduced |
|--|-------------------|-------------------|---------------------|-----------------------|-----------------------|
| <b>State Board of Cosmetology – Fund 4K90 ALI 879609, Operating Expenses</b> |                   |                   |                     |                       |                       |
| \$5,451,553  | \$5,526,653       | \$5,139,619       | \$5,486,509         | \$5,523,412           | \$5,841,066           |
| % change   | 1.4%              | -7.0%             | 6.7%                | 0.7%                  | 5.8%                  |

### Overview

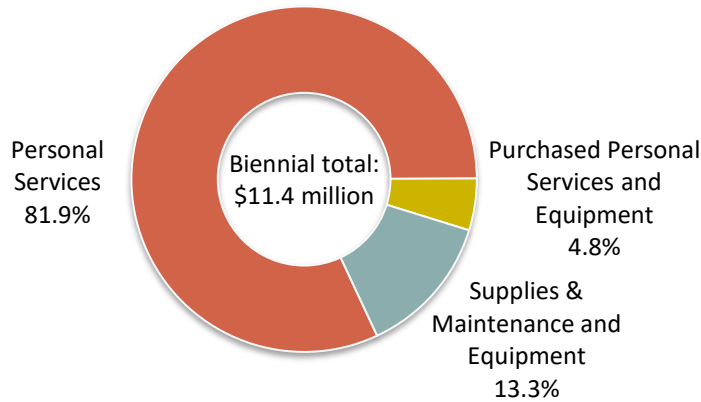
The Cosmetology and Barber Board (COS) is responsible for establishing and maintaining sanitary and professional standards in beauty salons. The Board licenses individuals who provide cosmetology services and related services such as manicuring, esthetics, hair design, natural hair styling, as well as 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. The Board’s operations are funded entirely by licensing fees and associated revenue and appropriated under appropriation line item (ALI) 879609, Operating Expenses, within the Occupational Licensing and Regulatory Fund (Fund 4K90).

### Analysis of FY 2026-FY 2027 budget proposal

#### Executive recommendations by expense category

The chart below shows how the recommended funding for the FY 2026-FY 2027 biennium is allocated by expense type. Of the executive recommended budget for FY 2026-FY 2027, approximately \$9.3 million (81.9%) is for personal services (i.e., payroll and fringe benefits), while approximately \$1.5 million (13.3%) is for supplies and maintenance and equipment. The remaining \$551,000 (4.8%) is for purchased personal services and equipment.

**COS Budget by Expense Category  
FY 2026-FY 2027 Biennium**



### Operating revenues and expenses

Table 1 below shows the license and fee types and corresponding amounts charged by the Board. Under current law, the Board is required to review fee amounts every two years and establish the fee amounts by rule. Current law caps fees established by the bill at specific amounts; however, the Board is permitted, with Controlling Board approval, to increase fees beyond the maximum amounts by as much as 50%.

H.B. 158 of the 135<sup>th</sup> General Assembly modified some of the fees shown in the table below effective June 30, 2025. The adjusted fees are shown in parenthesis in the table below.

| 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    | \$55 (\$65)  | Not more than \$70  |
| Issuance of a salon license; ownership or name change                                   | \$85         | Not more than \$100 |
| Salon license renewal   | \$70 (\$75)  | Not more than \$90  |
| Issuance of a duplicate license   | \$30         | Not more than \$30  |
| Independent contractor  | \$75         | Established by rule |
| Independent contractor renewal  | \$70         | Established by rule |
| Issuance of a reciprocal license  | \$70         | Not more than \$70  |
| Issuance or renewal of private school license   | \$250        | Not more than \$250 |
| Tanning facility permit   | \$75 (\$85)  | Established by rule |
| Tanning facility permit renewal   | \$70         | Established by rule |

| Table 1. License Fees by Type  |              |  |
|--|--------------|--|
| License Type   | Current Fee* | Statutory Maximum  |
| Temporary pre-examination work permit  | \$15         | Not more than \$15   |
| Initial application to take an examination/retake an examination after failing (cosmetology) | \$40/\$35    | Not more than \$40   |
| Initial application to take an examination/retake an examination after failing (barbers)     | \$55/\$35    | Not more than \$90   |
| Examination after previously failing to show   | \$50         | Not more than \$55 for cosmetology exams; not more than \$100 for barber exams |
| Cosmetology lapsed renewal fee   | \$45         | Not more than \$45 with a maximum of 3 lapsed periods (\$135) plus a late fee  |
| Barber license restoration   | \$50         | Not more than \$75 for each lapsed year to a maximum of \$690                  |
| Mailing license to another state (cosmetology)   | \$50         | Not more than \$50   |
| Mailing license to another state (barber)  | \$40         | Not more than \$40   |
| Special occasions work permit  | \$50         | Established by rule  |
| Initial barber license   | \$30         | \$30   |
| Initial barber instructor license/examination  | \$55/\$85    | \$185  |
| Barber renewal   | \$110 (\$65) | \$110  |
| Barber instructor/assistant barber instructor renewal  | \$150 (\$65) | \$150  |
| Initial barbershop   | \$85         | \$110  |
| Barbershop renewal   | \$75         | \$75   |

\*Current fees shown in parentheses are effective June 30, 2025, under H.B. 158 of the 135<sup>th</sup> General Assembly.

Table 2 below shows operating revenues and expenditures over the FY 2019-FY 2024 span, encompassing three previous biennial renewal cycles. Note that there can be significant fluctuations in the amount of revenue received on a year-to-year basis, with the vast majority of revenue coming in odd-numbered fiscal years when licenses are renewed. Overall, receipts in the odd-numbered fiscal years cover the deficit created in even-numbered fiscal years when less license fee revenue is received.

|          | FY 2019     | FY 2020      | FY 2021     | FY 2022      | FY 2023     | FY 2024      |
|----------|-------------|--------------|-------------|--------------|-------------|--------------|
| Revenue  | \$8,566,248 | \$1,371,113  | \$6,899,027 | \$4,127,716  | \$9,698,017 | \$2,393,122  |
| Expenses | \$5,265,839 | \$4,943,759  | \$4,907,876 | \$5,451,553  | \$5,162,493 | \$4,954,570  |
| Net      | \$3,300,409 | -\$3,572,646 | \$1,991,150 | -\$1,323,838 | \$4,535,524 | -\$2,561,448 |

## License oversight

Table 3 below shows the number of active licenses issued by COS as of the end of FY 2023 and FY 2024. Overall, the number of active licenses increased by 14.1% between these years, from 127,819 in FY 2023 to 145,818 in FY 2024.

| License Type                   | FY 2023 | FY 2024 | Percent Change |
|--------------------------------|---------|---------|----------------|
| Advanced Cosmetologist         | 33,767  | 34,830  | 3.1%           |
| Advanced Esthetician           | 3,749   | 4,284   | 14.3%          |
| Advanced Hair Designer         | 95      | 97      | 2.1%           |
| Advanced Manicurist            | 6,683   | 7,226   | 8.1%           |
| Advanced Natural Hair Stylist  | 31      | 38      | 22.6%          |
| Assistant Barber Teacher       | 50      | 77      | 54.0%          |
| Barber                         | 7,012   | 7,720   | 10.1%          |
| Barber School                  | 28      | 28      | 0.0%           |
| Barber Shop                    | 2,846   | 2,984   | 4.8%           |
| Barber Teacher                 | 144     | 162     | 12.5%          |
| Beauty Salon                   | 10,606  | 11,247  | 6.0%           |
| Boutique Services Registration | 3,014   | 4,785   | 58.8%          |
| Boutique Services Salon        | 118     | 131     | 11.0%          |
| Chair Rental License (Barber)  | 86      | 112     | 30.2%          |
| Cosmetologist                  | 22,526  | 26,585  | 18.0%          |
| Cosmetologist Instructor       | 2,238   | 2,450   | 9.5%           |
| Cosmetology School             | 175     | 178     | 1.7%           |
| Esthetic Salon                 | 995     | 1,113   | 11.9%          |
| Esthetician                    | 3,497   | 5,152   | 47.3%          |
| Esthetician Instructor         | 177     | 232     | 31.1%          |

| Table 3. Active Licenses, FY 2023 and FY 2024 |                |                |                |
|---|----------------|----------------|----------------|
| License Type                                  | FY 2023        | FY 2024        | Percent Change |
| Hair Designer                                 | 215            | 284            | 32.1%          |
| Hair Designer Instructor                      | 7              | 7              | 0.0%           |
| Hair Designer Salon                           | 260            | 264            | 1.5%           |
| Independent Contractor                        | 20,239         | 23,579         | 16.5%          |
| Manicurist                                    | 6,816          | 9,552          | 40.1%          |
| Manicurist Instructor                         | 133            | 154            | 15.8%          |
| Nail Salon                                    | 1,038          | 1,081          | 4.1%           |
| Natural Hair Stylist                          | 9              | 14             | 55.6%          |
| Natural Hair Stylist Instructor               | 1              | 17             | 1,600.0%       |
| Natural Hair Stylist Salon                    | 14             | 2              | -85.7%         |
| Tanning Facility                              | 1,237          | 1,414          | 14.3%          |
| Temporary Event Salon License                 | 13             | 19             | 46.2%          |
| <b>Total</b>                                  | <b>127,819</b> | <b>145,818</b> | <b>14.1%</b>   |

## Investigation and enforcement statistics

To carry out its regulatory mission the Board conducts random inspections of cosmetology facilities and takes administrative actions, including issuing warnings, fines, or settlements when violations are discovered. In FY 2024, the Board conducted 16,504 initial, routine, and follow-up inspections, during which it found 1,296 violations resulting in approximately \$273,000 in revenue from fines and settlements. Fines and settlements are deposited into Fund 4K90.