Adam C. Proffitt, Director



Phone: (785) 296-2436 adam.c.proffitt@ks.gov http://budget.kansas.gov

Laura Kelly, Governor

February 5, 2025

REVISED

The Honorable Sean Tarwater, Chairperson House Committee on Commerce, Labor and Economic Development 300 SW 10th Avenue, Room 346-S Topeka, Kansas 66612

Dear Representative Tarwater:

SUBJECT: Revised Fiscal Note for HB 2068 by House Committee on Commerce, Labor and Economic Development

In accordance with KSA 75-3715a, the following revised fiscal note concerning HB 2068 is respectfully submitted to your committee.

HB 2068 would enact the Cosmetologist Licensure Compact that would provide interstate practice privileges for cosmetologists through a multi-state compact. The purpose of the compact would be to facilitate the interstate practice and regulation of cosmetology with the goal of improving public access, protecting public safety, supporting military members and their spouses, and reducing unnecessary burdens related to cosmetology licensure. States that adopt the Compact would be referred to as "member states." The Compact would include several requirements a member state must meet in order to join the Compact. The Compact would detail processes for adverse actions, investigations, and dispute resolution between member states. The Compact's provisions would be severable. The Compact would become effective on the date that the Compact is enacted into law in the seventh member state.

The Compact would create the Cosmetology Licensure Compact Commission, and the bill would describe the members, powers, and duties. The Commission's powers would include assessing and collecting fees from member states and licensees to cover the Commission's annual budget if other revenue sources are not available. In the fiscal effect statement originally issued, the bill description did not specify that the Commission could charge fees to member states and licensees. The Compact would authorize the Commission to issue a multistate license subject to the state licensing authority in a licensee's home state that authorized the practice of cosmetology in member states and includes authorizations to practice cosmetology in all remote states. To The Honorable Sean Tarwater, Chairperson Page 2—HB 2068 REVISED

apply for a multistate license, a licensee would have to hold an active and unencumbered license to practice cosmetology from their home state. The Commission would also provide for the development, maintenance, operation, and utilization of a coordinated database and reporting system which would contain data on all applicants for a multistate license. The Commission would not have the power to define the educational or professional requirements for a license to practice cosmetology. The member state would retain jurisdiction over the provisions of the requirements.

The Board of Cosmetology indicates HB 2068 could have a fiscal effect on its revenues depending on how many Kansas licensees apply for a multistate license. Agency revenues could also be affected if out-of-state licensees who currently pay to be dually licensed decided to get a multistate license. The bill could also increase agency expenditures for any fees the Commission levies from member states to cover the Commission's annual budget. However, the agency is unable to estimate the fiscal effect on agency revenues and expenditures. Any fiscal effect associated with HB 2068 is not reflected in *The FY 2026 Governor's Budget Report*.

Sincerely,

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Adam C. Proffitt Director of the Budget

cc: Benjamin Foster, Board of Cosmetology