

Opposition Testimony on HB 189
Before the House Government Oversight and Reform Committee
By: Wezlynn VanDyke Davis
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To Chairman Blessing, Vice Chair Reineke, Ranking Member Clyde, and members of the Government Oversight and Reform Committee, thank you for the opportunity to provide opposition testimony today on HB 189.

My name is Wezlynn VanDyke Davis and I have been an advanced licensed professional for 9 years, a small business owner for 6 years, and I've been a consultant to female entrepreneurs in the beauty industry for the past 3 years. Small business owners and licensees do not agree that HB 189 will build on common sense reforms, enacted through SB 123 of the 131st General Assembly, but feel HB 189 is crippling to small female owned businesses (which makes up 61% of the market) as it seeks to reduce our education by 30% and 50%, eliminate our educational and licensure options, and strip us of reciprocity.

According to the Bureau of Labor Statistics, the number of personal appearance jobs (Salon and Spa Industry) is projected to increase 31% percent between 2008 and 2018, three times the rate of growth of total U.S. employment (11percent) during the same period. And as a result, educational and licensure options are extremely important in order to become a marketable professional with career options.

Summary of HB189: A cosmetology reform package designed by the Ohio Salon Association and endorsed by the Professional Beauty Association and the Future of the Beauty Industry Coalition to "address overly burdensome cosmetology licensing law."

While this legislation is couched as economically favorable for beauty industry professionals, small businesses and licensees, it is actually an effort by a non-profit corporation that is a front for big salon business to control the market for beauty industry professionals as it's board is made up of owners, franchisees or officers of large chain salon corporations.

The introduced legislation will have these adverse affects on our booming independent female dominated industry:

1. Harm to small businesses:
 - A less educated workforce will result in cosmetologists and salon professionals who have less training and skill sets and which will force them in to low wage jobs instead and eliminate their marketability as a desirable recruit.
 - While large salons have the capacity and infrastructure to engage in on the job training, small businesses do not have the infrastructure, time, or luxury to engage in these services creating a very large financial burden for the small business owners.
 - It would cost The Beauty Lab \$8,000 to train a proposed 300 hour esthetician to be up to speed to service my clientele and grow within my company.

- Entry into work force of less trained people could mean a variety of scenarios that are harmful to small businesses:
 - New graduates choose to go to larger salons to obtain on the job training leaving no candidates for small business because we cannot duplicate their built in infrastructure and pipelined education.
 - Monopolization/concentration of all new graduates in larger salons.
 - New graduates enter salons without sufficient training levels, thereby making them less likely to succeed in a small business setting when currently they are thriving per the FBIC reports.
 - Businesses of less than 20 employees (like a salon) make up 89.6 percent of employers in the United States (U.S. Census Bureau, 2012). Therefore, harm to small businesses will be harmful to a large employment sector.
 - Per the Professional Beauty Association, the salon and spa industry outperformed the overall private sector during the recession.

2. Reciprocity

- 1500-hour cosmetologists have reciprocity with a total of 30 other states.
- 1800-hour cosmetologists who've obtained the optional advanced licensure have reciprocity with a total of 45 states.

Counter-arguments:

- I. FBIC advances that the legislation enables new graduates to enter the beauty industry with less debt and the ability to repay student loans.
 - Argument is unsupported by data regarding student debt for new graduates.
 - Student debt is a large problem nationally, not limited to the cosmetology industry.
 - The proposed legislation will create a high volume of low wage workers who will be forced to rely on minimum wage to pay their bills.

In closing, SB 213 passed in the spirit of compromise and Governor Kasich signed the OSA bill on June 13th 2016. The OSA cosmetology reform package, introduced as HB 189, is not good policy designed with the small female businesses owner in mind, but was designed to successfully position corporate salons and national chains representing to monopolize the market and eliminate competition by harming our small business and eliminating our access to education and licensure. SB 213 was the agreement and further cosmetology reform is not needed.

On behalf of the 61% of female entrepreneurs, I respectfully request this bill not move forward. Thank you for your time and I would be glad to answer any questions.

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