



OHIO SALON ASSOCIATION

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ESTD 2012

Wednesday, January 29, 2020

Chairman Wiggam, Vice Chair Stephens, Ranking Member Kelly, and members of the House State and Local Government Committee, thank you for the opportunity to present proponent testimony on [HB 399](#). My name is Tony Fiore and I serve as the Executive Director for the Ohio Salon Association (OSA). I'm here to urge you to **pass the occupational licensure reforms** to Ohio's beauty industry contained in [HB 399](#). Here are several points that lend support for changes contained in the bill.

HB 399 will: 1) enable licensees to enter the beauty industry with less debt and greater ability to repay student loans while possessing the appropriate skills to protect the health and safety of clients; 2) facilitate a continuous workforce development pipeline for salons; 3) reduce the amount of unnecessary regulations placed on members of the cosmetology industry, and 4) make it easier for Ohioans to begin or expand their business in the state.

Lower hours will reduce barriers for women, men, and minorities to enter the beauty industry

- A national study conducted by the American Institute for Research (AIR) determined that cosmetology hours required over 1,000 do not lead to higher graduation rates, licensure rates, or earning potential.
- **The bill reduces** cosmetology hours required to sit for the state licensing exam from 1,500 to 1,000; hair designer from 1,200 to 800; barber from 1,800 to 1,000; cosmetologist or a hair designer license for a barber from 1,000 to 400; and a barber license for a cosmetologist or hair designer from 1,000 to 400. **The bill does NOT reduce** esthetics (600), manicuring (200), or natural hair stylist (450) hour requirements.
- **The cosmetology licensure requirements of bordering states are as follows:** PA (1,200), MI (1,500), IN (1,500), KY (1,500, but they reduced hours to 1,500 from 1,800 soon after OH reduced hours), WV (1,800). NY, MA, TX and VT are all at 1,000 hours. **But, the correct question is what is the least amount of state government required hours before students can take the licensing exam to get a job earning a wage, not going further into debt.** The barber licensure hour requirements for states bordering OH are: 1,500 in IN, KY, and WV; 1,800 in MI; and 1,250 in PA. But, seven (7) states are at 1,000 hours including AL, CT, MA, MO, UT, WI, and WA. VT is at 750 hours.
 - On June 14, 2019, Texas Governor Greg Abbott signed [HB 2847](#) (effective September 1, 2019) reducing cosmetology hours from 1,500 to 1,000. The Texas Senate (vote of 29-2) and the House (100-42) took bipartisan votes earlier to support the bill on May 26, 2019.
 - **The Democratic controlled Vermont House and Senate passed, and Republican Governor Phil Scott signed [H.684](#) into law in May 2018.** The bill set the state's minimum formal cosmetology training at 1,000 hours (down from 1,500) for cosmetologists, reduced barber hours to 750, and created an apprenticeship program for students as well.
 - It's important to note that when Ohio eliminated the manager's license requirement a few years ago reducing hours from 1,800 to 1,500 states like CO, KY and MT also reduced hours to 1,500. We believe states will do the same after [HB 399](#) is enacted in Ohio.

- The 1,500 hour cosmetology curriculum is broken down as follows: 750 hours for clinic, 375 hours for theory, and 375 'flexible learning' hours.
- **High school career tech programs are only teaching cosmetology related classwork for 1,125 hours today** – high school students use math, science, English and biology to make up the other 375 'flexible learning' hours to equal the state requirement of 1,500 hours.
- **The reduction of hours to 1,000 will likely come out of the 750 hours of clinic time where the student is paying tuition while practicing on the public for a fee, but not being paid for such services and 375 hours of 'flexible learning'.**
- The 1,000 hour curriculum in the bill is based off of New York's cosmetology curriculum that has been in place for decades.
- Nothing in **HB 399** prevents cosmetology schools from developing and offering additional programs above 1,000 hours and charging whatever they want for such education.
- The only thing schools will not be able to do is tell prospective students that the state requires more hours before they commit to attending a cosmetology or barber education program.
- Remember these are not degree programs. They are provided to enable the student the ability to sit for their state licensing exam.
- Therefore, the market, not state regulations, will decide whether students will pay for additional training.
- By way of comparison: a licensed real estate agent attends **120 hours** of training, an Emergency Medical Technician (EMT) attends **150 hours** of training, a police officer attends **695 hours** of training, a paramedic attends between **600-800 hours** of training, and a licensed Practical Nurses (LPNs) attends **1376 hours**.
- Reducing state required hours to 1,000 provides plenty of time for students to: 1) obtain the entry level skills they need pass their state licensing exam and start a safe and successful career in the beauty industry, and 2) enter the workforce sooner to begin obtaining hands-on skills and earning a wage to pay back student debt.
- Lowering hours does not place an additional burden on single-location salon owners. Anyone who chooses to open a business has to provide training to employees. Period. That is the way the world works. Independent salon owners are committed, savvy local owners that are very capable and use online resources provided by manufacturers, professional organizations, schools and their peers. The availability of top notch continuing education is at the fingertips of every beauty professional. The salon industry is known for its vast amount of education through hair shows, career fairs, events, seminars and conferences.
- Unfortunately, lowering hours does not help those cosmetology and barber students that are currently in education and training programs. Therefore, you can't help those cosmetology and barber students that have written letters or been bused in by some schools and possibly given education credit to oppose this legislation. But, you all have the ability to positively affect the next generation of licensees by passing HB 399.

License mobility/reciprocity

- Cutting hair, doing nails, beautifying skin, etc. is no different from state-to-state. In Ohio, we still have the requirement that out of state licensees have to sit for our exam if they do not have experience. In

most states, licensees need to have 1 to 2 years of experience to apply for reciprocity in that state, including those states contiguous to Ohio. **HB 399** contains language regarding **state license mobility by endorsement** so no one with an existing state license in good standing should have to wait to work in Ohio. Ohio already provides the same type of cosmetology license endorsement for [active military and their spouses](#) relocating to Ohio.

- Three states, Arizona, Montana, and Pennsylvania, recently passed legislation (noted below) to remove barriers to work for all active licensees from other states to begin working within days, not months when moving into those states. You will be hearing testimony later today on **HB 432** proposing to adopt similar provisions that the Ohio Salon Association supports.
 - On July 1, 2019, PA Gov. Tom Wolf signed bipartisan legislation allowing individuals who obtain occupational licenses in other states be used in Pennsylvania if they move there.
 - On April 10, 2019, Arizona Governor Doug Ducey signed legislation making Arizona the first state in the country to accept out-of-state occupational licenses. **HB 2569** passed the House and Senate with bipartisan support. The legislation means occupational licenses obtained in other states would be acknowledged in Arizona.
- The license reciprocity language creates license mobility and facilitates movement between different states for a more mobile workforce. It strives to minimize the tendency of stylists to drop out of the industry or go underground due to a lengthy license transfer process, and enables multi-state employers to relocate employees, increasing their career opportunities.
- Currently other states look at whether the state or country has substantially similar requirements as Ohio. The Ohio State Cosmetology and Barber Board reviews and approves licenses for many out-of-state licensee requests each year. On rare occasions the Board's hands have been tied by the statute that does not permit an out of state licensee the ability to practice without examination or further education/training. **HB 399** gives the board more discretion when reviewing these requests on a case-by-case basis.

Apprenticeship Option

- The total **number of private cosmetology school closures** has is just under 40 locations since May 2015 (over 30%). A few locations did reopen, but net closures remain around 30 locations. We anticipate this number **continuing to grow**.
- The language in **HB 399** makes the apprenticeship program open to cosmetologists, hair stylists, estheticians and manicurists and limits the program length to 150% of the "mandated formal training". The language is based off of similar programs in Wisconsin, Tennessee, Vermont, and Alabama. This program will provide salon owners the opportunity to become a provider and future cosmetology licensees the ability to work and earn a wage while working toward licensure rather than taking on student loan debt.
- Over 20 states provide an apprenticeship track toward a cosmetology license. The apprenticeship option created in **HB 399**, which permits students to earn while they learn, is necessary to ensure that people enter the profession especially if more private cosmetology schools close their doors. This need is evident for non-traditional students such as single parents as well as those who cannot afford to go to school full-time and rack up \$20,000-\$40,000 in debt.

Pre-Graduate Testing

- This change not only gives students the opportunity to get remedial training if they fail, but allows graduates to be licensed immediately upon graduation, moving into the workforce sooner to earn wages, pay taxes, and begin repaying loans.
- It was estimated a few years ago that approximately 33,000 students across the nation **finish beauty school each year and never get licensed**. Without obtaining the license for which a student is trained means students are forced to find alternate employment to pay back student loans or these individuals start practicing illegally in the underground economy.
- **This provision sets public and private schools of cosmetology up for success and consistency across state lines** – Two states, Arizona and Illinois, recently enacted such changes. In addition, the bill authorizes distance learning to provide maximum flexibility for students to learn when and where convenient and lowers the cost for schools traditional on-site, bricks and mortar classrooms.
 - As mentioned, the **Democratic controlled Illinois House and Senate passed and Republican Governor Bruce Rauner signed [HB 4883](#), a pre-graduate testing bill** in July 2018 similar to the provisions found in **[HB 399](#)**.

Protecting Students Education Attainment and from Further School Closures

- **Requires a sliding scale for a private school's bond requirement, similar to Minnesota, to ensure students are better protected if a school closes its doors. The existing bond requirement is \$10,000. The new sliding scale is between \$10,000 and \$250,000 depending on what the school receives in "tuition, fees, and other required institutional charges during the preceding calendar year"** – addresses concern from members questioning low \$10,000 threshold for schools with hundreds of students. When the largest cosmetology school provider at the time, Regency, closed its doors throughout Ohio one student applied for and received nearly \$8,000 of its \$10,000 surety bond. This amendment addresses this problem. I have already researched the cost of such coverage and for good risks the premium is around 1% of the coverage amount per year – that's \$1,000 per \$100,000 of coverage. A bad risk would pay closer to 3%.
- **Permitting an existing advanced licensee to indefinitely renew their licensee or choose to convert it to an instructors license** addresses legislators concern to ensure existing advanced licensees can indefinitely renew such license, but the state will no longer attach hours for such license. This does not prevent schools from developing an advanced certificate to offer students in the future if students choose to pay for these additional hours.
- **Permitting a licensee that has completed a 1,500 hour program to indefinitely renew a newly created "intermediate cosmetology" licensee** addresses legislators concern to ensure existing licensees that have attended 1,500 hours can indefinitely renew an "intermediate" license, but the state will no longer attach hours for such license. This does not prevent schools from developing an "intermediate" certificate to offer students in the future if students choose to pay for these additional hours.
- **Affirmation by new students entering cosmetology schools of the state required hour's requirement before taking the licensing exam** addresses legislators concern that new students may not know that the state required hours to sit for the licensing exam are only 1,000 hours after the new law is enacted when schools may still offer 1,500- or 1,800-hour programs.

Other important changes to note

- **HB 399** adopts all proposed changes to the cosmetology statute (ORC 4713) and barber statute (ORC 4709) recommended in the 2019 Ohio State Cosmetology and Barbering Board Annual Report. It also combines both statutes into one to reduce regulatory duplication since both boards were merged by the General Assembly and Governor a few years ago.
- **Why is no public comment allowed by the Board?** Over the last few years opponents of cosmetology legislation have utilized the Ohio State Cosmetology and Barber Board as a forum to intimidate Board members supportive of such legislation. It is well documented in Board meeting minutes where opponents to cosmetology legislation would call for Board member resignations as well as make false allegations of violating Ohio Ethics law, so much so that Board members requested meetings be moved to a more secure location – meetings have been moved to the Riffe Center to accommodate this safety concern by Board members. Ohio’s Open Meetings Act does not provide (or prohibit) attendees the right to be heard at meetings. JCARR and CSI have opportunities for the public to submit comments or provide public testimony specific to proposed rules by Boards and Commissions.
- **Why is the board’s report at a sixth grade reading level?** While licensees have completed 10th grade and/or graduated from high school the public as well as future licensees and registrants may not have done so. The reading level is to ensure all current and future licensees, registrants and beauty service consumers understand the information contained in the Board report.
- **Allows on-demand scheduling and working outside a salon.** Several beauty industry licensees need to provide on-site cosmetology services for weddings, films and special occasions around the state outside of a bricks and mortar salon. **HB 399** ensures that the Ohio State Cosmetology and Barber Board (OSCBB) can ensure such services can be performed on-site and with reasonable requirements for licensees to ensure public safety.
- **HB 399** supports the **House and Senate’s licensure and regulatory reform goals** of reducing unnecessary barriers to enter a profession and reducing unnecessary red tape and regulation that is stifling the potential of Ohio’s small businesses, which in turn limits job opportunities for Ohioans. Some groups would advocate for complete elimination of state licensure – the Ohio Salon Association is not one of them. **HB 399** is the compromise for occupational licensure reform to Ohio’s cosmetology and barber laws.
- **HB 399** supports [Ohio’s Attainment Goal 2025](#) of the Governor’s Executive Workforce Board, Ohio Department of Education and Ohio Department of Higher Education to have 65% of Ohioans ages 25 to 65 achieve a credential/license or degree by 2025. ([Ohioans are currently at 43% of that attainment goal.](#))

The beauty industry needs to come together and focus on: 1) lower student debt and defaults, 2) higher graduation rates, 3) better training for less remediation and post education success, and 4) work toward 100% placement in the beauty industry. If changes are not made, fewer students will enter the profession leading to more school closures and fewer salons operating throughout the U.S.

The Ohio Salon Association is focused on cosmetology student success, school success and addressing workforce issues for all salons and job providers in Ohio. **HB 399** accomplishes these goals.

Thank you for the opportunity to provide proponent testimony on **HB 399**. I would be happy to answer any questions.