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SALON PLAZA

Proponent Testimony on HB 399

Before the House State and Local Government Committee

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 provide written **proponent testimony on HB 399**.

The above organizations support the reduction in hours required for licensure in Ohio from 1,500 to 1,000. This is a common sense reform that lowers the barriers to entry into our profession to a level that has been demonstrated to be sufficient to protect the health and safety of the public and to prepare students for entry level positions in our industry.

All of our companies operate in multiple states and we find no difference in the performance of stylists who graduate from 1,500 hour schools and those who graduate from 1,000 hour schools. None of our salons have different training programs for states with 1,000 hours or those with 1,500 hours.

- Longer beauty school programs impose a significant barrier to entry for disenfranchised populations (minorities and lower income populations) who seek a cosmetology career – especially working moms.
- Study by third-party research firm that was funded jointly by salon operators and the national beauty school association documents that longer curriculums have no benefit to the students, yet the higher costs of completing a 1,500-hour curriculum – both tuition and living expenses for the longer programs – result in higher student loan debt, which is a significant burden to these graduates.
- Graduation rates and passing rates on state-administered exams are not improved by requiring more curriculum hours.
- Graduates of longer programs earn no more than graduates of 1,000 hour programs.

1,000 hours has been proven successful in other states for decades (NY and MA), as well as in many high school programs (175 Texas high school programs, for example). In the past two years, both Texas and Vermont have

lowered hours to 1,000 from 1,500. This allows aspiring cosmetologists to more quickly learn the trade and start earning money to start paying taxes and providing for their families.

Reducing the number of curriculum hours to 1,000 from 1,500 reflects the nationwide trend in moving cosmetology students (and other occupations) from redundant and expensive classroom instruction into the workplace. Recent graduates of cosmetology programs, like graduates of other courses of study including law and engineering, must continue to develop their skills in the workplace as they progress in their careers. This is better done in the real world environment of the salon than in a school clinic.

Chairman Wiggam, Vice Chair Stephens, Ranking member Kelly and members of the committee, thank you for the opportunity to provide written proponent testimony on HB 399.

Proponent Testimony on HB 399 (Written)
By Rhoda Olsen, CEO, Great Clips, Inc.
Before the House State & Local Government Committee
On Wednesday, January 29, 2020

Chairman Wiggam, Vice Chair Stephens, Ranking Member Kelly and distinguished members of the House State & Local Government Committee. My name is Rhoda Olsen and I am the CEO of Great Clips, Inc. located in Minneapolis, Minnesota. I want to express my support for the cosmetology reforms contained in HB 399.

Great Clips, Inc., the largest haircare brand in the world. We are a franchise organization and our 1,200 salon owners operate almost 4,300 salons in the United States and Canada. Our growth has been strong on both additional salons and growth in every salon. We open about 200 salons a year and are approaching our 53rd quarter of same salon sales growth. Our franchisees are strong, committed business owners and care deeply about their employees' success and growth. It is likely that we are approaching 40,000 talented stylists in our system. We have 44 franchisees in Ohio that operate 301 salons with over 3,000 stylists.

I have been a part of the Great Clips leadership team since 1987. I became president in 1998 and CEO in 2011. I am also going into my 4th year as President of ISBN, the International Salon Spa Network, representing over 30,000 salons/spas. I am personally committed to the growth and development of salon professionals throughout the country. I am also a member of the Future of the Beauty Industry Coalition. The industry has changed dramatically over the last 25 years and we need to be responsive to those changes. Operating in almost every state gives us a clear view of stylist training and education. I don't see any difference in the stylist training and skill in any state, regardless of hours. The stylists in New York with a 1,000 hours of training are as skilled as any stylists in the country. Over 26% of the population are trained in less than 1,250 hours. Many organizations provide their own additional training and this does not vary based on the states' hours. State licensing should focus on safety and sanitation and the shorter hours' programs adequately cover that.

I feel strongly that we need reform and look to Ohio to be focused on common sense and encouraging a great work environment and opportunity. In addition to hours, mobility and reciprocity are critically important. Stylists move and they want to take advantage of opportunities. That may mean relocating for a promotion or a new position. Ohio borders five states: Michigan, Pennsylvania, West Virginia, Indiana and Kentucky. Stylists from these states and other states should be afforded the growth opportunities that may be available in Ohio. Some of our largest franchisees operate in Ohio and career growth is so important to stylists. Let's make it easier for them to work, pay taxes, grow our businesses and live in the wonderful state of Ohio.

The common-sense reforms you are considering in HB 399 are necessary to position the Ohio cosmetology industry for survival with the hope of continuing to thrive. As legislators, you need to know the truth about this industry in Ohio – not just from my perspective, but from the perspectives of many license holders – both individual and salon owners.

The current governmental climate with respect to the beauty industry is concerning. The beauty industry is being targeted by the federal government and state regulators to make changes to streamline the entry process to our profession. Additionally, school closings citing government regulations and increased scrutiny of industry programs is alarming. The industry must come together with one voice to enact change; if we fail to advocate for our industry, the result could lead to deregulation of our industry licenses, which will negatively affect our students, business owners, and consumers.

Deregulation will harm the industry's commitment to educating students about proper health and sanitation standards. This will place consumers at risk and jeopardize their safety. Common, sensible licensing standards are crucial to sustainable growth for our industry and protecting public safety. Together, we will build a stronger future for our industry and continue to support accountability and licensing of our professionals.

Cosmetology Schools in Ohio:

- Communities in Ohio, as well as salon owners, need great schools and educators who are passionate about this industry and about providing meaningful foundation education to the students.
- Over 30 percent of private school programs have closed in Ohio since 2015, many without notice to their students.
- There are some predictions that forty percent of private schools will ultimately close. This is of great concern.
- We need more than just traditional cosmetology programs to ensure a pipeline of workers into our industry. HB 399 provides for the establishment of apprenticeship programs which will allow salons to create alternatives to formal cosmetology training and education if needed. Those salons that do not have formal school programs close by can benefit immensely – providing a new source of trained and licensed professionals.

Cosmetology Hours:

- Ohio high school programs are already at training at 1,125 hours. Therefore, the equalization of hours at 1,000 for both private beauty schools and high schools makes sense for Ohio. TX and VT moved from 1,500 to 1,000 hours in the last 2 years.
- Pass/fail rates between high school and private schools are comparable.
- High school students benefit from taxpayer funding while private school students acquire significant debt.
- With 1,000 hours as a minimum, nothing precludes reciprocity/mobility schools from offering more hours. But, anything above 1,000 must be elective, not mandated by the state.

Reciprocity/mobility

- Experienced, well-educated stylists have difficulty getting their license across state lines. They should be able to get to work quickly without burdensome requirements and delays.
- It should matter to us that licensed professionals want and need the ability to move across state lines. License-for-license exchange would allow stylists to keep working!

Common, sensible licensing standards are crucial to sustainable growth for our industry and protecting public safety. HB 399, and its Senate companion SB 245, are strong examples of reasonable legislation that directly addresses concerns of over-regulation of state-mandated occupational licensing, and will create meaningful changes to archaic cosmetology licensing laws that desperately need reform.

On behalf of all our Ohio franchisees, I urge your favorable action on this bill. HB 399 allows aspiring cosmetologists to more quickly learn the trade with on-the-job training, they will experience lower levels of student loan debt and, more importantly, be in a position to provide for their families.

Thank you for the opportunity to provide proponent testimony on HB 399 to the committee.

Respectfully,



Rhoda Olsen
Vice Chair
Great Clips, Inc. Board of Directors

Proponent Testimony on HB 399 (written)
Before the House State and Local Government Committee
On 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 provide **proponent testimony on HB 399**.

I have been a Great Clips franchisee for over 22 years. I am the co-owner with my three children of 18 Great Clips salons (six in Cincinnati and 12 in the Dayton market). For many years, we have struggled to find enough cosmetologists to enable us to continue to grow and expand in the two Ohio markets. HB 399 will assist and rectify problems in various areas.

I won't mention all of them but a few key points are:

- License Elimination and Creation: The factors listed in this area will dramatically assist us and prospective employees/cosmetologists in getting their licenses and finding jobs. Too often it seems as if prospective employees have their hands tied due to outdated and unnecessary regulations.
- Apprenticeship Program: A program like this enables prospective employees/cosmetologists to truly get a feel for our work environment. Just as most OJT-On the Job Training programs, this Apprenticeship Program creates a scenario to help a new person get started and move forward in our industry.
- State Cosmetology & Barber Board: This portion of the bill just seems to be a "no brainer". It is logical and would make everything more efficient.

Mr. Chairman and members of the committee, thank you again for the opportunity to provide written proponent testimony on HB 399. I urge the committee's favorable passage of this legislation.

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IT'S GONNA BE GREAT

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.

I, Prince Fields, am writing proponent testimony to inform you of the wrong doings concerning my barber instructor license education.

In March 2019, I enrolled at Beyond Expectations Barber College (BEBC) in Akron, Ohio. Twice a week, I drove 218 miles round trip per day. I completed the program in October 2019. While attending the school, I went above and beyond to ensure I did everything that was asked of me. I spent countless nights studying material for the tests given at BEBC. Needless to say, the multitude of hours spent away from my family and out of my shop took an emotional and financial toll. However, I knew that it would be worth the strife and stress in the long run.

In November 2019, I took the Barber Teacher Theory Examination. Going in to take the exam, I was confident that I would pass. I was told the photocopied, multiple choice material given to me by the owner and the Assistant Director of Education at BEBC, was all I needed to study in order to be successful when taking the exam. I studied every night for three weeks, because I had a lot on the line concerning the passing of the exam. Unfortunately, I did not pass the exam. I received a score of 73%. I was devastated.

Upon further investigation, I found out that when I enrolled at BEBC, I should have received a hardback edition of the Milady 3rd edition Master Educator textbook. Instead, I received photocopies of the material. Secondly, I was never informed about the Testing Information Packet (TIP) for Barber Teaching Theory on the Ohio State Cosmetology and Barber Board website. I invested \$2,700 in tuition, hundreds of hours both in travelling and studying, put over 13,300 miles on my car (valued at the \$7,716.90 per the 2019 IRS mileage rate) and have nothing to show for my investment. BEBC did not even provide me with the standard Milady text book as part of my tuition. At the very least BEBC should have given me the option to buy the Milady book, at an additional cost and inform me about the TIP.

I strongly feel that I was not given an appropriate education by BEBC and taken advantage of by the college. Therefore, I am asking the Ohio State Barber Board to allow me the opportunity to retake the test, with proper preparation, and without having to honor the one year waiting period, which is normally required under Revised Code 4709.10(C)(4). I presented this information to the Ohio State Cosmetology and Barber Board, but the Board has no discretion to grant my request. Therefore, I'm asking you to pass HB 399 which changes the law and eliminate the one year waiting period.

Thank you again for the opportunity to provide proponent testimony on HB 399, the Cosmetology Reform Act.



January 27, 2020

Re: Support for HB 399

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 Gordon B. Logan and I am the CEO and Founder of SportClips Haircuts. We currently have 72 franchised, locally-owned and operated locations in Ohio, employing over 700 licensed cosmetologists.

Occupational licensing has been an area of intense scrutiny the past few years, and with good reason. The White House White Paper on occupational licensing issued in 2015 documented the many discrepancies between states in requirements for licensure, and the explosion of licensure requirements over the past decades.

There were seventeen states (including Ohio) that had a requirement of 1,000 hours prior to the passage of the 1965 Higher Education Act which opened the federal Title IV loan program for higher education, including cosmetology. Since that time, schools in fifteen states successfully lobbied their state legislatures to increase the requirements for licensure. Until recently, there were only two states (New York and Massachusetts) at 1,000 hours; last year Texas and Vermont reduced their hours from 1,500 to 1,000. An oddity is that many states have high school cosmetology programs that only require 1,000-1,100 hours to earn a cosmetology license, even in states that require 1,500 hours (including Ohio).

In 2015 a coalition of industry trade associations (which included the American Association of Cosmetology Schools and both of the major cosmetology text book publishers) commissioned a study to determine if there was any difference in the outcomes of programs of differing lengths, from 1,000 hours to 2,000 or more. (Yes, there is that much difference from state to state.) That study documented that there is no benefit to students to attend a program longer than 1,000 hours; yet longer programs serve as a barrier to entry into the profession, which adversely affects disadvantaged minority and low income populations disproportionately.

That is the basis for HB 399. It is not right for the state to mandate that those who wish to practice cosmetology attend a program longer than 1,000 hours. Longer programs cost more, take longer and produce no tangible benefit to the graduates. No difference in graduation rates, pass rates on the state exams, or earnings after graduation. But longer programs result in much higher student debt and delay the entry into the profession where graduates can earn a living and pay taxes.

Thank you again for the opportunity to provide written proponent testimony on HB 399, the Cosmetology Reform Act. I hope the Ohio House, Senate and Governor DeWine will take swift action to pass and enact this legislation.