



**The Ohio Barber and
Beauty Alliance**

OHIO BARBER AND BEAUTY ALLIANCE

**OPPOSITION TESTIMONY OF THE OHIO BARBER AND BEAUTY
ALLIANCE ON H.B. 399 – KEEP OHIO’S BEAUTY INDUSTRY VIBRANT**

BY James P. Trakas, Legislative Agent

Good morning Chairman Wiggam, Vice Chairman Stephens, Ranking Member Kelly and Members of the Committee. My name is Jim Trakas, and I represent the Ohio Barber and Beauty Alliance, a group of hundreds of individual beauty industry professionals who work behind the chair every day and make up this vibrant industry that provides job and career opportunities for 92,000 Ohioans.

We are the small business people who actually work in the industry, some of our Members own Mom and Pop salons and barber shops and related businesses. We work and pay taxes in your districts. We have no out of state special interests that seek to change Ohio law for their own benefit or their antiquated business models, we are here for the benefit of you, your community, and the consumers that you represent.

Let me begin by saying that for the past two General Assemblies our Members, a growing number every day, has fought this bill and have been successful because once you know the truth, you know that H.B. 399 like its predecessors, would do substantial harm to the beauty industry than any good. It would lower wages for workers who lack the skill to gain meaningful employment, restrict career opportunities for professionals, and impose the business model of out of state chain salons who represent a tiny percentage of the industry who are struggling to compete with the Mom and Pop storefronts that are so successful that dot your districts.

This bill has virtually nothing to do with regulation. Regulation is handled under the Ohio Administrative Code, and using CSI principles, the State Board has consistently deregulated the industry to a fair level of consumer protection. Current law does not throw up barriers to entry into this profession. Current law sets basic educational standards that are consistent nationwide and provides the basis for a prosperous career in the industry.

No, this is an anti-empowerment bill, literally slashing the educational opportunities for Ohioans who will not be prepared for their chosen profession. In reading the bill, it has virtually nothing to do with regulation. It eliminates educational opportunities. The State Board has already substantially deregulated the industry and the cost of that regulation is insignificant to the consumer, to the professional, and in no way represents a barrier to entry nor even any type of real burden. R.C. 4713.

Every state leader from our Governor to each of you has stated publicly that workforce development, education, workforce training are paths to prosperity. Our state's business leaders wring their hands and say that they cannot find enough well educated and prepared workers. This General Assembly has prioritized workforce development. The TechCred legislation recently enacted has been widely praised as a great step forward for employers and employees. What does TechCred do? Increases access to job skills and education for workers. A win-win for Ohio's employers and workers.

Widely praised, TechCred offers more and better educational opportunities. This outstanding program, passed with strong bipartisan majorities in this House is your statement about how to create paths to prosperity for all Ohioans. But if H.B. 399 is enacted, it would do exactly the opposite of TechCred. H.B. 399 eliminates paths to prosperity for workers. H.B. 399 does exactly the opposite of what Ohio's leaders and employer community says it needs, a well-trained workforce.

If H.B. 399 were such a great idea, why are we not rushing to eliminate 2 years of college, 1 ½ years of law school, 3 years of medical school. If H.B. 399's logic prevailed, Ohio's employer and labor community would be flocking to reduce educational attainment and scoff at it as a waste of time and overly expensive would they not?

If this sounds absurd, it is, but that is what the proponents de facto accomplish with this bill. They say that just eliminating half of the education a professional receives will somehow have no impact on their ability to get jobs and long-term careers. If that were the case, let's repeal TechCred right now, and go back and eliminate years of education opportunities in every other profession. It will save money, right? Pardon my sarcasm but to hear this contemptuous disregard for education and scoffing at Ohio's professionals who are able to use their education to go on to fulfilling careers is truly disconcerting and just not what Ohio's economy and Ohioans deserve.

Proponents assert that there is a shortage of workers due to educational barriers. 63,401 Ohioans practice Cosmetology in 9,631 salons and 8,026 Barbers practice Barbering in 2771 Barber Shops. 92,000 Ohioans perform services in some branch of barbering or cosmetology. The Beauty Industry is Ohio's 7th largest profession according to the BLS in 2018.

Nobody can assert with credibility that there is an actual shortage that requires a radical reduction in the quality of education in order to produce exactly what? It is asserted that more people will go into the industry and create a larger pool of beauty professionals. That is not fact based. People go into professions because of their passion, their interest, their talent, their skill, and hone those in school. If you lowered the educational standards for any profession, does it create more people in that profession, or does it just about the same amount of people who want to get into the profession, only less qualified? Barbers and Cosmetologists want to work doing something they love, the amount of people in the industry is not affected by the hours of educational attainment. People either do or don't want to work in the beauty industry, it is their choice.

Ohio's beauty industry changed years ago with the advent of Independent Contracting. Independent contracting allows well educated Ohioans to immediately open up their own businesses with little upfront investment through the booth rental process. The popularity of these arrangements, combined with the ease of opening up your own barber shop or salon, has made Ohio a model for the whole country for entrepreneurship. What H.B. 399 does is takes away the tools that is fueling that entrepreneurship.

Members of the State Government Committee, if this industry were contracting instead of dramatically expanding, was producing less entrepreneurs, opening less salons and less barber shops, then maybe the R.C. should change. But evidence shows exactly the opposite! The free market is winning, the invisible hand of Adam Smith is guiding Ohioans to school, they are learning and then succeeding in our economy. They are making more money on average than many other industries, offer flexible hours for families, and allow Ohioans the opportunity to open and run their own businesses. It's called the American Dream, and it is alive and well in Ohio's beauty industry.

Leave Barbering and Cosmetology alone to continue to thrive and let those who are not succeeding adopt to the free market that they claim to support by modernizing. They don't need the law to change, they need to adapt to the marketplace.

This Governor and this General Assembly have established a well-deserved reputation for improving Ohio by providing more access to workforce training and matching employers with a skilled workforce. The lowest unemployment rate in decades is a testament to your policy successes. Why go backwards, when you know that the path to prosperity is a well-trained and well-educated workforce? Let's keep the beauty industry vibrant and strong and let H.B. 399 die the death it richly deserves.