

Opposition Testimony re: HB 399
Before the
House State and Local Government Committee
By
Sue Carter Moore
February 19, 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 opposition testimony on HB 399.

I am Sue Carter Moore, licensed Cosmetologist, 1966, licensed Cosmetology Instructor, 1970, President of the Ohio Association of Cosmetology Schools, and President Emeritus of Salon Schools Group, four cosmetology schools in central Ohio. During my 50 year career as an educator, it's reasonable to say my experience can be equaled by only one or two others in the state.

The focus of my testimony will refute proponent claims that students are graduating from private cosmetology schools with tens of thousands of dollars of student loan debt and private schools are graduating fewer new cosmetologists.

Before speaking to those topics, I want to clarify one point in sponsor testimony, and to point out a seemingly harmless rewording of a license description:

In response to Representative Russo's question, at 00.33.00, Representative Powell clearly states that the 1500 hour cosmetology license, to be known as the Intermediate Cosmetology License, will remain as an education choice, should students want to be absolutely certain their license would transfer to other states requiring more than 1000 hours. That is not true. The Intermediate license will become the license current 1500 hour cosmetology students will receive upon completion of the course. Future cosmetology students will not be able to enroll in a 1500 hour license option in Ohio.

The issuance of an Intermediate Cosmetology License is found Lines 1438 thru 1461:

1. An individual who has completed 1500 hours of board approved training and has otherwise qualified to take and has passed the cosmetology examination **on or before the effective date of this section.**

2. An individual who is enrolled as a student at a school on or before the effective date of this section who chooses to meet the requirement to complete 1500 hours as it existed immediately before the effective date of this section.

The 1200 hour Hair Design License was originally created for use in Career Tech Schools, because students were unable to complete the 1500 hours during their junior and senior years of high school. Career Tech Schools have not chosen to teach that course. The 1200 hour course does not, in current law, include the study of facials and manicuring. In HB 399 the definition is changed, along with its name to Hair Stylist, and creates, it seems to me, an 800 hour cosmetology license:

Lines 880 thru 894, specifically beginning with line 888:

888: "The art or practice of cleansing, stimulating, or massaging a person's scalp, face, neck, and arms; embellishment, cleansing, beautification, and styling of hair, wigs, face, body, or nails; and treating a person's mustache or beard by arranging, beautifying, coloring, processing, styling, or trimming or shaving with a disposable safety razor." Specifically, face, neck, arms and nails is new language

Clock hour schools are NOT the same as colleges with regard to the amount of Financial Aid we are able to offer.

While colleges are able to offer loans in high dollar amounts, clock hour schools are not. We have strict guidelines as to the amount we are able to certify for loans, established by the US DOE, based on length of education, cost of education, and family contribution.

Actual Pell Grant Awards based on length of course:

1800 clock hour student: \$12,390
1500 clock hour student: \$10,325
1200 clock hour student: \$8,260
1000 clock hour student: \$6,883

When financial aid need is calculated based on less education, Pell Grant Awards are reduced, and the amount a student can borrow is reduced. Unmet need is greatly increased, and in many cases will render a student incapable of attending school.

**Clock Hour Financial Aid Analysis: 2019 Graduate Independent Students
Salon Schools Group**

Course	Program Cost	Average Pell Grant Award	Average Student Loan	Institutional Aid	Unmet Need
1800 Hour Cosmetology	\$22,800	\$10,383	\$8225	\$269	\$3923
1500 Hour Cosmetology	\$20,900	\$8060	\$9202	\$421	\$3217
Proposed Program: 1000 Hour Cosmetology	\$20,900	\$5373	\$6135	\$281	\$9111
1200 Hour Hair Designer	\$15,500	\$3870	\$5544	\$833	\$5253
Proposed Program: 800 Hour Hair Designer	\$15,500	\$2580	\$3696	\$555	\$8669
750 Hour Esthetics	\$14,900	\$3746	\$7538	\$0	\$3616
Proposed Program: 600 Hour Esthetics	\$14,900	\$2997	\$6030	\$0	\$5873

**Clock Hour Financial Aid Analysis: 2019 Graduate Dependent Students
Salon Schools Group**

Course	Program Cost	Average Pell Grant Award	Average Student Loan	Institutional Aid	Unmet Need
1800 Hour Cosmetology	\$22,800	\$5414	\$8253	\$3107	\$6026
1500 Hour Cosmetology	\$20,900	\$4628	\$7617	\$2486	\$6169
Proposed Program: 1000 Hour Cosmetology	\$20,900	\$3085	\$5078	\$1657	\$11,080
1200 Hour Hair Designer No enrollments	\$15,500	N/A	N/A	N/A	N/A
Proposed Program: 800 Hour Hair Designer	\$15,500				
750 Hour Esthetics	\$14,900	\$2003	\$4725	\$980	\$7192
Proposed Program: 600 Hour Esthetics	\$14,900	\$1602	\$3780	\$784	\$8734

Because all OPTIONAL Advanced Education licenses will be eliminated, no funding will be available for the Natural Hair Design License, largely an African American career choice.

Private school closures have had no impact on the number of graduates. Instead, private cosmetology school students increased 16%; high school cosmetology students decreased 5%.

Cosmetology students in the last 4 years. Data: Ohio Cosmetology and Barber Board, 12/15/19

Year	Private	Vocational	Adult Ed	Total #
2016	3,124	2,274	141	5,539
2017	3,350	2,225	129	5,704
2018	3,226	2,149	209	5,584
2019	3,629	2,150	151	5,930
	+16%	-5%	+7%	+7%

Conclusion: the number of private cosmetology students has increased since 2016, while the number of vocational students has declined every year since 2016. Adult education saw a small increase in 2018. Overall, cosmetology student population has increased since 2016.

Last fall I requested the list of Ohio's 9,238 beauty salons from DAS. I read every salon name, and identified those I knew absolutely to be chain salons: 945, slightly over 10%.

That means 10% of all salon owners are driving legislation affecting the other 90%. If you further identify franchise ownership, that number becomes significantly less. For instance, one person owns 60+ Great Clips locations. National franchisor Regis Salons, owns 286 Ohio locations under various names.

Bottom line: a very few people are driving legislation that impacts the Ohio salon industry, and most importantly, the education of future cosmetologists.

Nationally, the beauty industry dramatically changed some years ago with the Independent Contractor License. Of the roughly 62,000 cosmetologists in Ohio, 20,227 hold Independent Contractor Licenses (2019 Annual Report, Ohio Cosmetology and Barber Board).

Because of Salon Lofts, Sola Salons, Salons By JC, and many others, beauty professionals are able to rent small, affordable spaces, as Independent Contractors, or an individual chair in a small salon.

Private schools are not producing fewer graduates; graduates have many more career options.

And, just maybe, too many salon franchises are being sold, with the franchisor taking no responsibility as to staffing the salons.

To recap:

Reducing education to 1000 hours has a significant and negative impact on future students' ability to attend school.

Financial Aid for cosmetology students is not a factor in National Student Loan Indebtedness. In 2019, SSG loans averaged \$9,071 for 1800 hours & \$9,029 for 1500 hours. A \$42 difference.

Private cosmetology school student numbers are increasing, and Career Tech Schools' student population is declining.

Cosmetology graduates have a wider variety of salon job opportunities and many more are choosing to become Independent Contractors. Reducing education will stifle independent salon ownership.

Private schools do not view chain salons as the enemy. However, we do not want education reduced to fit their business models, to the detriment of women and minorities.

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