

**Opposition Testimony to HB 399
Before the House State and Local Government Committee
Patrick J. Thompson
February 19, 2020**

**To: Chairman Wiggam, Vice Chairman Stephens, Ranking Member Kelly and
Members of the House State and Local Government Committee.**

My name is Patrick J. Thompson and I am writing to offer my strong opposition to House Bill 399.

I have been involved in the beauty industry for over 25 years. I have experience in almost every aspect of the beauty and cosmetology industries, including education, sales, manufacturing, distribution and retail and salon/spa operations. My professional experience includes serving as the Vice President of Sales and Education and Vice President of Salon/Spa Development for Aveda Corporation, a division of the Estee Lauder Companies, and as General Manager and General Counsel for Fredric's Corporation, an Ohio-based distributor of beauty products. In 2004, I left the corporate world to fulfill a life-long dream to become an entrepreneur. I currently am the owner of three Nurtur Salons in Columbus, Ohio, the Aveda Institute Columbus, a cosmetology school located on Bethel Road, and the Aveda Fredric's Institute in West Chester, Ohio. These three businesses employ approximately 200 team members, of which most are licensed professionals, and all reside and pay taxes in the State of Ohio.

I respectfully ask that you consider my experience and credentials in reviewing my testimony and when casting your vote on this bill.

I am strongly opposed to HB 399 in all aspects, however I would like to address a few key issues that cause me the greatest concern. They include: 1) lack of evidence supporting that the reduction in hours is in the best interest of the student or leads to better education and employment outcomes; 2) the negative impact on the portability of an Ohio cosmetology license; 3) the increased financial burden on small business; 4) the disproportionately negative impact on women; and 5) the negative impact on low income students.

**LACK OF EVIDENCE SUPPORTING THAT REDUCTION OF HOURS IS IN THE BEST INTEREST OF THE
STUDENT OR LEADS TO BETTER EDUCATION AND EMPLOYMENT OUTCOMES**

The Bill seeks to reduce significantly the number of clock hours required for licensure as a cosmetologist from 1500 to 1000 hours. However, the reduction in hours is not backed by any research or definitive studies that conclude that the reduced number of hours will lead to better educational or employment outcomes. In fact, the two major curriculum providers to the cosmetology school industry, Pivot Point and Milady's, have withdrawn their support from the Future of the Beauty Industry Coalition, the group formed to advocate for the change to a 1000-hour curriculum nationwide. Both Pivot Point and Milady's have concluded, like 46 other states, that 1000 hours are not a sufficient number of hours to ensure the requisite skill set for licensure and success in the field of cosmetology. Likewise, Steve Sleeper, the Executive Director of the Professional Beauty Association, recently testified against House Bill 2476 in Arizona, a similar bill to HB 399 introduced in Arizona and aimed at reducing the number of hours required for cosmetology licensure in Arizona to 1000 hours.

Even where cosmetology students are offered the opportunity to participate in a competency-based curriculum such as in Oregon, the average student takes between 1400 and 1600 hours to complete a full cosmetology curriculum. Academic and industry experts involved in this pilot program in Oregon conducted under the supervision of the Department of Education have concluded that a competency-based curriculum

would result in most graduates taking 1500 hours to complete the cosmetology curriculum. Curriculum experts and Industry experts agree that 1000 hours is not enough education to produce a cosmetologist with all of the necessary competencies to ensure long-term success in the industry.

Most persuasive is the fact that average incomes of recent graduates in states with 1500 hours or more exceed average incomes of recent graduates from New York and Massachusetts, the only 1000-hour states, by 50-100%. Professional cosmetology and beauty industry experts and the data conclusively demonstrate that 1000 hours is simply not enough education to ensure acceptable educational and employment outcomes.

The proponents of HB 399 have not offered any evidence to support that a 1000-hour cosmetology course would lead to better educational or employment outcomes for cosmetology students. In fact, the proponents have not offered any testimony from any academic professionals or from the very students who would be most directly impacted if HB 399 were to pass.

I ask you to consider the negative impact on the quality of student education and student income outcomes that will result if HB 399 is passed. Ohio would move from one of the leaders in quality of education and outcomes in the cosmetology industry to the bottom like New York and Massachusetts, where students graduating cosmetology school are forced to work under the supervision of a master stylist for 2 years before being eligible for a full cosmetology license.

NEGATIVE IMPACT ON PORTABILITY OF AN OHIO COSMETOLOGY LICENSE

As previously stated, the Bill seeks to reduce significantly the number of clock hours required for licensure as a cosmetologist from 1500 to 1000 hours. Currently, a newly licensed cosmetologist in the State of Ohio can seek licensure in 34 states without the need of investing in any additional education. If HB 399 becomes law, newly licensed cosmetologists in the State of Ohio would be left with being able to transfer to only 4 states - New York, Massachusetts, Texas and Vermont. HB 399 is hardly a "common, sensible" change or "reasonable reform" as alleged by the proponents if newly licensed Ohio cosmetologists can no longer seek employment in 45 states.

INCREASED FINANCIAL BURDEN ON SMALL BUSINESS

Nearly two-thirds of salons and spas are small, independently-owned entrepreneurial businesses that employ less than 5 people and operate on an incredibly modest profit margin of less than 10%. HB 399 would force these small, independent businesses to absorb an additional cost of between \$5,000 and \$8,000 per new hire to replace the training that is now provided to each newly licensed cosmetologist in the State. The average salon or spa is not in a financial position to bear the burden of the increased training that would be required if the hours for each professional license were decreased. Even most larger salons and spas would not be in a position to absorb these increased costs. The proponents of HB 399 are owners, franchisees or officers of large, chain salon operations that stand to benefit from the demise of the small, independently-owned salon and spa that is not able to bear the increased financial burden of educating its professional staff for up to 500 additional hours.

DISPROPORTIONATELY NEGATIVE IMPACT ON WOMEN

The professional beauty industry is dominated by female workers and owners. Nearly 95% of beauty professionals and 85% of licensed cosmetologists are women, while women represent only 47% of the workers in all US industries. Likewise, women own 61% of independent salons, whereas women own only 30% of businesses in all private sectors. While the proponents of HB 399 argue that the common sense reforms you are considering in HB 399 are necessary to position the Ohio cosmetology industry for survival the truth is that HB 399, if passed into law, will result in the closing of numerous female-owned businesses and in less choice for Ohio female licensees who currently are free to relocate to 30 other states.

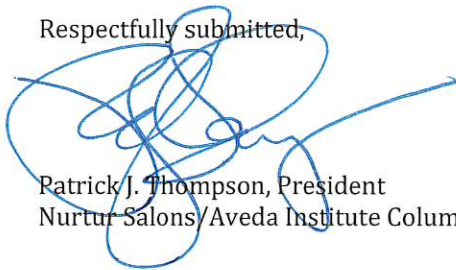
Contrary to what the proponents allege, HB 399 is not legislative reform “necessary to protect our valuable industry.” Instead, it is an attempt by the proponents to use legislation to harm competitors, limit individual choice and advance their own interests.

NEGATIVE IMPACT ON LOW INCOME STUDENTS

Currently, low income cosmetology students who are eligible for federal Pell grants receive \$10,325 in grant money that does not have to be repaid. Likewise, barbering students are eligible for \$12,390 in federal Pell grants. If HB 399 were to become law in Ohio, low-income cosmetology students would lose \$3,442 in Pell grants and low-income barbering students would lose \$5,507. One of the arguments that the proponents argue for passage of HB 399 is that the proposed law would reduce student debt. This would not be the case for those students demonstrating the highest need for financial aid as one of the unintended consequences of the passage of HB 399 is that federal Pell grants for low income Ohio students would be reduced by up to 44%.

Finally, I ask you to consider one question – when has less education ever been beneficial to a student?

Respectfully submitted,



Patrick J. Thompson, President
Nurtur Salons/Aveda Institute Columbus/Aveda Fredric's Institute