

House Commerce & Labor Committee – February 15, 2022 – Proponent Testimony, HB 277

Chairman Stein, Vice Chair Johnson, Ranking Member Lapore-Hagan, and members of the committee, thank you for holding this hearing and for the opportunity to provide testimony.

My name is Jeff Dillon, and I am the Ohio Legislative Director for Americans for Prosperity (AFP). As one of the largest grassroots organizations in the country, AFP is driving long-term solutions to some of the country's biggest problems. Our organization, and its thousands of activists across Ohio, are dedicated to breaking barriers that stand in the way of people realizing their full potential. Removing or reducing these barriers, in whatever forms they take, helps move our society toward one of mutual benefit, where people succeed by helping others improve their lives and by transforming their communities. Accordingly, I am here to express support for House Bill 277.

While AFP – Ohio ultimately believes that government should focus on less onerous and more effective oversight than government licensure for professions such as cosmetology and barbering, HB 277 makes improvements over the status quo for these occupations to be more accessible and affordable potential career paths for Ohioans.

Changes that would occur with enactment of HB 277 include:

- Reduction of, by hundreds of hours of time, training for barbers, cosmetologists, hair designers, and related professions
- Allows for opportunities to take government mandated examinations ahead of completion of required training hours
- Consolidation of some licensing requirements to remove redundancy
- Allows for license by endorsement procedures for those wishing to use out of state licenses to practice in Ohio

Today, licensing burdens reduce employment opportunities for many Ohioans while cutting off rungs on the economic mobility ladder for people trying to improve their lives. A recent

national <u>study</u> found that current governmental licensing barriers already cost Ohio over 67,750 jobs, \$209 million in deadweight economic losses, and over \$6 billion in misallocated resources annually. In other words, people are spending more than they would have, and on different things, than if Ohio's many government licensing laws weren't creating barriers to needed products and services.

Research also shows that in more onerously licensed states, <u>entrepreneurship</u> rates are lower among low-income residents, <u>recidivism</u> rates are higher for ex-offenders, and other unintended consequences such as <u>increased crime rates</u> occur due to decreased employment opportunities.

Ohioans, and those wishing to move to Ohio to contribute to our economy, deserve the dignity of personal choice as consumers and the ability to support their families without undue government burdens as they seek fulfilling work. Today many government occupational licensing requirements are anti-competitive, needlessly burdensome, and oftentimes <a href="mailto:ineffective">ineffective</a> at addressing public health and safety concerns. As we continue to drive internal occupational licensing reform, we urge you to please support HB 277 to reduce some of the burdens Ohio's aspiring cosmetologists and barbers face.

Thank you again Chairman Stein for the opportunity to provide testimony, and AFP – Ohio thanks Representative Powell for her dedication to reducing barriers to workforce participation and to advancing anti-protectionist policies that move will move Ohio in a better direction. I'm happy to do my best to answer any questions the committee might have at this time.

Americans for Prosperity (AFP) exists to recruit, educate, and mobilize citizens in support of the policies and goals of a free society at the local, state, and federal level, helping every American live their dream – especially the least fortunate. AFP has more than 3.2 million activists across the nation, a local infrastructure that includes 36 state chapters, and has received financial support from more than 100,000 Americans in all 50 states. For more information, visit www.AmericansForProsperity.org.