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Proponent Testimony on Am. Sub. HB 542
Before the Senate Government Oversight and Reform Committee
Tony Fiore, Executive Director, Ohio Salon Association
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Chairman Roegner, Vice Chair McColley, Ranking Member Craig and members of the Senate Government Oversight and Reform Committee. My name is Tony Fiore and I serve as the Executive Director of the Ohio Salon Association. OSA members are individual licensees, independent contractors, barbershop owners as well as salon owners from a single location to several across the state. I'm here today with Patty Schopp. She has been a licensed cosmetologist for over 16 years and currently serves as the OSA's Director of Membership and Communications.

I believe it helps to provide a brief overview of the beauty and barber industry in Ohio. According to the Ohio State Cosmetology and Barber Board there are 135,807 licensees in Ohio. That includes 10,753 beauty salons, over 60,542 cosmetology licensees, nearly 7,769 barbers and 2,891 barbershops in Ohio. Women own over 77% of salons. Minorities own nearly 50% of them. Salon and barbershop owners are some of the most resilient business owners in the state. Due to COVID they had to operate at reduced hours, intermittent closures, and full closures due to the protocols that remained in place well into 2021. Even before the pandemic licensing barriers and staffing challenges were at an all-time high for the industry.

HB 542 contains good provisions harmonizing cosmetology and barber law, but it doesn't balance the interests of all licensees and future students. For example, the bill:

- eliminates requirements regarding barber examinations dealing with minimum passing scores, waiting periods to reapply to retake parts of an examination, and required additional study, *but it doesn't reduce the barrier of travel for cosmetology students from around the state that all have to drive to Grove City to take the practical and written exam;*
- removes the requirement that, to be issued a license by the Board, an applicant hold a license from a state or country that extends similar reciprocity to individual holding a license the Board issues, *but it doesn't lower hours for licensees to help them get into the profession sooner and start earning a wage rather than going further into debt;*
- helps barber and cosmetology schools with a single license, *but it doesn't increase the surety bond required depending on number of students enrolled to protect them in the case of a private school closing abruptly as we've seen in the past.*

Therefore, I'm here to support the committee's inclusion of the provisions in **SB 133** into **HB 542**. Let me tell you why this combined bill is good public policy and deserves your support before the end of the year.

1) Lowers hours for cosmetologists (from 1,500 to 1,000), hair designers (from 1,200 to 800) and barbers (from 1,800 to 1,000)

- a. High school cosmetology programs are already teaching at 1,125 hours (or fewer). The other 375 hours are considered “flexible hours” that can be satisfied with high school math, science, English and biology. The Board also recently administratively increased internship hours from 150 to 300 further reducing the actual in-classroom time necessary to complete hours. That means a high school student can take up to 675 hours toward the 1,500-hour requirement outside of a cosmetology classroom, but still must pay a school for those hours.
- b. Reducing these hours does not have to change the curriculum or classroom time. The current cosmetology hour breakdown provides 375 hours of academic, 375 hours of flexible learning and 750 hours of clinic time. During those 750 hours, the student pays tuition and receives no compensation, while the school receives a fee for each service.
- c. According to the Bureau of Labor Statistics, the median hourly wage for hairdressers, hairstylists and cosmetologists was \$14.26 in May 2021. The median hourly wage for barbers during the same time was \$14.41. Therefore, adopting this provision you can return over \$7,130 to the pocket of future cosmetology students by reducing clinic time by 500 hours (500 hours x \$14.26) and over \$11,500 in the pockets of barber students by reducing hours by 800 hours (800 hours x \$14.41). This is significant when current programs can cost up to \$28,000 per year according to the most recent Ohio State Cosmetology and Barber Board Annual Report.
- d. MA, NY, VT, TX, CA (2021) and VA (2022) are already at 1,000 hours. NY and MA have been there since the 1940s. VT, TX, CA, and VA just lowered hours to 1,000 in the last few years. Other states reducing hours in the last few years include CO, ID, KY, MT, NE, OR, RI, SD. When Ohio moved from 1,800 to 1,500 KY followed suit the next General Assembly.
- e. Some will say 1,500 hours is where most states are at so no change is necessary. But, a national study by the Future of the Beauty Industry Coalition (FBIC) concluded that training programs over 1,000 hours do not lead to higher graduation rates, licensure rates or earning potential. So, why would the state mandate more?
- f. According to the Institute for Justice, barber clock hours are already at or below 1,000 hours in the following states: AL, CT, MA, MO, UT, VT, WI, WA, WY are already at 1,000 hours. ID and NJ are at 900 hours. NH is at 800. NY is at 228 hours with additional apprenticeship requirements.
- g. Compare these state licensure requirements to the following: It takes an EMT-Tech 150 hours or a full paramedic 800 hours to save your life; It takes 120 hours to become a licensed realtor to help make the largest financial decision for most families; or 40 hours to obtain a private pilot’s license.

- h. Some opponents claim that lowering clock hours will reduce federal student aid. However, according to the U.S. Department of Education non-degree (certificate) programs of at least 600 clock hours are eligible. Pell grant funds are available on a per hour basis regardless of the state requirements. In addition, the total program hours cannot be more than 50% of state required minimum hours. This means existing programs can choose to remain unchanged and the student, if eligible due to income and other factors, can qualify for up to 1,500 hours of funding. The only change is 1,000-hour programs can compete with existing programs due to the lowering of state required hours before licensure and existing programs don't want the competition.

2) Implements pre-graduate testing for all licensees

- a. This provision ensures that each student can take the state licensing exam before graduation in case they fail, so they can retake the exam.
- b. The following states have a similar provision in state law today: IL, IN, NJ, NC, PA and TX.
- c. According to the 2022 Ohio State Cosmetology and Barber Board Annual Report there were 2,648 students (~15%) that were a no-show for their examinations.
- d. The Report also noted that student loan default rates for cosmetology students across the state can be as high as 22.7% while barber student loan default rates can be as high as 13.9% (but most didn't even report a percentage). That is between 1 in 5 to 1 in 4 students defaulting on student loans.
- e. There are no accreditation risks for schools utilizing pre-graduate tests. Accreditation is not based on hours, but rather the quality of education. Schools should be focused on students successfully completing its program, graduating, passing the licensing exam and obtaining a job in cosmetology or barbering.
- f. OSA wants every student graduating from a public or private cosmetology or barber program to have a job before graduation. However, that will require schools to collaborate with salon owners regionally to make sure there is full employment in the beauty industry.

3) Provides for out-of-state license recognition (license mobility)

- a. This provision would replace the reciprocity language in HB 542.
- b. AZ, FL, and IL already provide full license mobility.
- c. Opponents argue that students will not have reciprocity with other states, but this is not true. Each state has different requirements and include experience and testing. PA is a 1,200 hour state that has no issues with people coming from NY or Ohio to work and pay taxes.
- d. In addition to this provision the Board could adopt a national test used by other states which results would satisfy other state's testing requirements. The National Interstate Council of State Boards of Cosmetology (NIC) have such tests.

- e. Currently licensees from out of state must sit for Ohio's state licensing exam. This language follows states that have passed similar license recognition/endorsement laws. It also says to those with out of state licensees in good standing "Welcome to Ohio. We are glad you are here and want to work and/or raise your family."

4) Provides for distance learning as well as practical and written testing around the state rather than in Columbus (Grove City)

- a. This provision would permit practical exams to be administered by schools and written examinations administered through regional/local testing centers, like Prometric. An alternative would be for schools to attest to the career technical skills that they train students on further removing a barrier to entering the workforce.
- b. The testing provisions will eliminate the additional hurdle for future licensees of the time and expense to travel to Columbus to take their state licensing exam. Many may have already amassed \$15,000 to \$40,000 in student loan debt – transportation to Columbus should not be an additional obstacle to getting them licensed and into the workforce.
- c. The board has given the schools terrific direction and latitude as part of the school licensing process. Certainly, the school's instructors are in a better place to attest to the student's competency in those areas that are being tested in Columbus through the practical portion of the examination.

Compromise is key to good legislation. This bill combined with the **SB 133** provisions advances the cosmetology and barber profession for schools, salons, licensees, but most importantly future students entering the profession. The bill certainly doesn't include everything on our wish list, including an apprenticeship track, combining both statutes (4713 and 4709) into one, clarifying safety razor use or a sliding scale surety bond requirement for private schools just to name a few. But, **Am. Sub. HB 542** is a major advancement for our state in this area of the law and will help future students enter the profession with fewer barriers.

The doom and gloom opponents may argue against making these changes has not happened in the states that have already made them. We've provided the legislature with good facts and data while opponents use fear and speculation to stop change from occurring. We actually were the first state in the union to propose these changes over 6 years ago. Let's not be the last state in the union to adopt them. Future students will be better off if this bill becomes law.

Chairwoman Roegner and members of the committee thank you for the opportunity to provide proponent testimony on including the provisions of **SB 133** into **HB 542**. I would be happy to answer any questions.