



HOUSE BILL 238 – REGARDS OCCUPATIONAL REGULATIONS

INTERESTED PARTY TESTIMONY

OHIO HOUSE STATE & LOCAL GOVERNMENT COMMITTEE

DECEMBER 12, 2023

Chairwoman John, Vice-Chairman Dean, Ranking Member Brennan, and members of the Ohio House State and Local Government Committee, thank you for the opportunity to provide testimony on House Bill 238 on behalf of the nearly 21,000 members of the National Federation of Independent Business in Ohio. My name is Cameron Garczyk and I serve as the Assistant State Director for NFIB in Ohio.

For reference, NFIB is a small business trade association founded 80 years ago that is dedicated to representing the interests of small and independent businesses across our state and nation. Our mission is to promote the right of our members to own, operate and grow their businesses. NFIB members come from all industry sectors and each of the 88 counties across Ohio. Our average member has 20 or fewer employees and has less than \$2 million in annual gross receipts.

NFIB applauds the work of the sponsors of HB 238 and this committee as you look to modernize and streamline Ohio's occupational licensing. An in-depth study on this topic is long overdue and we look forward to the legislature adopting a final product that includes meaningful reforms. One reform for which we have long advocated and that we hope to see this committee add to House Bill 238, is a reduction in the minimum hours of training for barbers and cosmetologists to earn licensure in Ohio. If enacted, this measure would be a proactive step in modernizing Ohio's licensure system for the barbering and cosmetology industry. NFIB's interest in this initiative is to ensure that our laws are not overly burdensome and serve as barriers to individuals pursuing their passions.

Numerous states across the country have already instituted a reduction of required classroom hours for this industry. In fact, three of the four largest states in the nation require fewer hours than Ohio. California and Texas recently reduced the required hours for cosmetologists to 1,000, whereas New York

has been at 1,000 hours since the 1940s. This committee's recent report included a recommended reduction in hours for barbers from 1,800 to 1,500 and cosmetologists from 1,500 to 1,260. Legislation NFIB supported in multiple previous General Assemblies has proposed reducing the hours to 1,000 for both licenses which would put us in line with at least 17 states at that level for one or both.

One important point is that a discrepancy currently exists in Ohio based upon where an individual receives their education with respect to the number of hours that must be accumulated. While seeking training at a career tech school or public institution, one needs to acquire 1,125 hours of training and education to fulfill requirements for licensure consideration. However, should one enroll and attend a private school, that individual is required to obtain 1,500 hours. This discrepancy seems illogical and begs the question as to why Ohio requires students to stay in private schools longer, potentially racking up more debt to pay their tuition, as a prerequisite to obtaining licensure? Studies have shown that requiring more hours to earn a license does not equate to increased earnings potential.

By reducing both barbering and cosmetology training hours, students will have an opportunity to earn a living and pursue their passion in a less time-consuming manner and at a cheaper overall cost. Salon and barbershop owners will benefit by having a larger candidate pool and individuals just beginning their trade will be able to earn a salary quicker and be saddled with less debt for their futures.

Requiring fewer hours and thus lowering total educational costs, could spur more prospective students to enter this field. As everyone in this room is aware, we are currently facing a staffing shortage of immense proportions in Ohio and nationally. NFIB's most recent national monthly jobs survey found that 40% of our members have job openings they cannot fill. ¹

We fully understand and agree that health and safety are paramount when it comes to providing these types of services. Business owners have no incentive to hire individuals who are not properly trained in the correct protocols and lower the quality of their workforce standards that could lead to legal liability. A reduction in the minimum required hours would not change any safety or health requirements that students must learn to comply with state law. Another important point to note is that such a reduction simply establishes a new floor, it does not establish a ceiling. Thus, any school is more than welcome to maintain a higher number of required hours if they so choose.

Moreover, a bill pending in the Ohio Senate, SB 89, also establishes reciprocity for the industry and makes moving to and working in Ohio more attractive. Individuals who are licensed in another state and move to Ohio can begin working immediately and will no longer have to complete additional onerous testing to conduct their trade in the Buckeye State. We urge the committee to consider such reciprocity compact language as well.

It is our hope that by easing the burden of debt for students, we can encourage a greater entrepreneurial spirit in the industry that leads people to start their own businesses. A reduction of hours will pay dividends for students wishing to learn the trade and for salon and barbershop owners who are struggling to hire employees, and thus we urge its incorporation into HB 238. For many, obtaining a cosmetology or barber license fosters the entrepreneurial spirit of starting one's own business. By modernizing Ohio's training requirements, Ohio will send a strong message to these potential new business owners that their skill is needed, valued, and important.

Thank you for the opportunity to provide testimony and I am happy to answer any questions the committee may have.

¹<https://www.nfib.com/foundations/research-center/monthly-reports/jobs-report/>