

Proponent Testimony on SB 89 Senate Government Oversight Committee Tony Fiore, Executive Director, Ohio Salon Association September 27, 2023

Chairman Roegner, Vice Chair Antani, Ranking Member Hicks-Hudson and members of the Senate Government Oversight Committee. My name is Tony Fiore and I serve as the Executive Director of the <u>Ohio Salon Association</u> (OSA). OSA members are individual licensees, independent contractors, barbershop owners as well as salon owners from a single location to several across the state.

Thank you for allowing me the opportunity to provide additional proponent testimony today in support of Senate Bill 89, which proposes Ohio's entry into the Cosmetology Licensure Compact. I previously submitted proponent testimony on the licensure compact part of the bill, so this time I will focus my comments on supporting the hours reduction added to the bill last week.

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 over 135,000 licensees in Ohio. That includes over 13,000 salons (beauty, esthetic, hair and manicuring combined), over 60,542 cosmetology licensees, over 7,000 estheticians, over 300 hair designers, over 14,000 manicurists, over 7,700 barbers and nearly 2,900 barbershops in Ohio. In addition, there are over 21,000 licensees that must pay for an additional independent contractor license to work for themselves as an entrepreneur behind the chair. 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.

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

- a. High school cosmetology programs are already taught 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. Reduce the amount of free labor without compensation on clinic floors 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. **Putting money back in student's pockets** According to the Bureau of Labor Statistics, the median hourly wage for hairdressers, hairstylists and cosmetologists was \$16.01 in May 2022. The median hourly wage for barbers during the same time was \$16.82. Therefore, adopting this provision you can return over \$8,005 to the pocket of future cosmetology students by reducing clinic time by 500 hours (500 hours x \$16.01) and over \$13,456 in the pockets of barber students by reducing hours by 800 hours (800 hours x \$16.82). This is significant when current programs

can cost just under \$26,000 per year according to the most recent Ohio State Cosmetology and Barber Board Annual Report.

- d. *Lowering cosmetology hours* 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 our lead and did so in 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. Lowering barber hours 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 the 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 that 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.

In conclusion, I urge you to support Senate Bill 89 and Ohio's entry into the Cosmetology Licensure Compact with the hour's reduction. I would also suggest the following changes to hours to be consistent with our position in the past.

- 1. Reduce the hair designer license from 1,000 to 800
- 2. Reduce the additional hours required for a cosmetologist to become a barber from 1,000 to 400.
- 3. Reduce the additional hours required for a barber to become a cosmetologist from 1,000 to 400.

This legislation will enable licensed cosmetologists to work in different states without delay or onerous bureaucracy, benefiting not only military families but also professionals seeking to expand their career opportunities. By embracing this initiative, Ohio will join a growing number of states in facilitating workforce mobility, promoting economic growth, and ensuring a fair and efficient regulatory environment for cosmetologists.

Thank you for your time and consideration.