

Opposition Testimony on HB 189
Before the House Government Accountability and Oversight Committee
Patrick J. Thompson
June 19, 2017

To: Chairman Blessing, Vice Chairman Reineke, Ranking Member Clyde and Members Faber, Ginter, Greenspan, Kelly, Kennedy Kent, McColley, Pelanda, Seitz, Smith and Sweeney of the House Government Accountability and Oversight Committee.

My name is Patrick J. Thompson and I am writing to offer my strong opposition to House Bill 189.

I have been involved in the beauty industry for over 23 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 and the Aveda Institute Columbus, a cosmetology school located on the campus of The Ohio State University. These two businesses employ approximately 170 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 189 in all aspects, however I would like to address a few key issues that cause me the greatest concern. They include: 1) the negative impact on the portability of an Ohio cosmetology license; 2) the increased financial burden on small business; and 3) the disproportionately negative impact on women.

NEGATIVE IMPACT ON PORTABILITY OF AN OHIO COSMETOLOGY LICENSE

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 30 states without the need of investing in any additional education. If HB 189 becomes law, newly licensed cosmetologists in the State of Ohio would be left with being able to transfer to only 2 states - New York and Massachusetts. HB 189 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 28 states if HB 189 becomes law.

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 189 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 beauty professional 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 189 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.

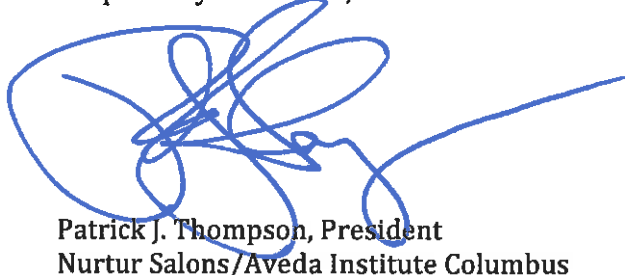
DISPROPORTIONATELY NEGATIVE IMPACT ON WOMEN

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 189 argue that the “common sense reforms you are considering in HB 189 are necessary to position the Ohio cosmetology industry for survival” the truth is that HB 189, 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 189 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.

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

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'Patrick J. Thompson', with a long horizontal line extending to the right.

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