

Proponent testimony for HB 399, House State & Local Government Committee, January 29, 2020 – Chairman Wiggam, Vice Chair Stephens, Ranking Member Kelly, on behalf of Americans for Prosperity - Ohio, I thank you for this opportunity to testify in favor of House Bill 399, a bill that would make a number of changes to barbering and cosmetology-related government occupational licenses. My name is Jeff Dillon, Legislative Liaison for AFP – Ohio's state chapter.

While AFP ultimately believes that government should focus on less onerous and more effective oversight professions rather than serving as the gatekeeper for so many government licenses, HB 399 makes some improvements over the status quo and remains complimentary to the broader sunset review of licensure that is now a recurring process in our state thanks to the enactment of SB 255 in January 2019.

Changes that would occur with enactment of HB 399 include:

- Reduces training for barbers, cosmetologists, and hair stylists by hundreds of hours with a chance for taking examinations ahead of completing training hours as well
- Establishes an apprenticeship program for cosmetologists and barbers
- Consolidates barber licensing into cosmetology to remove some redundancy in boards
- Reduces independent contractor licensure to a lesser form of registration
- Consolidates salon licensure instead of requiring separate licenses
- Creates an intermediate cosmetology license for individuals in training to practice more quickly
- Creates a special event permit for barbering and cosmetology services to be practices outside of a salon
- Institutes potentially higher fees charged by the cosmetology board in some instances as well as stricter limitations in re-issuing expired and other inactive licenses.

Although some provisions related to potentially higher fees and less flexibility in re-issuing licenses are cause for some concern, the positive aspects of this bill appear to outweigh these concerns on net.

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 ineffective at addressing public health and safety concerns. As we continue to drive internal occupational licensing reform, we urge you to please support HB 399 to reduce some of the burdens our aspiring cosmetologists and barbers face.

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.