

Proponent Testimony in Support for SB 133 May 4, 2021

Chairman Rulli, Vice Chair Lang, Ranking Member Sykes and members of the Senate Small Business and Economic Opportunity Committee: Thank you for the opportunity to present proponent testimony on SB133. My name is Gordon B. Logan, I am the Chairman/Founder and former CEO of Sport Clips, Inc. We have seventy-three franchised, locally owned and operated locations in Ohio which employ over 700 licensed cosmetologists. I want to express my support for the cosmetology reforms contained in SB133.

Occupational licensing has been an area of intense scrutiny the past few years, and with good reason. The White House White Paper on occupational licensing issued in 2015 documented the many discrepancies between states in requirements for licensure, and the explosion of licensure requirements over the past decades.

There were seventeen states (including Ohio) that had a requirement of 1,000 hours prior to the passage of the 1965 Higher Education Act which opened the federal Title IV loan program for higher education, including cosmetology. Since that time, schools in fifteen states successfully lobbied their state legislatures to increase the requirements for licensure. Until recently, there were only two states (New York and Massachusetts) at 1,000 hours; recently Texas and Vermont successfully reduced their hours from 1,500 to 1,000. An oddity is that many states have high school cosmetology programs that only require 1,000-1,200 hours to earn a cosmetology license, even in states that require 1,500 hours (including Ohio at 1,125 for high school programs).

In 2015 a coalition of industry trade associations (which included the American Association of Cosmetology Schools and both major cosmetology text book publishers) commissioned a study to determine if there was any difference in the outcomes of programs of differing lengths, from 1,000 hours to 2,000 or more. (Yes, there is that much difference from state to state.) That study documented that there is no benefit to students to attend a program longer than 1,000 hours; yet longer programs serve as a barrier to entry into the profession, which adversely affects disadvantaged minority and low-income populations disproportionately.

That is the basis for SB133. It is not right for the state to mandate that those who wish to practice cosmetology attend a program longer than 1,000 hours. Longer programs cost more. take longer to complete, and produce no tangible benefit to the graduates: No difference in graduation rates, pass rates on the state exams, or earnings after graduation. But longer programs do result in much higher student debt and delay the entry into the profession where graduates can earn a living and pay taxes.

Thank you again for the opportunity to provide written proponent testimony on SB133.

Gordon B. Logan, Chairman/Founder

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Sport Clips, Inc.