Time to Trim the Burden of Ohio's Cosmetology Licensing Requirements

Interested Party Testimony Ohio Senate Government Oversight and Reform Committee Ohio House Bill 542

> Greg R. Lawson, Research Fellow The Buckeye Institute

> > November 30, 2022

As Submitted

Thank you, Chair Roegner, Vice Chair McColley, Ranking Member Craig, and members of the Committee, for the opportunity to submit written testimony regarding the policies in Ohio House Bill 542.

My name is Greg R. Lawson. I am a research fellow at **The Buckeye Institute**, an independent research and educational institution—a think tank—whose mission is to advance free-market public policy in the states.

House Bill 542 helps address Ohio's over-licensing problem and will continue the important legislative effort already underway to lower barriers to entry to Ohio's salon industry by lowering the required hours of education required to obtain a cosmetology license from 1,500 to 1,000 hours. This will bring Ohio into line with a growing trend around the nation.

Ohio cosmetologists must complete 1,500 hours of training under Ohio law—that's 250 hours more training than their peers in **Pennsylvania** and 500 more hours than hairdressers in **New York**, **Texas**, and **Vermont**. Such an onerous training requirement proves laughable when compared to the 150 hours of training required to be a state certified emergency medical technician. With Ohio currently requiring cosmetologists to have *10 times* the training of basic EMTs, the case for licensing reform doesn't get much clearer.

Of course, Ohio's over-licensing problem extends well beyond the local hair salon. The Buckeye Institute's report *Forbidden to Succeed: How Licensure Laws Hold Ohioans Back* revealed that Ohio's occupational licensing burdens are well above average. Of Ohio's 31 moderate-income occupations requiring licensure, 15 require hundreds or thousands of hours of training. Remarkably, nearly every Ohio license that requires training can be earned in less time in another state. The state certainly needs to require appropriate training and licensing for jobs with health and safety concerns, such as physicians and pilots, and no one disputes this. But such concern fades dramatically when applied, for example, to auctioneers, travel guides, and hairdressers.

Onerous licensing burdens—essentially requiring workers to ask the government for a permission slip to earn a living—make Ohio less competitive, less prosperous, and less attractive to entrepreneurs and their employees. Extensive licensing requirements only make finding a job more difficult. Every unnecessary license is a red-taped hurdle that must be cleared. Every hour of unnecessary, unpaid training needed to satisfy bureaucratic requirements is an hour not spent earning tips, impressing a boss, serving a customer, or climbing a corporate ladder. Those are hours of productivity, hours of opportunity that young, low-income workers sorely need, but that the state continues to take away.

Even more concerning are the daunting employment prospects faced by many in Ohio's minority communities. Nationally, the unemployment rate among African Americans has improved in recent years but remains stubbornly **higher** than among other demographics. Cosmetology and the salon industry are projected to grow, creating new opportunities for work and careers in the profession. Reforming Ohio's cosmetology licensing regime will make it easier for African

Americans to enter this up-and-coming profession and alleviate unemployment in minority communities.

House Bill 542 advances the state's anti-red-tape reform effort and will remove at least some of the occupational licensing obstacles faced by Ohio's working men and women.

Thank you for allowing me to submit written testimony on House Bill 542.



About The Buckeye Institute

Founded in 1989, The Buckeye Institute is an independent research and educational institution – a think tank – whose mission is to advance free-market public policy in the states.

The Buckeye Institute is a non-partisan, non-profit, and tax-exempt organization, as defined by section 501(c)(3) of the Internal Revenue code. As such, it relies on support from individuals, corporations, and foundations that share a commitment to individual liberty, free enterprise, personal responsibility, and limited government. The Buckeye Institute does not seek or accept government funding.



WG5. I LINE TO THE STATE OF THE