WPRI President Mike Nichols' Testimony on Professional Licensure for

Senate Committee on Public Benefits, Licensing & State-Federal Relations

Mr. Chairman, members of the committee, I'm Mike Nichols. I'm the president of the Wisconsin Policy Research Institute. I think most of you on the committee are familiar with WPRI. We are a nonprofit, nonpartisan 501(c)(3) guided by the belief that free markets, individual initiative, limited and efficient government and educational opportunity are keys to economic prosperity and human dignity.

We've been researching and writing about policy in Wisconsin for 30 years. Our funding comes from a wide variety of sources, including foundations such as the Bradley Foundation, Wisconsin businesses and individuals who share our concerns about and hopes for our state. Our goals are simple: at a time when too many people are not sharing in the economic gains of recent years, we want to make sure everyone has the opportunity to better themselves, contribute to their community and support their family.

That's why I so appreciate the chance to provide you with some information on an issue of great interest to so many Wisconsinites: how to make sure everyone who wants to work or start or run a business can do so without undue government interference.

Unfortunately, right now in this state, far too many Wisconsinites are unable to do that. You can read about some of them in the publication we're releasing today: "Government's love for licensure." In fact, you can quickly download an app to scan one of the QR codes in the report and watch videos of folks who aren't asking for anything from the state government that you run — except for one thing: they just ask that the state please stop putting obstacles in their way.

You'll find the story of Cassie Mrotek, who spent \$16,000 and a year of her life getting a certificate from a cosmetology school in Florida and put in 1200 hours of training before moving back to Wisconsin – only to be told, in essence, she's not good enough to cut hair in our state. Let's set aside for a moment the unfairness of this situation for Cassie herself, who I think we can all agree is utterly qualified, and look at the absurdity of the bigger picture. We're have a skills-drain and a brain-drain in key parts of this state. According to Brookings Institute statistics released just last week, net domestic out-migration from the metro Milwaukee area in 2015-16 – that's the number of people moving out of the area to someplace else in the United States in comparison to the number moving in from elsewhere in the United States – was over 11,000 people. 11,000 more people moved out than moved in. By the way, you know where a lot of them go? They go from the Snow Belt, places like Milwaukee, to the Sun Belt – places like Florida. Like Cassie did.

So here we have just one person dying to come back and be productive and work and we're essentially saying "Nah, you need to jump through some more hoops before we'll let you be really productive. You're not good enough." We spend a

lot of time in this state wondering how to create opportunity. How about just not destroying opportunity?

And what about Krissy Hudack? Krissy, a resident of Iron River up north is profiled in our report as well. She is exactly the sort of person we need in this state. Bought a small business in a small town where most folks don't make a lot of money — a hair salon that is an integral part of that community. The only problem: The manager of her salon moved on not long after Krissy bought it — and the state then told her that in addition to her cosmetologist license she has to put in 2,000 hours of practical training at another salon in Ashland and take 150 hours of coursework plus pass a manager's exam in Eau Claire. She calls it "robbery." She's been working for two years without a paycheck, and, on top of that, feels that she is getting "nickeled and dimed" by the state of Wisconsin.

And why?

We asked Capital Policy Analytics to help shed some light on that question. Please read their report. In a paper called "Occupational licensing in Wisconsin: Who are we really protecting?" Ike Brannon and Logan Albright point out that licensure ostensibly exists for two reasons: to protect the public from health hazards or scams. This is entirely appropriate in some instances. One hundred years ago there were only 14 professions that required licenses and they were mostly medical-related. That seems appropriate. But they point out that the state of Wisconsin has had an enormous growth in licensed jobs and professions, especially in the last couple decades. From 1996 to 2016, the number of licensed

professions increased by 84 percent. Total population grew at only 10 percent during this 20-year period.

Today, a thorough reading of the Department of Safety and Professional Services' database yields 207 different licensed occupations, divided up into the categories of Business Professions, Health Professions and Trades Professions. In addition, the Wisconsin Department of Agriculture, Trade and Consumer Protection lists an additional 140 categories for licensed professional activities.

An exhaustive look at every licensed profession is not possible here, but some examples that stand out include auctioneers, landscape architects, interior designers, geologists, manicurists, juvenile martial arts instructors, Christmas tree growers, firewood sellers and the particularly bizarre peddler's license. For nearly all licenses, the Department of Safety and Professional Services requires hundreds – sometimes thousands – of hours of training, hundreds of dollars in application fees, at least one exam and a waiting period that could range anywhere from several days to many months before a license is issued.

Are all these folks really a threat to our health? Do they really need to go to such elaborate lengths to prove they aren't going to somehow harm the rest of us? And if someone somewhere gives somebody a bad manicure or a lousy haircut nowadays isn't Facebook or Yelp going to hold that business accountable more effectively and long before the government of the state of Wisconsin does? A simple Internet search of a company often will provide more relevant information than anything provided by the state. Illegal or unethical activity is only a social

media post or smartphone photo or video away from 10,000 views and a windfall of poor publicity, negative public feedback and a probable loss of business. The market will invariably react more quickly than a government agency.

If a bad haircut were a danger to a person's health, my dad would have been locked up forty-five years ago for the lousy crewcuts he gave me. Lucky for him he's still alive and not living in the state of Wisconsin.

There's no absolutism here. Yes, sometimes the government is needed to safeguard the citizens to whom it belongs. But far too often, according to our authors, there appears to be another motive. Simply put, the authors believe that the steady increase in professional licensing is being driven by both the well-intended but excessive growth of government and a desire to protect incumbents from competition. Please read our report. We went through a bunch of complaints to the Wisconsin Department of Safety and Professional Services and – guess what – a lot of them have nothing to do with concerns about unsafe practices. They come from people who already have a license, who were forced to jump through the state's hoops, and want to make sure other people have to do the same thing. They're explicit about it:

- You'll find the story of an auctioneer who complained that somebody he said was not licensed was undermining "the properly licensed auctioneers of this region and impact(ing) our ability to compete and earn a living." The complainant wrote that he was seeking action "from the state to protect our investment in business and our profession."
- You find an example of a barber in Green Bay lodging a complaint against a
 potential competitor who apparently did not have the right license. "I feel

You'll find a complaint lodged against a young mom in Cumberland, Wis., working out of her home doing nails, hoping to bring in a little extra cash. She'd posted her pitch, along with photos showing her work, on the internet and was upfront about not being licensed. She described herself as "a stay-at-home mom looking for something to do and people to talk to." I don't know if she got any customers but she did get a complaint filed against her with the Wisconsin Department of Safety and Professional Services.

The more license requirements, the fewer practitioners. This, we believe, translates into fewer jobs and higher prices – and, of course, more money for government through licensing costs.

So consumers suffer. Folks trying to keep businesses running suffer. And people without jobs who are fenced out – often folks from lower income communities without a lot of start-up cash or access to good schools – suffer as well.

We support efforts in Madison to create an Occupational Licensing Review Council to examine which license and ongoing training requirements are necessary to protect Wisconsin's citizens and which are damaging. You'll find a rough framework for differentiating between the two in our report. But in the meantime, we ask that you please consider the impact of the rules and regulations on people like Cassie and Krissy and so many others.

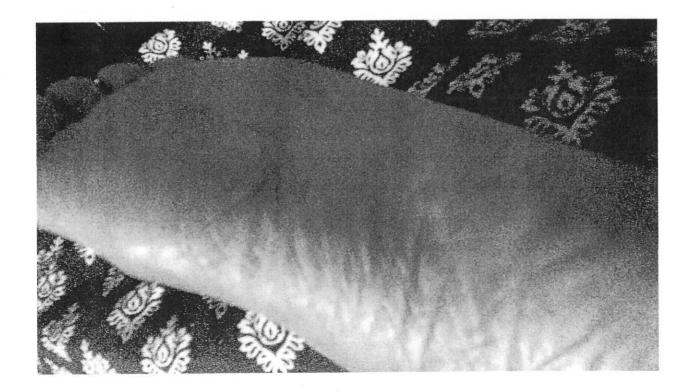
Occupational licensing does sometimes provide benefits to society — peace of mind, a modicum of safety and an assurance of competence, for instance — but this comes at a cost. The urgent need for reform is clear. We believe it is time to ask whether licensing regimes are the most expedient way to assist consumers seeking the services of occupations where there is no valid threat to health and safety.

Thank you.

My name is Tammy Howard and I am an MATC Cosmetology Student. I am opposed to SB108, SB109, AB 164 and AB 167 because the proposed legislation:

- 1) Undermines important consumer health and safety standards for consumers like myself and the public. As a student at MATC, I will be graduating in May. My program completion was almost brought to a stopping point after receiving a pedicure service at a nail shop in my neighborhood by whom I believe was an unlicensed practitioner. Within 48 hours of my pedicure I experienced redness, itching and swelling in both of my feet and my lower legs. After being treated by a doctor in urgent care, my legs and feet became so swollen that it affected me while walking, standing and putting on my shoes. I followed up with my doctor learning that I had an infection called cellulitis which I had just learned about in a new class I had started called Nail Services. I am still under the care of my doctor to monitor my lower legs and feet. I've recently completed my Nail Services class and my instructor was very knowledgeable in safety and sanitation and taught me skills on how to provide services once I graduate that offers consumer confidence with an emphasis on safety and sanitation.
- 2) Reducing the hours of the cosmetology program from 1,550 to 1,000 will make the program harder and even more fast paced than what it already is. In the program now, we take a new set of classes every 8 weeks Monday through Friday and it's a lot of information and hands on experience. Reduction of the hours will only make it seem easier for future students, but as a student I can tell you that it will be more work and the quality of education will be compromised.









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April 6, 2017

Dear Chairmen Kapenga and Horlacher, and members of the Senate and Assembly Committees,

Thank you for the opportunity to testify about SB 108 and SB 109. We are Collin Roth, a Research Fellow with the Wisconsin Institute for Law & Liberty, a not-for-profit law and policy organization in Milwaukee and Dr. Will Flanders, the Research Director at WILL.

We appear before you for informational purposes. We – and the Wisconsin Institute for Law & Liberty (WILL) take no position on the legislation under consideration. We are, however, here today to discuss two studies we have authored on occupational licensing in Wisconsin, why it is a problem, and its cost to the economy. Copies of these studies are available upon request.

An Overview of Licensure Growth in Wisconsin

Occupational licensing reform is critical to expanding economic opportunity – particularly for low and moderate income workers. Licenses, or state permission slips to work in certain regulated professions, have seen dramatic growth in recent decades. In 1950, just 5% of workers required a license to work in the United States. That number today, nationally, stands at 25%.

The State of Wisconsin requires hundreds of different government credentials for hundreds of thousands of Wisconsinites who simply want to work. They range from pharmacists, dentists, and physicians, to auctioneers, dance therapists, interior designers, and sign language interpreters just to name a few. Wisconsin also places burdensome requirements on many low and moderate income jobs like barbers, cosmetologists, and manicurists.

We charted the growth of licensing in Wisconsin over the last 20 years at the Department of Regulation and Licensing (R&L) and its successor, the Department of Safety and Professional Services (DSPS). Since 1996, license types regulated by R&L and DSPS have grown by 84%. The number of license holders has grown by 34%. DSPS alone now regulates more than 440,000 credential holders in Wisconsin.

Occupational licensing isn't just inconvenient or, in some cases, unreasonable. It carries a real cost to the economy.

According to DSPS, from 2015 to 2016, the agency collected more than \$19 million in initial and renewal fees for more than 240 different regulated credentials. This is a \$19 million transfer from workers and employers to the state.

In addition, a formula devised by Dr. Morris Kleiner at the University of Minnesota estimates that **DSPS** licensing results in 31,000 fewer jobs and approximately \$1.9 billion in higher consumer costs.

But there is reform momentum. Occupational licensing reform is increasingly a bipartisan issue, as it is today with these two bills. Advocates for reform include conservatives who favor a free market, and

progressives concerned about the poor. The Obama Administration, and the Koch Brothers. As well as Democrat and Republican legislators, and governors around the country.

Beyond diagnosing the problem and charting the growth of licensing, WILL recently undertook the task of finding objective evidence to see whether licensing requirements affect employment. Last month, we released a study that concluded that states with burdensome licensure requirements have significantly lower employment in the regulated professions we studied.

Quantifying the Cost of Burdensome Licensure

We gathered data on the number of people employed in ten professions, most of which represent high-quality careers for people with less than a four year college degree. These careers included manicurists, pest control workers, and locksmiths, as well as the focus of this bill, cosmetologists. We then gathered data on the difficulty of licensure in each state, including factors such as the fees required to get the license, whether exams are required, and any experience or training requirements. We combined this data into something we called the "Red Tape Index."

The Red Tape Index can be thought of as representing a comprehensive, objective measure of the difficulty of licensure in each state. On this Index, regulation in Wisconsin exceeded the national average for EMTs, aestheticians, veterinary technicians, and cosmetologists. Wisconsin has the third most onerous licensure laws of any state in the country overall, and all of Wisconsin's neighbors have easier licensure processes for the ten occupations we examined than in Wisconsin. In cosmetology, Wisconsin ranked as having the 11th most burdensome licensure of any state.

Do these laws have an impact on employment? To determine this, we conducted an econometric analysis including other control variables that could plausibly relate to the number of people employed. *We find, unequivocally, that burdensome licensure costs jobs*. Across the country, we estimate a cost in employment of about 6.6% in these occupations.

Because Wisconsin's licensure requirements are burdensome, the effects are even more substantial here. If Wisconsin dropped some of its licensing requirements to meet the national average, we estimate the state could realize a 2.2% increase in employment in these jobs. If Wisconsin dropped its licensing requirements further to that of the least restrictive licensing practices in other states, we estimate the state could realize a 7% increase in employment in these jobs.

This study is not the only one to reach this conclusion. A 2016 study by the Beauty Industry Working Group, a group of licensure advocates, researched the effect of differences in cosmetology licensure around the country. They found a strong and negative relationship between cosmetology licensure requirements—in the form of curriculum hours—and employment rates. In fact, the Beauty Industry Working Group, could not conclusively find evidence that lengthy curriculums increased safety.

While our study did not address it, there is very little academic evidence showing that stringent licensure results in an increase in quality or safety for that profession. A review of academic studies by the Obama Administration, supporters of licensure reform, found in 10 of 12 studies there was no effect on health, safety, or quality of services delivered with stricter licensing requirements.

Real-word Impact of Burdensome Licensure

Occupational licensing reform can take many shapes. It doesn't have to simply be licensed or unlicensed. It is our hope for the members of this committee, that as you consider these bills before you that you consider the other side of the ledger. Occupational licensing has costs to workers and consumers. Above

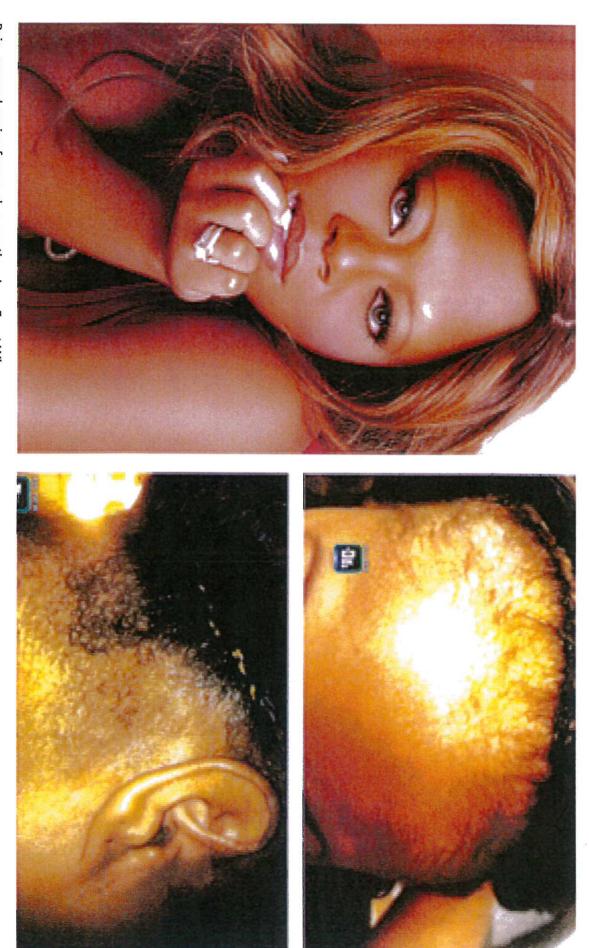
all, it "Fences Out" opportunity for countless people who look at the hurdles and red tape and decide they cannot afford to pursue their dreams.

Thank you for your time. We would be happy to answer any questions you have.

Sincerely,

Collin Roth Research Fellow Wisconsin Institute for Law & Liberty collin@will-law.org

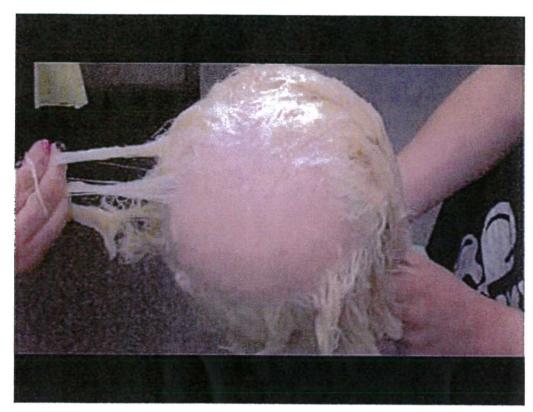
Will Flanders, Ph.D. Research Director Wisconsin Institute for Law & Liberty flanders@will-law.org



Pain, pus and oozing from a glue reaction. Lace Front Wig

Glue damage from a lace wig installation.





Damage From Bleach and Chemical Relaxer



Tinea Barbe and Captis

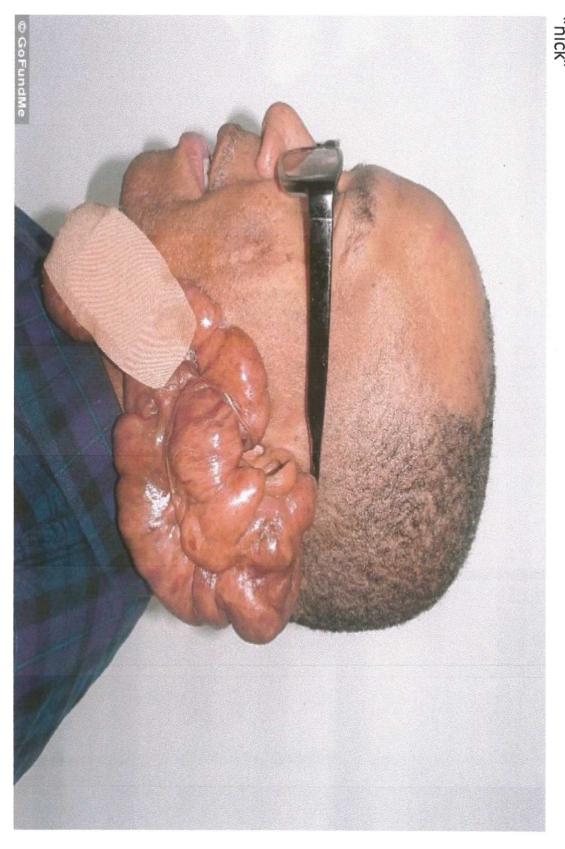


Pediculosis

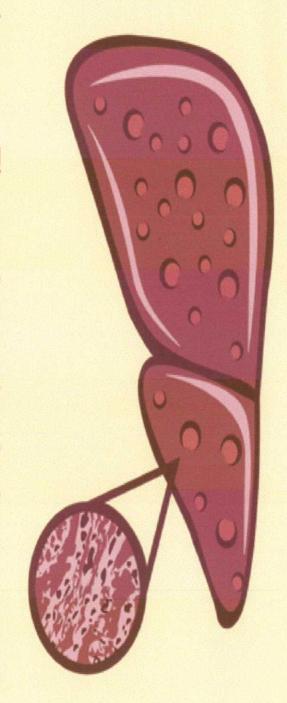




Keloids from shaving "nick"

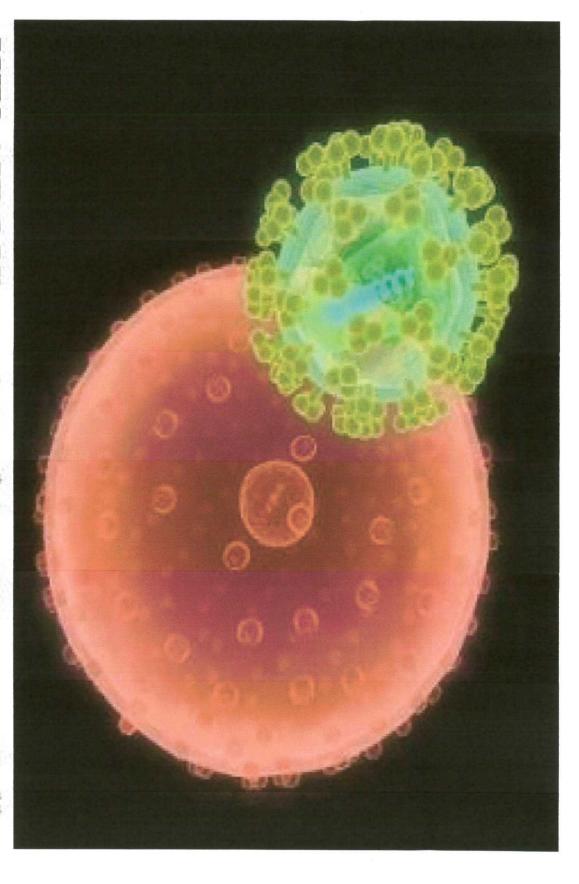


Hepatitis C, or "hep C," is an infection that causes liver inflammation.





infected person. is contact with the blood of an The main method of transmission



HIV-AIDS Virus Attacking Human Cell

Testimony of Ester Powell, Cosmetologist Manager

In favor of SB-108 and SB-109

April 6, 2017

Thank you Mr. Chair for hearing these bills today. I also want to thank Sen. Kapenga, Sen. Taylor, Rep. Kooyenga and Rep. Kleefisch for leading the charge to break down barriers to entrepreneurship in my industry. I've been in the cosmetology industry since 1969. I was fortunate enough to be able to obtain the licensure to manage my own business. However, I have also seen licensure requirements as the biggest barrier to the stifling of entrepreneurship.

I hope everyone would have the same opportunity that I have had in my life. Unfortunately, Wisconsin's current law does not accomplish this. I've been blessed to specialize in coloring. I've worked with celebrities like Cher, Wisconsin athletes, members of the faith community and members of Milwaukee's business community.

I have had these great opportunities. But I also recognize many others do not because of these licensure requirements. I am asking you to vote in favor of these bills so that others can have the same great opportunity that I have had to contribute to our community as an entrepreneur.

Ester Powell, 6542 N. 51st Street, Milwaukee, WI, 53223.

Testimony of Gaulien Smith, owner of Gee's Clippers

In favor of SB-108 and SB-109 *April 6, 2017*

Thank you Mr. Chair for hearing these bills today. I also want to thank Sen. Kapenga, Sen. Taylor, Rep. Kooyenga and Rep. Kleefisch for leading the charge to break down barriers to entrepreneurship in my industry. As the owner of Gee's Clippers, I've trained over 100 individuals and currently supervise dozens. Additionally, I've reached out to at least 25 other individuals in my industry not under my employ who agree that we need to get rid of these licensure requirements.

In the 23 years I've been in this business, I have seen firsthand how Wisconsin's licensure requirements stifle entrepreneurship. In a city that has a tremendous racial disparity in unemployment of African Americans, this industry could have a major impact in people's lives if we open up the opportunities.

I have cut hair for Wisconsin's elite professional athletes, including players on the Brewers, Packers and Bucks as well as esteemed leaders in Wisconsin's faith community. My shop is a frequent stop for celebrities and neighbors alike. On any day, you may see members of our community mingling with people like Rev. Jesse Jackson, Jr. Barber shops in the black community are more than just a place to get your hair done, they are a gathering place that improve our communities and help make them safer.

I've been blessed in life and my career. I ask you to pass these bills today because they will open the doors of opportunity to bless countless others that don't currently have the licensure opportunity to grow employment in our communities.



HERE TO SERVE YOU!

Testimony of State Senator Lena C. Taylor Senate Committee on Public Benefits, Licensing and State-Federal Relations Assembly Committee on Regulatory Licensing Reform April 6, 2017 Senate Bill 108 & Senate Bill 109

Chairman Kapenga, Chairman Horlacher, members of the Committees, thank you for allowing me the opportunity to testify on Senate Bills 108 and 109, and thank you especially to Sen. Kapenga for reaching across the aisle and joining with me to author these important pieces of legislation to remove barriers to entrepreneurship in the fields of barbering and cosmetology.

Licensing requirements are important for protecting the health and safety of consumers, but when they create requirements that go beyond what is necessary for protecting consumers, they create barriers for people who want to enter the field that make it more difficult to open their own businesses and begin creating wealth. The barbering and cosmetology manager's license is an example of the latter.

Most hair salons don't operate like traditional businesses, where the barbers and cosmetologists who work there are employees of the owner and have a manager supervising them. Instead, barbers and cosmetologists rent chairs in the salon, and essentially operate as businesses within businesses. Wisconsin's administrative code requires a manager's license to rent a chair, meaning that in most salons, you need to have a manager's license just to work there at all. In fact, in the city of Milwaukee, there are 42 licensed barbering managers but only 37 licensed barbers. These 42 people aren't managing the 37; the only difference between them in practice is whether or not they're renting their chair.

The instructor's license is another barrier to opportunity. A licensed barber can be talented at instructing and mentoring other barbers without formal education and just because someone has more education in barbering doesn't make them a better instructor. But what I've heard from the barbers and cosmetologists in my community is that the challenges are even greater for individuals wanting to become instructors in how to cut and style African-American hair. The issue is that the schools that offer courses that are required to obtain an instructor's license often don't teach classes that are relevant to styling African-American



hair. Not only is this instruction unhelpful in actually learning the trade they want to practice, but the lack of cultural competency in the cosmetology schools can be demoralizing in and of itself, and lead potential instructors to drop out before they're even finished.

Reforming these license requirements will open doors to barbers and cosmetologists to become entrepreneurs and build wealth in their communities, and I urge the committee to support it. Thank you again for hearing these bills.



JOEL KLEEFISCH

STATE REPRESENTATIVE • 38TH ASSEMBLY DISTRICT

Testimony on Assembly Bill 167/ Senate Bill 109

Assembly Committee on Regulatory Licensing Reform Senate Committee on Public Benefits, Licensing, & State-Federal Relations

April 6, 2017

Thank you Chairman Horlacher, Chairman Kapenga, and committee members for hearing testimony on AB 167/SB 109 today. Currently, Wisconsin has one of the highest regulatory burdens in the nation for cosmetologists. Our goal with this bill is to cut red tape, make it easier to do business in Wisconsin, and empower hardworking cosmetologists and barbers to earn a living.

1. Mobile Cosmetology

This bill allows cosmetologists to practice cosmetology outside of a licensed establishment. My constituent, Emma Walczak, came to me with the goal of starting a mobile cosmetology business. Currently, this service is only legal for customers who are homebound or in a hospital, nursing home, correctional institution or other institution. Today, when these services are provided at other locations, such as at weddings, they are done outside the law and are not monitored. If Emma opened her proposed business today, she would be in violation of state law. This bill corrects the issue by legalizing mobile cosmetology, provided she remains affiliated with a licensed establishment. Emma is here today, and she will tell her story in a bit.

2. Manager's License

This bill eliminates the requirement that an establishment have a cosmetologist with a manager's license on staff. Current law maintains that a cosmetologist with a manager's license is needed to ensure compliance with health and safety codes. However, since cosmetologists complete extensive health and safety training as part of their required education, practitioners already have this knowledge. As evidence that a manager's license in not necessary, consider that current law only require a manager be on site 30 hours a week. So what happens during the other times when the manager is not present? Health and safety standards continue to be upheld.

The cosmetology manager requirement was implemented many decades ago to address practices that no longer occur, such as leeching and blood-letting. It is an



JOEL KLEEFISCH

STATE REPRESENTATIVE • 38TH ASSEMBLY DISTRICT

outdated law that no longer serves its purpose. Also, Wisconsin is 1 of only 5 states that offers a manager's license, let alone requires one to operate an establishment.

Later, you will hear from Colleen Filtz and the difficulties she has faced in hiring a licensed manager. After a previous manager left her business, Colleen tried earnestly to find a replacement to no avail. She spent over \$10,000 attempting to comply with the law and nearly lost her business.

To obtain a manager's license, an individual must first work 4,000 hours as a licensed cosmetologist OR work 2,000 hours as a licensed cosmetologist and take a 150-hour course on instruction training. This policy prevents cosmetology school graduates from starting their own business, instead it requires at least two years of employment after graduation. They must also pay a \$75 fee and pass an examination for which, until recently, no study guide existed.

3. Instructor's License

Finally, the bill eliminates the instructor's license, enabling cosmetology schools to determine for themselves who is qualified to teach in their schools. Currently, an instructor's license is needed to provide any instruction in cosmetology. To obtain an instructor's license one must complete 2,000 hours of practice as a licensed cosmetologist OR hold a current manager's license, complete 150 training hours of instructor training, and pass the state instructor's examination.

Even if Wisconsin no longer licenses instructors, students will still learn from quality instructors. Private accreditors all have specific requirements that typically are more stringent than state law. Public colleges can set their own standards and could even use the opportunity to create a certificate program that could send employers a signal of qualifications, but it is a solution best left to the private market.

Cosmetology schools are best able to determine the needs of their students, not a government mandated license. A license does not guarantee quality. I trust schools to best determine what will prepare their students.

To be clear, this bill does not de-regulate the profession. Both practitioners and establishments will still be subject to licensing requirements and health and safety regulations. They also remain subject to disciplinary action for any violations of the law. This bill, however, does provide cosmetologists and aspiring entrepreneurs the opportunity to pursue their careers.



AFP-Wisconsin Supports Removal of Licensing Restrictions on Cosmetologists and Barbers

AB 164/SB108 and AB 167/SB 109 would make it easier for low-income Wisconsinites to enter these professions.

MADISON – Americans for Prosperity-Wisconsin is encouraging state legislators in Wisconsin to support the Assembly and Senate versions of two separate bills, AB 164/SB108 and AB 167/SB 109, all of which would remove some of the onerous requirements currently required in Wisconsin to enter hair styling professions.

In order to become a barber or cosmetologist in Wisconsin, individuals need to pay for expensive classes and 1,550 hours of training are required. A report looking at Department of Education data found that for each 100 days of education, a cosmetology student takes on an additional \$1,440 in debt.

Eric Bott, state director for Americans for Prosperity-Wisconsin issued the following statement:

"Our state's occupational licensing requirements on hair stylists demonstrate a serious barrier to entry for low-income Wisconsinites. While it is important to ensure that workers can safely conduct their professions, we can all agree that thousands of unnecessary dollars and hours stand between many individuals and the profession of their choice. Wisconsin has the most burdensome reciprocity requirements in America, potentially preventing people from obtaining work or starting businesses, including the spouses of military personnel serving in Wisconsin. We ask that legislators in the state throw their support behind these commonsense, bi-partisan reforms."

Approximately 1 in 5 workers in Wisconsin need an occupational license to practice their profession, up from 1 in 20 just a few decades ago. The Institute of Justice ranks Wisconsin as the 28th most onerously licensed state. A study from the Brookings Institution finds that the average Wisconsin family could save over 750 dollars a year if occupational licensing laws were reformed and the Wisconsin Institute for Law and Liberty recently concluded that Wisconsin's licensing regime results in in 31,634 fewer jobs in our state.

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 35 state chapters, and has received financial support from more than 100,000 Americans in all 50 states. For more information, visit www.AmericansForProsperity.org



(608) 266-9180 Fax: (608) 282-3614 Toll Free: (888) 534-0014 Rep.Kooyenga@legis.wi.gov

> P.O. Box 8952 Madison, WI 53708-8952

April 6, 2017

TO: Assembly Committee on Regulatory Licensing Reform

Senate Committee on Public Benefits, Licensing and State-Federal Relations

FR: Representative Dale Kooyenga

RE: AB 164/SB 108 – cosmetology and barbering continuing education requirements and

licensure of barbers, cosmetologists, and related professionals from jurisdictions outside

Wisconsin.

Thank you for holding a hearing on this bill.

The purpose of this bill is to eliminate the requirements that an applicant who is a licensed cosmetologist, barber, aesthetician, manicurist, or electrologist must complete 4,000 hours of practice in order to be granted a reciprocal license. An applicant in another jurisdiction must simply have a license in good standing to be granted reciprocity.

Nationwide, there are 14 states who currently allow simple reciprocity for licensed practitioners from other states. Two of the 14 states are our neighbors: Illinois and Minnesota. The only requirement on licensed practitioners in these 14 states are that the licensed practitioner is in good standing.

AB 164/SB 108 coincide with AB 167/ SB 109, which are also being heard today, authored by Representative Kleefisch and Senator Kapenga. AB 167/ SB 109 make changes to the barbering and cosmetology manager's license by eliminating it. Only 4 states currently have a manager's license in effect.

We have seen reports from WILL, Institute for Justice, the White House and even our own Assembly Forward Agenda supporting these occupational licensure reforms. These two bills are further steps we can take as a legislative body to eliminate excessive and unnecessary regulation on our business owners and help to remove barriers so more people can enter Wisconsin's workforce.

Thank you for your attention to this matter. I look forward to your support of this bill.

Rep. Dale Kooyenga

"It can be devastating:" Barber visit leaves man with life-altering condition; insurance won't cover treatment

POSTED 9:30 PM, NOVEMBER 27, 2016, BY DERICA WILLIAMS, UPDATED AT 04:08PM, NOVEMBER 28, 2016



MILWAUKEE -- A Milwaukee man is living with a life-altering condition that's become debilitating, and without the financial means to get a procedure he

Keith Crowell said he feels a sense of belonging at Hampton Avenue Church of Christ.

"My church family here, we love each other," Crowell said. "Without them, I would have been more depressed. I would have been isolated more. My church family gives me that spiritual uplifting I so much needed."

Crowell developed "keloids" on his skin about 12 years ago.

"I had a bad reaction when I went to a barber and he gave me shave and nicked me on both sides," Crowell said.

The nicks didn't heal. Instead, mounds of skin grew on his face and neck.



Keith Crowell

"It can be devastating. Sometimes I feel real bad," Crowell said.

He has had two surgeries -- each removing nearly 40 pounds of flesh, but those operations proved unsuccessful, as the growths returned -- larger.

"I want to be like, a normal person," Crowell said.

He now has that opportunity, as he has located a specialist to help with his situation.

"There`s a doctor in New York that can solve my solution. He has a 96% rate that he can resolve my issue and I love those odds," Crowell said.

Crowell said he's ready to take the chance, hopeful that his physical and emotional pain will come to an end.

"I use baby oil to minimize the discomfort. I use simple everything, and I clean it

every night with peroxide," Crowell said.

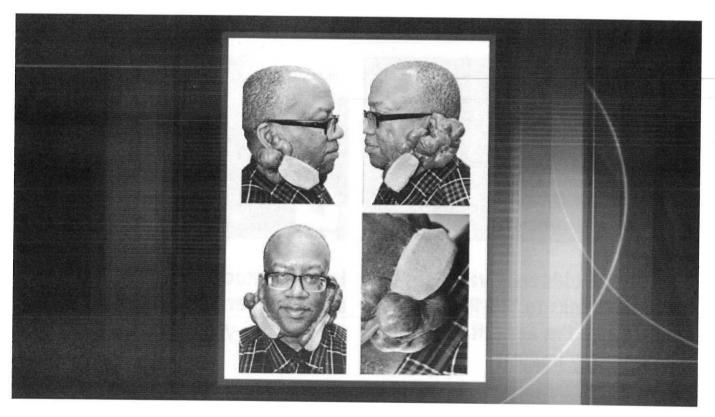
Despite sleepless nights, and difficulty swallowing and hearing properly as a result of the keloids, Crowell said his insurance won't cover the cost of the procedure in New York.



Keith Crowell

"They rejected my claim saying it was cosmetic surgery. I feel it`s not cosmetic. This is my livelihood. This is my life right here," Crowell said.

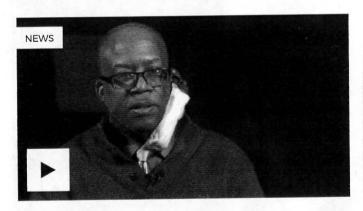
Crowell said he's looking to the Lord for hope, and has faith that his life will soon change for the better.



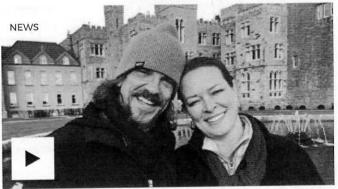
Keith Crowell

A GoFundMe.com account has been set up to help Crowell raise money for airfare, lodging, surgery and after-care.

CLICK HERE to make a donation.



Man has keloids removed from half his face, thanks to YOUR generosity: "I'm at halftime right now with my body"



London attack: 4 victims include police officer. American tourist, teacher, 75-year-old man

Thank you for taking time to address this bill and my position on it. Unfortunately I had to leave for work in Green Bay before the hearing was finished.

I am in favor of the right to perform services outside of a licensed establishment. HOWEVER I believe a provision stating ONLY hot tools for wedding parties and/or special occasions are allowed. I agree with the concern of chemicals being used and other services that require a more strict sanitation.

The lady from DSPS stated the CE hour requirement was the only way to communicate with stylists any changes in law. The state has current emails they are able to send to stylists free of charge to keep us informed of any changes. She mentioned they didn't have the funding to do so. The CE class is also instructed by 3rd parties NOT by people of the state. These 3rd parties are making money from us having to take the class. I propose a FREE test on the state website we are required to pass every 5 years in order to be compliant. OR change the current law to 2 hours of law and sanitation and 2 hours of continuing skill education

If a stylist wants to move to our state (reciprocity) I believe they should still be required to take a class on our states safety and sanitation in order for them to be compliant with our laws while performing services. Remove the 4000 hours.

Approve instructor license portion

Oppose managers license requirement.

I also would like to add a recommendation for public hearings to have a set time limit for people testifying, for example 10 minutes, in order for other people to have the opportunity to speak.

Thank you,

Jessica Ullmer Salon Elan 9207167186 Please allow me to introduce myself. My name is Julie Stubenrauch and I am a Barber/Cosmetology Instructor and have been a licensed professional for almost 30 years. It has been brought to our attention that efforts are being made to "dumb down" the integrity of our industry by doing away with location restrictions, continuing education, and the need for a Managers or Instructors license. Trust me when I tell you that these are not "job killing regulations." These are laws that have been put into place for years to keep the public safe and to keep our profession one of high standards. Let me further explain:

- 1) <u>Location</u>: Currently except of a few exceptions (nursing homes, prisons, etc..) it is illegal to provide services outside a licensed cosmetology establishment. This rule is not always followed, but it is a necessary one. By removing the restriction, you are opening the doors for anyone with a license to practice "kitchen cosmetology" in their homes and anywhere they feel like it to avoid paying commision or booth rental to a salon owner. It will become a free for all!! Please understand that removing this regulation will NOT help people get more work, it will jeapordize the integrity of the way business owners and salons operate, and would most likely have devastating results.
- 2) <u>Continuing Education</u>: I am proud to be in one of the 18 states that require continuing education for Cosmetology practitioners. We require continuing education regarding safety and sanitation as well as Barber and Cosmetology laws. About 7 years ago, this law was created as a result of random inspections that were performed at salons and barber shops state wide. The rule was put into place with the help of Celia Jackson because the inspectors found numerous salons with very unsanitary and unhealthy conditions. Dirty, filthy combs and brushes, clippers and drawers full of hair, workers not using the proper disinfectant to clean their equipment... the list goes on. One example was that a nail salon used Tide laundry detergent rather than disinfectant to clean their foot spa. Upon inspection, they found an orange gelatinous substance growing in the tubes where the water flows, therefore putting clients at risk for a contagious skin disease. Other salons had been written up for dirty clipper blades, which can transfer disases like ringworm of the skin from one customer to another... These are just a few of the examples.
- 3) Managers License: A salon Managers License is earned by either working for two years, or by taking an approved Managers course like the one we teach at MATC. They are responsible for the daily operations of a salon, training newer employees and apprentices, and making sure that all the statutes and rules set forth in our Laws are followed. By removing this license, then ANYONE who takes 1550 hours of school will be allowed to take on this level of responsibility. In many other professions, one must obtain a two year associate degree, or a four year bachelors degree just to be considered entry level! By eliminating the need for the managers license, you would allow brand new beauty school graduates with two to three semesters of schooling to run a business! This is not only absurd, but once again- risky for public health and safety. Any questions, refer to my examples in #2.
- 4) <u>Instructors License</u>: My argument for an Instructors license is similar to my reasons for a keeping the managers license. This license is necessary to maintain the integrity of our education, our schools and our industry. It takes years and years of training and experience to become a seasoned professional. In addition to that, one must learn how to write and perform a lesson plans, create tests, task analysis, and also learn the right way to teach practical skills in

order to become a successsful teacher. AT MATC we have an Instructors course which we are very proud of and produces the best Instructors in the area. In order to teach elementary education in Wisconsin, one must not only aquire a bachelors degree, but also take a series of standardized tests (the Praxis, etc.) before one can become certified and get a job as a teacher in Wisconsin. If you remove the test and the license we have for Cosmetology, then <u>again anyone</u> who gets 1550 hours of training can become an Instructor. Again absurd and downright wrong!

5) <u>Reciprocity:</u> I am proud to be in a State that has higher standards than most, and I fully support keeping the regulations that are in place for reciprocity. If someone has not met the standards set in place for Wisconsin, they can work with an apprentice permit until they fulfill the hours necessary. No one is going to be told they cannot work. We just have higher standards than some other states, and I feel that needs to stay that way.

For decades, probably even centuries, our profession has been thought of as "less than" others or substandard to other professions... To help change that, our State Board put into place rules and regulations to maintain a certain level of credibility and professionalism for our industry; as well as to protect the health and safety of the public. To take away these regulations would take away everything industry our professionals have fought so hard to establish over the years. Please listen to my concerns and don't put our salons, barber shops, schools and the general public at risk.

I read someone recently say "Why are Cosmetologists required to have more hours of training than an EMT (Emergency medical technician?") I agree that is wrong, but instead of lowering the hours required for Barbering and Cosmetology, they should consider raising the amount of hours for an EMT, and for a CNA (Certified Nursing Assistant) as well. These people have other peoples lives in their own hands! I can only hope that they are getting the proper practice and training they need as well...

Thank you for letting us speak and for your attention on this matter. Sincerely,

Julie Stubenrauch
Barber/Cosmetology Instructor
Milwaukee Area Technical College
414-297-7735