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[LR223 LR226 LR227 LR228 LR229 LR230 LR231 LR232]

The Committee on Health and Human Services met at 9:00 a.m. on Friday, October 20, 2017, in Room 1510 of the State Capitol, Lincoln, Nebraska, for the purpose of conducting a public hearing on LR226, LR231, LR230, LR227, LR229, LR232, and LR228. Senators present: Merv Riepe, Chairperson; Steve Erdman, Vice Chairperson; Sue Crawford; Sara Howard; Lou Ann Linehan; and Matt Williams. Senators absent: Mark Kolterman.

SENATOR RIEPE: Thank you very much. It's a few minutes after 9:00. In the interest and respect for all of you that were here, even here early, want to go ahead and get started. Senator Crawford and Senator Linehan are momentarily (recorder malfunction)...October 20 and this is the Health and Human Services Committee. We want to welcome you to this committee and this interim hearing on occupational licensing. My name is Merv Riepe and I represent Millard and Ralston, which is the 12th Legislative District, and I serve as Chairman of this committee. The committee will address legislative resolutions in the order posted. Our hearing today is your public part of the legislative process. This is your opportunity as Nebraskans to provide information regarding the legislative resolutions before us today. The committee members may come and go during this hearing or these hearings. It is not an indication of lack of interest in the resolution being heard but as a reflection of multiple demands that each of these senators has. Before I go on to some of the procedural piece, I'd like to have our committee members that are here to introduce themselves and I would like to start with to my right. [LR226]

SENATOR HOWARD: I'm Senator Sara Howard. I represent District 9 in midtown Omaha. [LR226]

SENATOR ERDMAN: Steve Erdman, District 47, I represent ten counties in the Nebraska Panhandle. [LR226]

KRISTEN STIFFLER: Kristen Stiffler, legal counsel. [LR226]

SENATOR WILLIAMS: Matt Williams, Legislative District 36, which is Dawson County, Custer County, and the north portion of Buffalo County. [LR226]

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TYLER MAHOOD: Tyler Mahood, committee clerk. [LR226]

SENATOR RIEPE: Thank you. And we have two pages that are helping us out today so that will be important too. To better facilitate today's proceeding I ask that you abide by the following procedures. First of all, if you would silence your cell phones and, if you are intending to testify, move to the reserved chairs when it gets close to your time, that will help us to facilitate and move along. We...today, though, we do not have a set order of testimony. It is a "first come, first serve." However, I will stay until the testimony has been heard. You will have a fair and just and due process today. So regardless of a Friday night, we will be here, I will be here. Testifying...testifiers are asked to sign in and to please hand your orange sign-in sheet to the committee clerk--that would be Tyler--when you come up to testify. I'm going to ask you to spell your name for the record and to identify yourself before your testify. If you don't, I may interrupt you and ask you to please do that so that we make sure that we do get it in the record. It's a process that we have to maintain. We'll ask you also to be concise. If you've heard other testimony, you can simply say "I agree" and then try to keep this thing focused, if you will. We're going to start out, too, I'm going to ask you to limit your testimony. We're going to do a fiveminute clock. We want to give you as much time as we can. We may have after you...red light has come on. I then may try to gently say can you wrap up, but you may get a question from one of the committee members that will afford you the opportunity to go on and talk further. Written materials may be distributed to committee members as exhibits only while testimony is being offered. Hand them to one of the pages for distribution to the committee and staff when you come up to testify. We will need ten copies. And our pages are light of foot and if you don't have they can zip upstairs and get some copies and zip right back down. If you have written testimony but do not have ten copies, just raise your hand. The committee members and staff with us today will introduce themselves. I've already covered that. And we have two of our senators coming in and I will ask them at this time to introduce themselves. [LR226]

SENATOR CRAWFORD: Good morning. Senator Sue Crawford from District 45, which is eastern Sarpy County. [LR226]

SENATOR LINEHAN: Good morning. Senator Lou Ann Linehan from District 39, which is Elkhorn, Waterloo, and Valley in Douglas County. [LR226]

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SENATOR RIEPE: Okay. Before we start our (inaudible) I would like to make a few opening comments and that is last session I introduced LB343 at the request of the Governor. LB343 asked...seeks to reduce licensure requirements involving cosmetologists, electrologists, guest artists, nail technologists, massive...massage therapy, not massive, massage therapists, audiologists, and barbers. The audiology sections were amended into LB88 last session and became law. LB343 addressed many areas, including the number of hours of training required for a license operating, requirements for schools, and operating requirements for businesses. I believe it's important to take a serious look at how much our state requires to obtain credentials that small business owners and individuals need just to start work and earn a living in Nebraska. As many in the room will remember, LB343 was scheduled for a hearing on March 1, the 150th birthday of the state. It was unknown at the time of scheduling the hearing that the hearing times had been changed due to the festivities of the state celebration. It was extremely unfortunate LB343 was scheduled on that day, and I know many of you traveled a long way to testify for that hearing. On that day, we heard as many testifiers as we could while keeping an even discussion between proponents and opponents, but we also had to be mindful of the requirements established by the Speaker of the Legislature for that day. I hope many, if not all, of those who did not get to testify are here today to provide opinions and recommendations regarding potential occupational licensing. Shortly after the March hearing, the committee members met and all the members agreed an interim hearing would be necessary to continue the discussion of barriers for occupational licensing. The committee introduced seven--I repeat, seven--legislative resolutions, LR226-LR232, to further the discussion. You may find a copy of the legislative resolutions on the Legislature's Web page and committee staff would be happy to assist members of the public with assessing accessing those resolutions during a break. All seven interim studies will be heard today based on the order posted on the legislative calendar and posted outside each of the hearing doors. I have reserved the first rows of chairs to help facilitate the testifying process. I ask those that would like to testify for the current resolution to move to the front chairs. We will have an opportunity to hear everyone who would like to testify today; therefore, there is no rush to testify. We will be taking a one-hour break for lunch at noon and we will resume the hearing at 1:00 p.m. in this same room. I am committed to staying, as I noted earlier, so that all testifiers will have, be afforded an opportunity. I would like to reiterate that there are interim hearings and functions different than a regular legislative hearing. Interim hearings, as this one is today, are to provide further testimony and discussion regarding a topic area of interest to the committee, not

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based on a specific bill. What that means is there will be no opponents, there will be no proponents, and no neutral testimony. There will only be testimony. That being said, I know many of you will address LB343 and whether you are supportive or opposed to the bill, and I want to assure you that it is okay for you would like to provide testimony to the committee. Sometime after this hearing, the committee members will be meeting and discussing the testimony heard today and make a decision as to how the committee would like to move forward regarding occupational licensing. I ask for everyone's patience today as we listen to the testimony presented. I welcome the first testifier for LR231, an interim study to examine the education and credentialing requirements in the process for applying for and obtaining a license to practice body art for Nebraska. Thank you very much and, with that, we will begin the interim hearing on LR231. We would call forward any testifier. Again, sir, if you would be kind enough to state your name and spell your name, and it looks like we have some reading. [LR226]

MATT BAVOUGIAN: (Exhibit 1) Hello. My name is Matt Bavougian, M-a-t-t B-a-v-o-u-g-i-an. First I'd like to thank the committee for allowing me to speak about LR231 and LB343. A little bit about myself so you can understand where I come from when I talk to you and what peppers my opinions, I've been a body piercer for almost 20 years, 9.5 of them here in Lincoln. I started my own business about five years ago running a piercing studio and over my career I've worked with states without...worked in states without regulations and states with regulation. In 2005, about the time you folks were doing work here on your legislation, I was doing the same sort of thing with Health Department of Illinois, reviewing their first drafts of their body art legislation, similar to your body art code here or body art act here. I've joined the Association of Professional Piercers, which is an international health and safety organization that gives information to the public and to people that need it in regards to piercing. Through them I've joined their legislation and regulatory affairs committee and through that I speak to Senators and Health Departments. We educate them as well whenever we can. And because of that, I now work with the National Environmental Health Association on their body art committee designing national code to use hopefully as a framework for other states and counties and I also work with the Association of Food and Drug Officials on their new committee determining what can and can't or should and shouldn't be used in body arts for safety reasons. I'm an instructor for AED, first aid, CPR, blood-borne pathogens, and I'm trained in the use of Narcan. Part of my business model is to give back to my public and help ensure public health and I do this through education.

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I've been in contact with Kristen Stiffler as to how to best address this committee. I've provided all of you with written testimony which I hope you'll read and consider as it's too lengthy to read out loud here. Right now I'd like to take a little bit of time to just talk to you about my views and approach to public health, regulations, and code. The purpose of the bill, the LB343, is...well, let's start with LR231. I apologize. I'm jumping around here. It asks four basic questions and I think in regards to body art the questions, fro the most part, are pretty simple. I believe the first one is talking about...I'm blanking, I'm sorry. In regards to reciprocity, it appears that other groups get to enjoy the benefits of it. It would be nice to see our industry. I think it helps attract new artists. We want to attract a nice healthy work force that's scaled to our state. It seems we have constant requests. In regards to paperwork and documentation needed to apply for licensure, it's pretty basic and pretty standard or similar to what we see across the country. Nobody is asking for anything that's out of line or unobtainable. When it comes to reinstatement licenses, that's mostly, as far as I can tell, covered by Uniform Credentialing Act and by the administrative act, federal administration of act. So there's really not a whole lot. The only thing I could see is possibly streamlining some of the processes by tightening up our requirements for both the department and the person who is trying to reinstate their license. As far as LB343 goes, health and safety standards should be the...like what we're doing here. We're not trying to really do anything under these acts other than keep the public safe, make sure records are kept in order to keep the public safe and inform the Health Department, and then make sure that...I'm sorry. I've never testified like this and it's very hard. As far as I'm concerned, a regulated industry is a safe industry. Regulations and code, however, do need to be written in a manner that serves the interest of the public, allow businesses to run with undue burden, and in such way that they are enforceable by the appropriate agents of the state. If they aren't safe, attainable, and enforceable, it doesn't matter how well intentioned they are. When it comes to LB343, I think that's where it falls short. I think the idea is well intentioned. Everybody wants to make a process easier; everyone wants to pare down what doesn't need to be there. Unfortunately, it would seem that it only touches the surface on some of this stuff and in an attempt to clarify some of it, the waters have actually been muddied partially. And this is a really common thing that I see all over the world when these sorts of activities happen. It starts with words, it starts with definitions. And I think in order to properly address what's being addressed in LB343, one needs to go back to the beginning of the act and start with definitions and reprocess the whole thing. I like the intention of LB343. I unfortunately don't think it does what it needs to do and I think there's a better, safer

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way to serve our public, and I think that would hopefully be by opening up the entire act and looking at it start to finish through the use of a committee that involves owners, operators, instructors, and healthcare professionals, in our case, doctors. We, on one of my committees, have FDA members and health inspectors and we all have to work together because I don't have the answer as...for everything as a piercer. Where I fall short, the gentleman I work from, from the EPA, has the ability to step in and correct us. And when you get a small committee of likeminded people, you get a like-minded answer. And I think it would be nice to restart this thing and work with everybody to try and correct it. Thank you for your time. [LR231]

MATT BAVOUGIAN: Okay. If you would hold on just a second here we'll see if we have any questions. Senator Williams. [LR231]

SENATOR WILLIAMS: Thank you, Senator. And thank you for being here, Mr. Bavougian. I want to go back and be sure I understand your testimony specifically on the body art portion of LR231. If I'm understanding what you're saying, the provisions that would be in LB343 concerning that discipline you believe are okay. [LR231]

MATT BAVOUGIAN: I do. One of my issues with LB343, however, is where it is pertaining to these other sections in this act. [LR231]

SENATOR WILLIAMS: Right. [LR231]

MATT BAVOUGIAN: There are definitions that are being used in that wording, both in the old version and the new suggested changes. It refers specifically to our industry and that's another one of those examples where when definitions aren't correct it causes issues all the way down the line. So there's sections where we're referring to, I can't remember, I think it's cosmetology, but the word "practitioner" is being used. They're not practitioners. Body artists are practitioners. So now you've brought us in... [LR231]

SENATOR WILLIAMS: So you're concerned that that could affect your discipline. [LR231]

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MATT BAVOUGIAN: And I feel that it, more than likely, will affect other disciplines too. I feel if we go through the entire thing, we'll see that barbering is probably in an area that it shouldn't be and nail... [LR231]

SENATOR WILLIAMS: Again, if we go back to LR231, the body art provisions, you don't see those as being restrictive to what you are doing now. [LR231]

MATT BAVOUGIAN: Absolutely not. [LR231]

SENATOR WILLIAMS: Okay. Thank you. [LR231]

SENATOR RIEPE: Are there other questions? I have a question and that is, what are the current maybe requirements for body art licensing and what's the schooling, if any, or what...how does that work? [LR231]

MATT BAVOUGIAN: In this state, it kind of varies a little bit. We all are required to be licensed under the state licensure act. We have to provide a high school diploma or the equivalent through a GED. There are age requirements that I believe are 18. We have to in the initial process, I believe, show certification in blood-borne pathogens, as well as basic first aid. And I think on our renewal we only have to do blood-borne? [LR231]

: Ri	ight. [LR231]

MATT BAVOUGIAN: On the renewal we only have to do blood-borne. We submit the same kind of application or similar application to the other fields that will have us vetted against military service, criminal records; a lot of it ends up being moral turpitude laws. And then from there that's pretty much how the state handles us. Here in Lincoln we are also required to be permitted and it uses a lot of the same standards as the state requirements but actually goes a little bit further on a couple things. We have to update certain training more regularly. And as far as training goes, we are a good old-fashioned vocational; it's an apprentice-based program. You have to seek out somebody that you think has ethics and morals and skill and you study under that person. You make a pact, you make an agreement that you're going to benefit them and

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they're going to benefit you, just like a plumber does, just like an electrician does. Health and safety is foremost in my business. I have an employee that I trained from his beginning and the first thing we did was learn how to wash hands. It seems silly and minor but it starts there with health and safety. So in this state, we are an apprenticeship, a director/apprenticeship-type program and it works well for us. The Health Department comes in and inspects our health and safety. Health Department is not there to regulate our skill. I frankly don't care if you are a beautiful house painter who is clean or a horrible house painter that's messy. As long as it's being done safely, I know you're getting rid of that lead right, I don't care what the skill is. I won't hire you if you're a bad painter. I'll hire you if you're a good painter. And I think that's how it shakes out with us which is I think the basis of good business. The cream will rise to the top and the rest will go away. You don't need to regulate them out of business. They'll keep themselves out of business. [LR231]

SENATOR RIEPE: I think one of the primary concerns I have because of testifying is in...it is invasive, tattooing and body art, how do you make sure that the bad performers who don't wash their hands, don't have good technique, don't...every profession has certain challenges to try to weed out their own to maintain their own reputation. [LR231]

MATT BAVOUGIAN: All the training... [LR231]

SENATOR RIEPE: How is the public protected, if you will? [LR231]

MATT BAVOUGIAN: All the training in the world does not guarantee a person follows those policies and procedures that are put into place. Electricians are supposed to do certain things. They go to school to make sure they do those certain things, and then they burn down a house because they didn't do that thing. You can't teach ethics in school. It's impossible. You can't teach that. That comes from the individual. So what you can do is inspections and be able to write laws and code that actually put tooth and authority behind the people that are there to enforce them. In many ways laws are written where they cannot be enforced. In our case, the Health Department has no way to enforce it because the mechanism isn't there or the wording is so jumbled and cloudy. So once again, I think the cream rises to the top. I can't tell you how good you're going to be. All I can tell you is these are the standards that you are supposed to meet and then we can

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check up on those standards. It doesn't matter who teaches them to you as long as they're taught properly. [LR231]

SENATOR RIEPE: What would you do if someone presented themselves to you and said, I went to XYZ and I had a bad outcome? [LR231]

MATT BAVOUGIAN: Could you clarify that for me? [LR231]

SENATOR RIEPE: If you had someone that had some body art at XYZ provider, how would...and they come to you and said, what can I do, well, what... [LR231]

MATT BAVOUGIAN: Like to fix a problem, you mean, or like... [LR231]

SENATOR RIEPE: Yeah. Do you call that person or do you...what's your response to that? [LR231]

MATT BAVOUGIAN: Typically I'm going to do a general look over. Oftentimes in our industry with piercing, because that's what I am, it's a simple solution: that jewelry is too tight; it doesn't fit you right; that jewelry is too big. So I assess with my skill sets that I've learned during my apprenticeships, and I've had two. So I assess that and I decide, is it something that is in the scope of what I am legally allowed to do or is it something that is outside of my scope? And that, once again, isn't taught in a school. That's taught by me picking up code and reading it for hours on end. In some cases, I do know the code better than the health inspector because I've read it more frequently and more recently. [LR231]

SENATOR RIEPE: Okay. [LR231]

MATT BAVOUGIAN: So in that case I would try and address the problem directly with the customer. If it's something that I don't think is in my scope, I will recommend they go to a doctor. I would start by saying if...you're you, if you think a doctor, you go to a doctor. I'm not a doctor. I'll give you all the information you need to speak properly with your doctor. In some cases in the past I have called other artists to say, hey, you're doing this thing, it's a simple fix. I

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have gone to other studios to do that thing. I go to conferences in Las Vegas and in Georgia to teach people and to learn. I have donated time to teach the public and teach instructors, so I've got no problem reaching out to another studio if I see an issue or to ask them questions if they see an issue about my work. I think that's what ethical workers do in any field. [LR231]

SENATOR RIEPE: Okay, very good. Are there additional questions from the committee? Seeing none, thank you very much. [LR231]

MATT BAVOUGIAN: Thank you for your time. [LR231]

SENATOR RIEPE: Are there others that want to talk about body art? [LR231]

SPIKE EICKHOLT: (Exhibit 2) Good morning, Chairman Riepe and members of the committee. My name is Spike Eickholt, first name is spelled S-p-i-k-e, last name is E-i-c-k-h-o-l-t, appearing on behalf of the ACLU of Nebraska. I know it seems perhaps a bit odd, but we are testifying here today really on all the legislative resolutions. I'm only going to testify on the first one. I did provide Mr. Mahood with a copy of our testimony that I've asked to be made as part of the record for all the legislative resolutions. The ACLU of Nebraska takes an interest in this...or all these legislative resolutions for a singular yet important issue and that is that many of these occupations or professions, when you talk about the licensure requirements, the educational requirements, and the fitness to practice these professions, many of them have a restriction or a prohibition on people with criminal records. The ACLU of Nebraska has looked at changing the law to provide for second chances or for opportunities for people who do have criminal records. We are supporting different bills such as ban the box, which would prohibit some employers from asking about a person's, an applicant's criminal records. We support broadening the setaside and expungement statutes. And what we are trying to remedy and what we are urging senators to consider doing is to fix the statutes to provide for an opportunity or better opportunities for those people who have made mistakes, who have committed crimes, and are trying to reenter legitimate society. I would call it overcriminalization. For a number of years, and maybe even to this day, policymakers tend to address societal problems by making things crimes, by providing for criminal offenses, by broadening offenses, increasing penalties. Similarly, you also have some zero-tolerance policies and automatic prosecutions that many

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prosecutors and law enforcements do. What that creates is a situation where you have a lot of people who have criminal records. And many people want to enter legitimate society, want to practice certain professions, and simply cannot; or if they can, they have to overcome certain burdens. I'd encourage the committee, and I know I'm talking conceptually because this is not really a bill, but I would encourage the committee to look at Statute 38-178(5) which provides for essentially, we would argue, a lot of discretion for these different boards to determine what a crime of moral turpitude is or which misdemeanor offenses are valid. The application process themselves, if you look at the regulations, seems to put a fair amount of burden for those people who do have records because they have to disclose many times the criminal conviction, they have to assemble the police reports, they have to get all the court records. And I will tell you from practicing as a...after a few years for a misdemeanor offense, those things just cannot be found. And if they can be found, t really requires an applicant to go hire an attorney to try to get those things at significant cost and significant hassle. And perhaps the committee could look at shifting that burden or amending that burden in such a way where the applicant can simply just disclose it, let the board themselves (inaudible) to get those collateral materials. Now we're not for suggesting that people who...you know, there are some crimes certainly where you don't want to have some people do certain things. We get that. But many things that are relatively innocuous are misdemeanor offenses. I'll tell you an example that I've had a number of times. An MIP, minor in possession, that is a misdemeanor crime. That is a crime that's categorized as an alcohol or substance abuse-related. But many people get an MIP and I will...you can imagine somebody who is 20 years old going to school here in Lincoln, gets an MIP. They just plead to it. They don't get the police reports. They don't keep their court records because they don't want their parents to find out about it. They just want to pay the fine. Then five, six years later when they want to enter a certain profession, it's an obstacle for them. It can be overcome but it is one obstacle for many former offenders that they have to overcome. And that's just for people who get a minor offense or a fine. It's even more of a burden for those people who are leaving our jails or leaving our prisons. And we would encourage the committee to look at removing those obstacles. [LR231]

SENATOR RIEPE: Okay. Thank you very much. Are there questions from the committee? Senator Crawford. [LR231]

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SENATOR CRAWFORD: Thank you, Chairman Riepe, and thank you for being here today. I assume that you would be happy to work with the committee on possible language... [LR231]

SPIKE EICKHOLT: Absolutely. [LR231]

SENATOR CRAWFORD: ...for this, yes. [LR231]

SPIKE EICKHOLT: Absolutely, yeah, and I was going to submit something and I was sort of looking earlier this week, but some of these professions I didn't really know like what they were. I mean, honestly, I didn't really know how to approach it with the different LRs. I knew it became...these things stemmed out of LB343 and I think we testified on that bill originally, similar kind of points I made today. But absolutely I'll work with anyone who wants to work with us. [LR231]

SENATOR CRAWFORD: Thank you. [LR231]

SENATOR RIEPE: Okay. Other questions? Seeing none, thank you very much for being here today. Are there others who want to speak while we're on the subject of body art? Okay, seeing none, that will conclude that interim study hearing part. We are now going to, and I initially said we that we would go in order and I violated my own rule as I initially started, so we're going to go back and we're going to do LR226, which is electrology. And if there are people who would like to speak to this interim hearing on electrology, please come forward. [LR231 LR226]

NICOLE FOX: (Exhibit 1) All right. Good morning. My name is Nicole Fox and I'm director of government relations for the Platte Institute. I'd like to thank Chairman Riepe and members of the HHS Committee for this opportunity to discuss the occupational licensing in our state. To get started, 32 states and the District of Columbia regulate electrologists and currently Nebraska statute requires 600 hours, but it also currently reads that an additional 600 credits are required. Based on discussions with the department, we understand that the legislation proposed in the 2017 Session was to clean up this language so the statute reads just 600 education hours. The Platte Institute supports this. The Platte Institute supports policies that grow Nebraska and make the state more economically competitive with neighboring states. This hearing is one of several

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hearings today dedicated to looking at reducing the education requirements for the licensing of a variety of personal care services. Due to Nebraska's noncompetitive and excessively high education requirements, the proposed new hours are reflective of requirements most commonly seen in other states. These changes will lessen the time and costs associated with meeting the education requirements for licensing in our state while still protecting the public. This will be helpful to both workers attempting to enter their chosen career field and for those who have held licenses in other states in good standing who want reciprocity in Nebraska. In the 1950s, 1 in 20 occupations in the country required a government permission slip, also know as an occupational license, to work. Fast-forward to today and now one in three occupations in the country require this government permission slip. This national trend holds true in Nebraska. Occupational licensing laws were initially created as a means of protecting the public from negligent and unqualified practitioners but more and more, instead of protecting the public from harm, we now understand that occupational licensing is making it difficult for new workers to enter the work force. This is negatively impacting small businesses trying to hire employees, for potential entrepreneurs wanting to start a business, and individuals seeking a means to earn an honest living. Reform of occupational licensing laws to lessen burdensome regulation is an economic issue that needs to be addressed. Nationally, 102 occupations have been deemed low income by the Bureau of Labor Statistics. Forty-five of those 102 occupations require licensure in Nebraska. A low-income occupation is defined as an occupation where the average income in that occupation is less than half of the national average. Keep in mind that in addition to initial tuition costs, individuals applying for these licenses are also paying for board examinations, licensing fees, and continuing education. In other words, they are essentially being taxed to obtain a government permission slip to earn a paycheck. Occupational licensing is creating significant financial barriers for these individuals. Occupational licensing significantly impacts military families and veterans. Given the fact that Nebraska is home to Offutt Air Force Base, we need to assure our occupational licensing requirements allow for reciprocity for military spouses and veterans, so they can readily enter our state's work force. It is not uncommon for one to enter into an occupation only to realize that after a period of time that this is not the occupation they are meant to be in throughout their working years. The Federal Trade Commission has stated that, because of the time and cost involved, occupational licensing reduces opportunities, restricts employment, and keeps individuals in jobs that may not be the best fit for them. As this committee evaluates the professional licenses being discussed today, I ask you to consider the

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following questions: (1) Is an occupation unlicensed in other states? (2) Are the licensure burdens for an occupation high compared to other states? And lastly, are the licensure burdens for an occupation high compared to other occupations with greater safety risks? I thank you for your time and I'm happy to answer any questions (inaudible) forward. [LR226]

SENATOR RIEPE: Thank you (inaudible). Did...I think you gave us your name. Did you spell out your name so that we have it absolutely correct? [LR226]

NICOLE FOX: Oh, yes, N-i-c-o-l-e F-o-x. [LR226]

SENATOR RIEPE: Okay. Thank you. Other questions from the committee? Seeing none,... [LR226]

NICOLE FOX: All right. [LR226]

SENATOR RIEPE: Oh, I'm sorry, Senator Williams. [LR226]

SENATOR WILLIAMS: Thank you, Chairman Riepe, and thank you, Nicole, for being here. Are you going to be testifying on any of the other things or is this your entire testimony? [LR226]

NICOLE FOX: I'm going to be testifying on others. [LR226]

SENATOR WILLIAMS: Okay, then I do not have any questions at this time. [LR226]

SENATOR RIEPE: Okay. Thank you. We'll see you... [LR226]

SENATOR HOWARD: Actually, I have a question. [LR226]

SENATOR RIEPE: Oh, Senator Howard. [LR226]

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SENATOR HOWARD: Thank you. Thank you for visiting with us today. What does an electrologist do? [LR226]

NICOLE FOX: What does an...it's hair removal for like... [LR226]

SENATOR HOWARD: It's hair removal, and so right now they're at 600 hours and 600 credits? What does that mean? [LR226]

NICOLE FOX: Yeah, so...so...good question. That's what I...that was the question I was posing and so...and because as I was reading through the bill it just looked like they were striking out these 600 credit hours. And I don't...the department might be able to answer it a little bit better than I can, but just know that when I read through the bill I said this looks like it's just kind of more cleanup language and that's essentially what it is. So, you know, we agree that it should be, you know, pretty clear as to what is required. And so right now it reads that they need 600 continuing...or, I'm sorry, 600 education hours plus 600 credits and so I...so what they're striking is just the 600 credits and make it 600 education hours and actually that keeps us in line with other states so we're okay with just... [LR226]

SENATOR HOWARD: So right now they would need 1,200 total or just 600? [LR226]

NICOLE FOX: I think...well, again, I think it's just a clarification. As I understand it in looking at the licensure application, it's 600... [LR226]

SENATOR HOWARD: Okay. [LR226]

NICOLE FOX: ...credit...or 600 education hours. [LR226]

SENATOR HOWARD: Okay, perfect. Thank you. [LR226]

NICOLE FOX: Yep. [LR226]

SENATOR RIEPE: Okay, seeing no more questions, thank you. [LR226]

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NICOLE FOX: All right. [LR226]

SENATOR RIEPE: We will look forward to seeing you again. Are there others that would like to address the topic of electrology? Come forward, please. Have you...do we have a sign-in sheet, the orange sheet? [LR226]

MARY BRENNAN: I did not sign in. Should I sign in? [LR226]
_____: (Inaudible.) [LR226]

SENATOR RIEPE: Why don't you go ahead and then... [LR226]

MARY BRENNAN: Okay. [LR226]

SENATOR RIEPE: ...you can finish that at the end. [LR226]

MARY BRENNAN: I am Mary Brennan and I am an electrologist, so this will help your question. [LR226]

SENATOR RIEPE: Would you give us your name and spell it, too, please? [LR226]

MARY BRENNAN: Mary Brennan, B-r-e-n-n-a-n. And the wording is kind of funny in our things, 600 credits, 600 hours. Basically it's 600 hours of study. It is divided in there how many are written book study, and how many are practical study. What electrolysis is, is you take a needle or a filament and you slide it in next to a hair follicle. That's what electrolysis is. I know some of you probably have no idea. We had...I also was on this cosmetology board from 2009 to 2014. And we had discussed ours for all of the professions in the board. Electrology we had...I had suggested, since I was the representative for electrolysis, that it stay at 600 hours. The most out of all the license states is 600 hours. There's probably like four other states that are 600. I could go...I...the most important thing for me is the practical of how to do it but also the safety, diseases. You don't get lots of diseases. There really isn't any blood in this practice. But your instruments need to be sterilized in an autoclave or dry-heat sterilizer. Being on the board, when

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I read the thing on the computer, you're looking at ways to make the licensing faster, so on the board what we would do, we'd meet once a month and a lot of it is we would go over people who were licensed...getting...applying for a license for any of the professions, one of the things that I think hindered that or slowed it down was when you gave a license. On the license it is written, have you ever been convicted of a misdemeanor or felony? Now if you're 15, you get an MIP, 16, MIP, those are still on there. To me, that's youth and it's not important. One way I think the wording could be changed is, have you ever been convicted of a misdemeanor or a felony over the age of 18? So then that takes away all of the other stuff that we're like, okay, so they got two MIPs. And so do we put them on probation or...for their license, you know, do they have to have an evaluation, whatever? That was one of the things that I could see that would speed up the process is to make it wording so that it's over 18. Do you see what I'm saying on that for the licensing? Because why do you...when you're getting your degree, it's your youth, you know, and how important is an MIP? Everybody is like, she just said that, but I think, you know, you can get an MIP for anything anymore and is that...should that hinder you getting your degree? Do we have to debate it, you know, in our meetings? No, I don't think so. So that's... [LR226]

SENATOR RIEPE: Okay, are there questions? [LR226]

MARY BRENNAN: So my suggestion is to keep the hours for electrology under...or at 600. [LR226]

SENATOR RIEPE: Do you see a significant difference between misdemeanor and a felony? I mean I'm interested the...it sounds like it was one question, misdemeanor or a felony, and it...my way of thinking is it's a major divide there between...misdemeanors aren't terrible (inaudible) felonies are. [LR226]

MARY BRENNAN: Well, for instance, marijuana is just an infraction, so that actually doesn't even need to be put on it, but we'll see that. That's on there also. That doesn't hold it. It's written misdemeanor or felony. [LR226]

SENATOR RIEPE: My question is, should it, in your opinion, or should it simply read have you been convicted of a felony? [LR226]

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MARY BRENNAN: Well,... [LR226]

SENATOR RIEPE: Or either one? [LR226]

MARY BRENNAN: We've had a couple of people who have gone through that have 63 offenses and those range from... [LR226]

SENATOR RIEPE: Sixty-three misdemeanors? [LR226]

MARY BRENNAN: Both misdemeanor and felony. [LR226]

SENATOR RIEPE: Okay. [LR226]

MARY BRENNAN: It will be a shoplifting...you know, shoplifting, I think \$1,500 and over is a felony; if you shoplift \$1,500 and less it might be a misdemeanor. So if you're reading that it's what's the difference between shoplifting \$1,490 and \$1,502? It's the difference between a misdemeanor and a felony. [LR226]

SENATOR RIEPE: Okay. Are there other questions? Seeing none, thank you very much for being with us today. [LR226]

MARY BRENNAN: Thank you. [LR226]

SENATOR RIEPE: We're still on the electrology. Are there others that would like to speak to the subject? Seeing none, we're going to move on and we'll end the hearing...we...we...do we have letters on the record with electrology? [LR226]

TYLER MAHOOD: (Exhibit 2) Yes, I do have a letter submitted by Spike Eickholt of the ACLU of Nebraska. [LR226]

SENATOR RIEPE: Okay. And that one letter? Okay. Thank you. With that, that closes that subject on the hearing. We are now going to move on to LR230, which is esthetics. Am I

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pronouncing that right? No? No, okay. Would you please come forward, those that want to speak on that? [LR230]

NICOLE FOX: (Exhibit 1) Back again. All right. Good morning. My name is Nicole Fox, N-i-co-l-e F-o-x, and I am director of government relations for the Platte Institute. I'd like to thank Chairman Riepe and members of the HHS Committee for this opportunity to discuss occupational licensing. Estheticians are required to become licensed in all states except Connecticut. Half of the regulated states require 600 education hours and Nebraska is in line with these states with its current requirement of 600 hours but statute currently reads that 600 credits are also required. So based on discussions with the department, we understand that the legislation proposed in the 2017 Session was to clean up this language so the statute just reads the 600 education hours, and the Platte Institute supports this. As the committee moves forward with the rest of today's hearings, I ask committee members to ponder the following questions: Have you ever received any of the personal care services being discussed today, a haircut, a massage, or any esthetic or nail service in another state? If so, what made you choose that particular establishment? Was it word of mouth from a friend or family member, the business' reputation, competitive pricing, hours of operation, convenience to where you live or where you work? If you returned for future services, what motivated you to do so? Was it satisfaction with the quality of services you received, friendliness of the business owner or staff, cleanliness of the establishment, timeliness of the services, or the convenience of the location/parking availability? Did you suffer any harm? Was your health or safety ever at risk? Most likely, the state where these personal services were performed required fewer education hours for licensing the professional who required those services. And like many customers, you were probably unaware that large discrepancies in education requirements exist between Nebraska and other states. Freemarket competition principles should drive consumer choices. Free-market competition principles should be motivating potential new workers to come to Nebraska to practice in their chosen field, but, unfortunately, unreasonably burdensome licensing requirements advocated by school owners and professional licensing boards are barriers to entry into Nebraska's work force. The Federal Trade Commission has been very involved in working with state legislatures to provide them with feedback on policy initiatives being proposed. They have provided comments on several of Nebraska' initiatives and support the work we are trying to do. The FTC has taken on this role because individual workers and consumer voices are drowned out by loud, organized

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protectionist voices. The FTC believes that the nation's excessive licensing of professionals is producing anticompetitive effects. Competitive markets produce the best results. Competition increases the availability of goods and services, lowers prices and, therefore, ultimately gives the consumer choice. I urge you to consider these principles in evaluating Nebraska's requirements for licensure of personal care services as we move forward today. Thank you for your time. Do you have any questions? [LR230]

SENATOR RIEPE: Okay. Any questions? Seeing none, thank you very...oh, Senator Williams. [LR230]

SENATOR WILLIAMS: Thank you, Chairman Riepe, and thank you, Nicole, again. Would...I want to be sure then on the...excuse me, the Platte Institute's position on LR230... [LR230]

NICOLE FOX: Um-hum. [LR230]

SENATOR WILLIAMS: ...dealing with this discipline is it's okay. [LR230]

NICOLE FOX: Yeah, it's essentially very similar to electrology. [LR230]

SENATOR WILLIAMS: Just this...yeah. [LR230]

NICOLE FOX: It's...it's...we feel that... [LR230]

SENATOR WILLIAMS: Can you describe to me... [LR230]

NICOLE FOX: ...the...our requirements are in line with our neighboring states and the rest of the country. [LR230]

SENATOR WILLIAMS: Can you help me understand what this discipline is and what it does? [LR230]

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NICOLE FOX: Esthetics is essentially...I mean it's things like facials and waxing and those types of personal... [LR230]

SENATOR WILLIAMS: Those (inaudible)...now I got it. [LR230]

NICOLE FOX: ...extra services at a salon, not haircuts. [LR230]

SENATOR WILLIAMS: Thank you. [LR230]

NICOLE FOX: Um-hum. All right. [LR230]

SENATOR RIEPE: Okay. [LR230]

NICOLE FOX: All right. [LR230]

SENATOR RIEPE: Thank you very much. Are there others here that want to address...thank you. Please come forward. [LR230]

CAROL DAWSON: (Exhibit 2) Good morning, and thank you for the opportunity to speak today. My name is Carol Dawson, C-a-r-o-l D-a-w-s-o-n. I'm here today to talk about the education that is written in the bill for an esthetics instructor. In the bill it's asking just for two years of work as an esthetician and then you can become an esthetics instructor. What that does not allow for is it doesn't allow for any of the teaching part to be learned coming in and being an esthetics instructor. So the bill right now is saying, two years in the salon, you can come in, you can teach other people how to be an esthetician. Our colleges are asking their professors to have 30 different areas that they are taught in teaching. For a cosmetology or esthetics educator, 23 of those 30 have to be learned. Without a learning process, without a student educators curriculum, how is that going to be taught; how are they going to learn that? So on top of that, we also are responsible, and on the second page of the handout, we're also responsible and need to be well versed in things that college professors don't have to be because they do have administrative building full of people to help them out with these things. As an esthetics educator, we have to know and be well versed in the Family Educational Rights and Privacy Act, or FERPA. Can I

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talk to your parents? Can I not talk to your parents? We also have to know and abide by the identity theft prevention policies and procedures. We have to understand and comply with the requirements of crime awareness and Campus Security Act of 1990, the Clery Act, the campus crime reporting. We have to be vigilant in regards to the Campus Sex Crimes Prevention Act. We also need to...we're required to report assaults or to hold position of a Title IX coordinator. We need to comply with drug-free schools and campus regulations and ongoing drug and alcohol abuse prevention. We need to stay informed and trained on diversity and inclusion, on cultural competency for assisting students with gender expression and gender identity. We also have to have expertise to follow the ADA guidelines for assisting students with physical or learning disabilities and how to interpret and implement a quality learning plan for a student with an IEP. We have to have working knowledge of policies and procedures to assist students who wish to file a grievance and to understand a student does not first need to file a grievance with the school before the file a complaint with the Office of Civil Rights of the United States Department of Education. So LB324 proposed 300 hours, 43 days of training. We're asking that the esthetics educators have at least 600 hours of training to become an esthetics educator so that they can not only learn how to teach, how to do a lesson plan, how to present a lesson to a class, but also so that they can be well versed in all the other things, the FERPAs and the policies and procedures that are needed in cosmetology and esthetic schools. Thank you for your time. [LR230]

SENATOR RIEPE: Okay. Are there questions from the committee members? One of the questions that I have is, of the 600 hours, you talked a little bit about gender identification and probably sexual harassment and all those, are those part of the 600 hours then? [LR230]

CAROL DAWSON: Yes. [LR230]

SENATOR RIEPE: Okay. [LR230]

CAROL DAWSON: Yes, in our education. So student educators go through a whole program. They already know how to do skin. They already know how to do facials; they know how to do microdermabrasion; they know how to do waxing; they know how to physically do that. Now we're teaching them how to teach others how to do that. But besides teaching them how to teach others and how to write a lesson plan, they also have to know all the background things, the

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FERPA, the VAWA, the gender identity, the, you know, how do I talk to this student, how do I treat this student, whereas at your college campuses they're sending them off to go talk to somebody else about that. There's a whole administrative building that your educators, your teachers, your professors in a college setting aren't really dealing with that. They're sending them off to somebody else to go talk to them about that. In our profession, every educator that works in the building needs to know all the information, and so that is part of their training. [LR230]

SENATOR RIEPE: If the training hours are 600 and that's for a practitioner...is that correct? What would be your suggested training hours then for an instructor? Is that different or is that the...or are there not...is there not a specific hours it says... [LR230]

CAROL DAWSON: Right... [LR230]

SENATOR RIEPE: ...to be prepared to be able to teach others you have to have, what, more hours, more...? [LR230]

CAROL DAWSON: Right now, it's 600 hours and so... [LR230]

SENATOR RIEPE: For the instructor? [LR230]

CAROL DAWSON: Yes. [LR230]

SENATOR RIEPE: Okay. [LR230]

CAROL DAWSON: And in the LB343, it's getting rid of it altogether. [LR230]

SENATOR RIEPE: Okay. [LR230]

CAROL DAWSON: It's saying that there should not have to be any hours for student instructing. And then for cosmetology, it's 925, and in LB343 I believe that they are wanting to reduce it to 600. [LR230]

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SENATOR RIEPE: Are you familiar how our state compares--Nebraska--compares to other states? Are we are the top of the requirement or are we in the middle or are we at the bottom? Where are we? [LR230]

CAROL DAWSON: You know, I honestly don't know. There could be others that do know. [LR230]

SENATOR RIEPE: Okay. That's fair. Are there any other questions? Senator Howard. [LR230]

SENATOR HOWARD: Thank you, Senator Riepe. [LR230]

SENATOR RIEPE: Sure. [LR230]

SENATOR HOWARD: Thank you for visiting with us today. So I apologize, I made a face earlier because I was thinking, oh, my goodness, I need a facial. [LR230]

CAROL DAWSON: Yeah (laugh). [LR230]

SENATOR HOWARD: That would be great for me right now. So tell me a little bit about is there...so one of the reasons why we have licensure, right, is public health and safety? [LR230]

CAROL DAWSON: Yes. [LR230]

SENATOR HOWARD: Are there things that an esthetician does or works with that could be dangerous? Right. So when we talk about working with chemicals or when we talk about working with a specific skin type or something that could get infected, are those things that your...that you would be teaching somebody? [LR230]

CAROL DAWSON: Yes. [LR230]

SENATOR HOWARD: Okay. [LR230]

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CAROL DAWSON: Yes, as an educator those are things. So you are teaching the students, the esthetics students, how to safely perform a chemical peel, how to safely perform a microdermabrasion. [LR230]

SENATOR HOWARD: What is a chemical peel? [LR230]

CAROL DAWSON: A chemical peel is a chemical, a liquid that is put on the face that is left on for a certain amount of time and removed, and it helps to exfoliate the skin. So estheticians are not using the same degree or percentage as a dermatologist does or can, but you still have to know how to use them safely and you still have to be able to teach the safety parts to the students. [LR230]

SENATOR HOWARD: And then from the fellow who talked about body art, he was talking about things like blood-borne pathogens and things like that. Is that part of your training as well? [LR230]

CAROL DAWSON: It is part in that...in their textbook that is some of what they're learning, yes. [LR230]

SENATOR HOWARD: Okay, great. Thank you. [LR230]

CAROL DAWSON: Um-hum. You're very welcome. [LR230]

SENATOR CRAWFORD: Thank you. [LR230]

CAROL DAWSON: All right. Thank you. [LR230]

SENATOR RIEPE: Do any in your profession work in association with dermatologists? [LR230]

CAROL DAWSON: Can you repeat that? [LR230]

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SENATOR RIEPE: Do any of you, those in your profession, work in concert in the office with a dermatologist? [LR230]

CAROL DAWSON: Yes. Dermatologists will hire estheticians... [LR230]

SENATOR RIEPE: Okay. [LR230]

CAROL DAWSON: ...to do facials in their offices. [LR230]

SENATOR RIEPE: Okay. Are there any other questions? Hearing none, thank you very much.

[LR230]

CAROL DAWSON: All right, thank you. [LR230]

SENATOR RIEPE: Thanks for being here. [LR230]

CAROL DAWSON: Thank you. [LR230]

SENATOR RIEPE: Are there others who wish to address this hearing? Seeing none, we may have some letters. Do we have any letters, Tyler? [LR230]

TYLER MAHOOD: (Exhibit 3) Yes, I have a letter signed by Spike Eickholt of the ACLU of Nebraska. [LR230]

SENATOR RIEPE: Okay, thank you very much. With nothing further, that closes our discussion on...at this...I would like to now move to nail technology, which is LR227. Those wishing to testify, please come forward. Others that may be wanting to testify might come up. We have all these wonderful reserved seats up here. If you'd be kind enough to introduce yourself and spell your name... [LR230 LR227]

PAM ROWLAND: (Exhibits 1 and 2) Good morning, Senators. Senator Riepe, Committee Chair, I was actually one of the speakers that did not speak before, so I'm so glad and excited to have

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the opportunity today. I'm going to come at this from a different angle. My concern is infection control, which is one of my issues is public safety with this... [LR227]

SENATOR RIEPE: I'm sorry, would you give us your name and spell it, please? [LR227]

PAM ROWLAND: My name is Pam--sorry I forgot the introduction--Pam Rowland, P-a-m R-ow-l-a-n-d. I am the instructor member of the Board of Cosmetology, Electrology, Esthetics, Nail Technology, and Body Art. I have been licensed nail tech and nail tech instructor for 22 year. I previously served on the board from 1999 to 2009, went off the board, and am presently back on the board. Again, one of my biggest issues: infection control and the safety and health of the public. The real risk associated with the transmission of pathogens within the salon have increased substantially due to the following: (1) antibiotic-resistant pathogens; (2) pathogens that are new in our country; and lastly, a huge one for our state and for me, limited government resources which has led to reduced surveillance, meaning inspections for public safety. Inspections right now are not being done. We're in the process, I believe--I've been told by the department--of doing interviews, but there's several in...for a year has not been done. What should scare you as far as infection control is MRSA. It's the most harmful strain that can kill a healthy person in 48 hours. In California, 2010, a pedicure patron became infected with MRSA and died in four days. I spoke with Alan Murphy, president of King Research--you know, Senators, the blue stuff that we soak our nippers and combs in to protect you--and he said, I quote: Nail technology is the most hazardous profession in cosmetology to public safety. The other thing I want to point out that LB343 doesn't address, and I'm hoping we can fix this, is Nebraska and Connecticut do not license natural nail services, meaning manicures and pedicures. Now I've already told you that pedicuring is one of the most hazardous in the cosmetology field. Over the years I've seen lawsuits from nail technology service increase from 6 states to 15. This topic has been addressed on national news, Dateline, CBS, NBC, and numerous other times, thank God not in our state because Nebraska has it right. We have high standards of excellence in our education. Nail technology involves instruments and chemicals which can be hazardous to human health and safety if used improperly. As you know, the use of proper sanitation and disinfection eliminates the spread of contagious diseases and infections to the detriment of the health and safety of our consumer. For these reasons we must keep the competency hours at 300 for nail technology. Again, I had mentioned that pedicures are the most

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litigated service in the beauty industry. It's currently taught in all the cosmetology salons, related fields, and schools. I had a telephone conversation with Alan Murphy, owner of King Research, and I want to just share two statements he made during this. He said he mainly talks to people in Washington and a lot of other states, and he talked to them about the main issue of public health and safety issues on microbacterial infections. Recently he shared with me the mention of a lawsuit in the state of Virginia where a woman was awarded \$1.3 million for a pedicure lawsuit. It's also happened in the state of Arizona, Texas, Illinois, California. Again, of all the related fields, nail technology by far has the highest risk to the public. I encourage you...and I believe our page is getting a handout for you. There's a couple videos, as I mentioned, Dateline, NBC. You can Google some of these videos, and she will be bringing that around, but it's "CBS Pedicure Safety" and then another one is the Dateline NBC. It specifically makes reference to the state of California where specifically one main salon infection spread by unclean pedicure thrones. With that being said, there's about eight to ten women in this video that have boils on their legs, permanent scarring, will need cosmetic surgery to repair if it can be resolved at all. Several of them were young, young women in their 20s and they're crying on the video saving, I can never show my legs again in public due to the scarring. So this is a huge issue that needs to be addressed. Other things that have happened, again, a death in Texas by pedicuring, the MRSA-related death, toe amputations from fungal infections, Legionnaires', and there is now a founded HIV contracted individual from a manicure. Your page is... [LR227]

SENATOR RIEPE: Are you... [LR227]

PAM ROWLAND: ...getting a picture of... [LR227]

SENATOR RIEPE: Are you close to concluding? Your red light is on. I'm just... [LR227]

PAM ROWLAND: Okay. I'll wrap up real quick here. This one was from the state of Arizona where a diabetic patient went in for a pedicure; six hours later she was in the emergency room with the flesh-eating bacteria. Just a quick closing, I can have...leave this with you, Senators, for you all to look at. OSHA also requires federally mandated training on a lot of the chemicals that are used in the nail salons and there's a nationwide state movement, national talking, licensees, customers, about what's happening in our industry. Our numbers are growing. There's

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approximately 15,000 licensees in our field, not including barbering, which is the second-highest number of licensees behind nursing. Add to that the number of people we say and you could probably multiply that by ten. So in closing, I just want to say that I come from a family of public servants: son, 911 dispatcher; two police officers, my son and husband. They're my heroes. They protect and serve every day. Isn't that essentially your job too? You're public servants to your state and your constituents for the safety and health of the public. So I implore you to do the right thing. This bill is not properly written. As your tattoo artist mentioned, maybe it needs to be broken down. We need to fix this. We're all here to help you and work together and we'd all like to be a part of that. Thank you. [LR227]

SENATOR RIEPE: Thank you. Are there questions from the committee members? Senator Williams. [LR227]

SENATOR WILLIAMS: Thank you, Chairman Riepe. And thank you, Ms. Rowland, for being here. I want to be sure, and I may be confused in this that you were talking about. You used the term "natural nail services." Can you explain what that is and if they are licensed to do that? [LR227]

PAM ROWLAND: The difference between...yes. Nail technology is the application and removal of nail enhancements, some type of product that is processed, cured, hardened under a gel light, mixed chemicals applied to the fingernails or toenails. Natural nail is just the manicuring, cleaning, shaping, polishing, so to speak, of the fingernails and toenails, no product. [LR227]

SENATOR WILLIAMS: And those are licensed the same way under... [LR227]

PAM ROWLAND: They are not licensed. That's my point. [LR227]

SENATOR WILLIAMS: They are not licensed. That's your concern. [LR227]

PAM ROWLAND: And pedicuring is the most hazardous. That's my concern. [LR227]

SENATOR WILLIAMS: Of those? Okay. [LR227]

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PAM ROWLAND: Of everything in ours. [LR227]

SENATOR WILLIAMS: I also want to be sure that I understood what you said in the area of hours. As I understand, our current legislation, it's a variance between 150 and 300; the proposed is 200. Do you think that is not enough... [LR227]

PAM ROWLAND: It's not enough. Three hundred... [LR227]

SENATOR WILLIAMS: ...that even for normal... [LR227]

PAM ROWLAND: I would like to see more, actually, than 300 personally. The national average between all the states is 425. We're well below that average. [LR227]

SENATOR WILLIAMS: And do those states license the ones that you're talking about, the natural nail services, also? [LR227]

PAM ROWLAND: Every state except Nebraska and Connecticut. [LR227]

SENATOR WILLIAMS: Those are the two, okay. Thank you. [LR227]

SENATOR RIEPE: You commented that the high standards in Nebraska and the training is that...that have reduced or we have not had a huge outbreak of infections. [LR227]

PAM ROWLAND: Senator Riepe, I'm hearing impaired, if you could please speak into your mike so I can hear you. [LR227]

SENATOR RIEPE: Oh, sure. I'll do it like a DJ. (Laughter) My question is, is the low infection rate--I'll call it that--here in Nebraska, or the complications, is that a result of training or inspection? [LR227]

PAM ROWLAND: I believe that's a result of training. [LR227]

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SENATOR RIEPE: Do we have inspection in Nebraska? [LR227]

PAM ROWLAND: Not of the natural nails salons. So right now anyone performing natural nails does not have to be...hold a salon establishment license. [LR227]

SENATOR RIEPE: Um-hum. [LR227]

PAM ROWLAND: So they are not even inspected. So we've been very fortunate that people that are just doing natural nails and maybe have these pedicure thrones hopefully are cleaning them. I honestly believe just over the last five years we've seen about four, maybe five now but four I think count for sure, of natural nail salons in Omaha, two of which wanted to go ahead and get their salon establishment license. They want to do it with high standards for the public. [LR227]

SENATOR RIEPE: I would like to think some of it is to the natural, without Midwest values, if you will, that, you know, that's how we were raised, that's how we were taught, and in terms of trying to treat someone else like we would want to be treated, if you will. [LR227]

PAM ROWLAND: I agree wholeheartedly. When nails first licensed in 2000, I worked with former Senator Deb Suttle and three or four of my colleagues to get nails licensed because we were seeing horrific things, not only in the salon industry but in the teaching industry. People were being sat down in front of videos and charged \$1,000 and not even being taught. So that's why nails licensed. [LR227]

SENATOR RIEPE: Don't be giving people ideas here. (Laughter) Okay, are there any other questions? Hearing none, thank you very much. Are there others who want to speak to nail technology? [LR227]

JARED MEYER: (Exhibit 3) Senator Riepe, Vice Chairperson Erdman, and other senators, I want to thank you for the chance to testify today on Nebraska's occupational licensing requirements for nail technicians. My name is Jared Meyer. I'm a senior research fellow at the Foundation for Government Accountability, which is a nonprofit, multistate think tank that works on making it easier for people to earn a living. My colleagues and I applaud this

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committee's commitment to identifying areas where Nebraska's occupational licensing requirements are unnecessarily onerous or out of line with other states' requirements. [LR227]

SENATOR RIEPE: Would you be kind enough to spell your name into the record, please? [LR227]

JARED MEYER: Oh, I knew I was going to forget that. I even wrote my name spelled out at the top of this. [LR227]

SENATOR RIEPE: That's my only job. [LR227]

JARED MEYER: It's J-a-r-e-d M-e-y-e-r. And as you can see from my written testimony, I lay out the case that as academic studies and experience from other states have shown, reducing training hours for various licensing schemes, especially for nail technicians, will promote competition, encourage economic opportunity, and promote job growth while still protecting public safety. It's important to note that as we just heard, a lot of these occupational licenses are fairly new. Since the 1950s, the percent of the Nebraska work force that's needed to get government's permission to work in various occupations has increased from around 5 percent to now 25 percent or more today. This means about 200 occupations are licensed across Nebraska. And rather than covering high-wage, high-risk occupations like financial advisers, accountants, lawyers, doctors, it's now spread to a lot of relatively low-risk and low-wage occupations like nail technicians. And thought it receives little attention, I want to point out that occupational licensing is the single largest issue facing America's labor market today. The decline in union membership now means that we have a union membership rate of 10.7 percent and, again, licensing in Nebraska is over 25 percent. And even though there's a lot of attention paid to the minimum wage, less than 3 percent of Nebraskans earn the minimum wage. So this is the largest issue facing your labor markets. But in addition to scope, occupational licensing is problematic because its requirements disproportionately harm low-income Americans. If we look at a 2012 study by the nonprofit law firm the Institute for Justice, they evaluated 102 different low- and median-income occupations, including nail technicians, and found that Nebraska licensed 45 of these occupations. This includes barbers, cosmetologists, estheticians, massage therapists, and the nail technicians. And the state's average training was months long, five months long, and in

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the hundreds of dollars. Now these fees make it harder for low-income Americans to climb the economic ladder. Just to put it in context here, \$200 is the low end of what the USDA finds a family spends on a week's worth of groceries, so every additional dollar, every additional month or hour of training we add, is going to make it harder for people to enter these occupations and support themselves and those who rely on them. That's something I want to make sure that the committee fully keeps in mind as we're debating the rest of the bills today. And it's estimated that occupational licensing costs the economy between \$127-203 billion a year through reduced competition and higher prices which then leads to higher levels of unemployment. Now this large financial burden unfortunately doesn't fall equally on all Americans and it increases consumer prices by about 15 percent, which, again, those who are least able to afford more costs are harmed the most. Now with nail technicians, it's often not worth it for people who want to work in this occupation to invest several months and several thousands of dollars just to work in an occupation with median annual earnings of \$20,301 in Nebraska. So when you're putting more barriers for an occupation that's already the below-median income, it's going to make it very difficult. And just to point out, Nebraska hasn't seen problems, even with their fairly extensive licensing scheme of 300 hours of education and training to become a nail technician. But if you look at other states, Alaska only requires 12 hours of training, so 12 hours versus 300 hours, and Connecticut doesn't require any training at all. So if people can protect public health and safety and be able to get nail technician services, whether that's manicures or removing or different types of gels, I think in other states that shows that it is possible without an onerous licensing scheme. So if anything, we need to be talking about lowering these licensing requirements, not increasing them, and you could get rid of them altogether, as Connecticut has shown. But as I've said, reforming occupational licensing is a crucial step to encouraging job creation, increasing economic opportunity, and reducing dependence on the government. So I think the state...reducing the state's licensing requirements for nail technicians or eliminating them altogether is an effective way to achieve this goal and I hope that members of this committee and other Nebraska policymakers will continue working to lighten the burdens that occupational licensing places on the most vulnerable Nebraskans. Thank you. [LR227]

SENATOR RIEPE: Okay. Thank you. We'll see if there are questions. Senator Linehan. [LR227]

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SENATOR LINEHAN: Thank you, Mr. Chairman. Thank you for being here today. I'm a little confused on the economics of this because I have somebody. I actually use these services, nail technician, cosmetology. And I don't perceive that the people I go to are low-income providers. As a matter of fact, several people in this industry do very well. So in economics, if you don't...if you let more people without license practice, wouldn't that drive the cost down? [LR227]

JARED MEYER: Yes. As I've said, licensing increases cost by about 15 percent base. [LR227]

SENATOR LINEHAN: Increase cost to the consumer? [LR227]

JARED MEYER: Correct. [LR227]

SENATOR LINEHAN: So wouldn't it at the same time lower the income of the provider? [LR227]

JARED MEYER: Well, what you can see is with certain things you see the same argument with advances in technology lowering the marginal cost that providers could charge. So if you looked at accountants when spreadsheets came out, most people would think that accountants were going to have problems and earn lower levels of income. But what happened is because it opened it up to more people by lowering costs, they actually did better and there's more accountants and they make more money today now. So I would say that's one side of it. But also it is the median, what I was citing with the \$20,301, so there are people who do very well but there are also people who are earning low salaries and just trying to earn a living. So allowing them to enter the field, then work their way up, I think is the best way to increase earnings, rather than restricting entry for people in this occupation. [LR227]

SENATOR LINEHAN: But that would be true of almost every occupation, wouldn't it be, that some people do very well and some people don't do very well? [LR227]

JARED MEYER: Yes. I mean most people, they're able to charge in a market what...based on the services they provide, so. [LR227]

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SENATOR LINEHAN: And wouldn't it also be true that most occupations that require additional or continual education do better than those that don't? [LR227]

JARED MEYER: It could be. It depends. If you're looking at the education hours, I don't think that's what mattes when we should be looking at this. It should be the results. So if we're going to be regulating this occupation and if there are dangers posed to the public, I would much prefer using inspections or a much less restrictive means that don't reduce economic opportunity to ensure that consumers are safe without putting this up-front cost that makes it much more difficult for people to enter a field. [LR227]

SENATOR LINEHAN: Do you know how often we inspect nail salons in Nebraska? [LR227]

JARED MEYER: No, I don't. I was not able to find that data. [LR227]

SENATOR LINEHAN: And was it your understanding from the previous testifier that if they do natural nails, which I had done yesterday, there is no license required? [LR227]

JARED MEYER: What I was looking at was for nail technicians right now. In talking about other states, for that nail technology, that's also where Alaska has 12 days and Connecticut doesn't do any licensing at all. [LR227]

SENATOR LINEHAN: Right, those two states, but a lot of states, because nail technicians do a lot of chemicals, so most states do require some licensing,... [LR227]

JARED MEYER: Well... [LR227]

SENATOR LINEHAN: ...don't they, for the technicians that put extensions on or do fillers or use electric...whatever you call them... [LR227]

JARED MEYER: Yeah, yeah, 18 states have periods of required education and training that are under 300 hours. So this is a case where I think we've seen that the market can take care of it and that people are able to be informed consumers where now...you know, back in the 1950s it might

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have been difficult to find out about access to a certain service provider or their quality or their prices. But now there's so much information in the hands of consumers through things like Yelp, Google reviews, social media, that I think the lack of problems we've seen in Nebraska is a reason that...to lower the requirements, not increase them. And hours don't directly correlate to great outcomes. Academic study after academic study has found that occupational licensing doesn't increase public safety. The correct way to do it is after-the-fact reviewing through inspections because, just because you went to school, doesn't mean you're going to follow, kind of what the gentleman who was talking about body art was bringing up. [LR227]

SENATOR LINEHAN: Okay. Thank you very much, appreciate it. [LR227]

JARED MEYER: And if you look on my citations at the end, I have the different papers that I referenced on occupational licensing and public safety. [LR227]

SENATOR LINEHAN: It seems, though, that in the '50s we had a turn that we need to do more licensing and be more involved in who's doing what. Now maybe it is over done, but I am assuming...have you looked into why, in the '50s, they decided that we should do more licensing? [LR227]

JARED MEYER: Well, one aspect that explains a small percentage of the rise is the U.S. has shifted more towards a service economy and that's where a lot of licenses take place. But that doesn't explain the vast majority of the increase. I would say the increase is that once you start licensing an occupation, people in that occupation stand to gain by keeping out new competition. So they push for more and more. Like even when you have 300 hours of training, you have people come in here and asking to add more. When are businesses begging to be regulated? It's when they want to put higher barriers around their market to stop other people from coming in and competing, so. [LR227]

SENATOR LINEHAN: Do you know how many licensed nail technicians we have in Nebraska today? [LR227]

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JARED MEYER: I have the data, not up here with me, but I can get it to you when I come up for the next testimony. [LR227]

SENATOR LINEHAN: I'd be interested in how many we had in 19...whenever we started, in 2000,... [LR227]

JARED MEYER: Um-hum. [LR227]

SENATOR LINEHAN: ...excuse me, in 2000 versus how many we have today... [LR227]

JARED MEYER: Yeah, I would... [LR227]

SENATOR LINEHAN: ...to see if there really has been a restriction. [LR227]

JARED MEYER: And I should point out, just with occupational licensing in general, across the United States there's 1,100 distinct occupations licensed on the state level. Only 60 of those are licensed in all 50 states. So my point is that if it, even one state, but in a lot of cases this is half the states, can keep their residents from having harm, keep their residents safe without licensing that occupation, that means Nebraska, one of the leaders in the country of being a market that encourages growth and encourages employment, should be looking at that as well, where we shouldn't be creating licenses that are above what other states are doing and proving that they can still keep their constituents safe. [LR227]

SENATOR LINEHAN: Thank you very much. [LR227]

SENATOR RIEPE: Senator Howard. [LR227]

SENATOR HOWARD: Thank you, Senator Riepe. Thank you for visiting with us today, Jared. I've never heard of the Foundation for Government Accountability. Can you tell me a little bit about it? [LR227]

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JARED MEYER: Sure. We're a nonprofit, multistate think tank and what we work on is removing barriers to work. So, for example, we've worked with policymakers on everything from exempting low-income individuals from paying their first year's occupational licensing fees so they can enter an area more; we work on expanding apprenticeships. And as I said, we have staff members in about 22 different states throughout the country and we work all over on state-level policy. [LR227]

SENATOR HOWARD: That's great. Where in Nebraska are you from? [LR227]

JARED MEYER: I'm not from Nebraska. [LR227]

SENATOR HOWARD: Oh, where are you from? [LR227]

JARED MEYER: I grew up in Minnesota and Illinois. [LR227]

SENATOR HOWARD: Okay. And I was reading your bio on-line and I noticed that you were Koch fellow. So can you tell me a little bit about how that informs your work on occupational licensing? [LR227]

JARED MEYER: Yeah. I should point out that the Foundation for Government Accountability, we're funded by individuals and we don't receive money from the Charles Koch Institute.

[LR227]

SENATOR HOWARD: Sure. [LR227]

JARED MEYER: But when I was doing my first internship in D.C., they provide the funding so that you can work at a nonprofit, so I worked at the Manhattan Institute during that time. [LR227]

SENATOR HOWARD: That's great. [LR227]

JARED MEYER: So that was my previous work. [LR227]

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SENATOR HOWARD: That's great, but how did your experience there inform your work with occupational licensure? [LR227]

JARED MEYER: I know that the Charles Koch Institute, in general, is very in favor of occupational licensing reform because they want to make sure that when government regulates an industry it's truly to protect consumers and not a way to protect established competitors. So that's why I think one of the...that's been one of their main issues. [LR227]

SENATOR HOWARD: Great. And where is the FGA based? [LR227]

JARED MEYER: They're based in Naples, Florida, where we have two of our staff members, but, as I said, we have over 20 other states (inaudible). [LR227]

SENATOR HOWARD: And you're based in Florida as well? [LR227]

JARED MEYER: No, I live in Washington, D.C., currently. [LR227]

SENATOR HOWARD: Oh, I was going to say I would love to be based in Florida. That sounds amazing! [LR227]

JARED MEYER: I know, yeah. [LR227]

SENATOR HOWARD: Wonderful. Thank you for visiting with us. [LR227]

JARED MEYER: All right. Thank you. [LR227]

SENATOR RIEPE: Are there other questions? I have a question. And I quote here, it's in your (inaudible) it says, and I quote, it says, "Licensing Doesn't Protect Public Safety." My question is, does unannounced protect public safety? [LR227]

JARED MEYER: I would say that does a much better job of protecting public safety than something like licensing does, because, again, these hours that we're throwing out, it's odd that

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they're always just, you know, round numbers in the hundreds. I don't think it's scientifically determined that having...let's say bumping this up to 600 hours or keeping it at 300 hours is the best way to protect the public. The best way to do that is rely on enforcement that we have for when things go wrong and also to ensure that establishments are following certain guidelines. Like licensing I view as the most extreme form of government regulation that we can use to regulate a profession. So if everything else--insurance, bonding, inspections, certification--if all of those don't work in order to protect the public, then we can to licensing. But right now I've noticed that the knee-jerk reaction for a lot of established practitioners is to push for the licensing in their specific profession. [LR227]

SENATOR RIEPE: My guess is that we could find some volunteers to be secret shoppers (inaudible). [LR227]

JARED MEYER: Get free manicure? I know my wife would definitely volunteer for that. [LR227]

SENATOR RIEPE: Okay. Are there other questions? [LR227]

SENATOR HOWARD: Well, I apologize. [LR227]

SENATOR RIEPE: Yes. [LR227]

SENATOR HOWARD: Can you tell me more about this low-income exemption for licensure payments for your first year? [LR227]

JARED MEYER: Sure. So in Florida, people with income levels below 130 percent of the federal poverty line do not have to pay the first year of licensing fees. This is a way to lower the burden that it places on people trying to enter the work force. And in Arizona, those below 200 percent of the poverty line do not have to pay licensing fees. They're exempted from, again, their first time, and that's because everyone from President Obama's White House to now President Trump's White House agrees that occupational licensing disproportionately harms low-income Americans. So this is something that there's widespread bipartisan agreement on of why we've

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seen a lot of movement in other states, including Nebraska passing five bills on licensing reform last year, one on African hair braiding the previous year. That's why we've seen this movement, and I'm encouraged that we're going to see more movement this year in Nebraska and I hope that even though established practitioners are going to come out and push back against licensing reforms, it's important to keep in mind that this is a true bipartisan issue about promoting opportunity and making sure that we only use this type of very restrictive government regulation when it's absolutely necessary. [LR227]

SENATOR HOWARD: Was it for all licensures or just specific ones? [LR227]

JARED MEYER: It was for all licensures on the state and local level. [LR227]

SENATOR HOWARD: So including like physicians and that sort of thing? [LR227]

JARED MEYER: If someone was...met the poverty threshold, then... [LR227]

SENATOR HOWARD: Like a very poor medical student? [LR227]

JARED MEYER: Yes. Yeah, if their household income (inaudible). [LR227]

SENATOR HOWARD: Or like a very poor lawyer? I'm just throwing... [LR227]

JARED MEYER: Yeah, yeah. [LR227]

SENATOR HOWARD: I'm just (inaudible)... [LR227]

JARED MEYER: And again, it is only for the initial fee, so if they get in, and then the next year hopefully they will be above, you know 130 percent of the poverty line, or 200. Then they would continue paying the fees. [LR227]

SENATOR HOWARD: That's fantastic. Thank you. [LR227]

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JARED MEYER: Yeah. [LR227]

SENATOR RIEPE: Here in Nebraska, we're nonpartisan instead of bipartisan. [LR227]

JARED MEYER: Well, I should say this is a nonpartisan issue then, it's...yeah. [LR227]

SENATOR RIEPE: Okay. Thank you. Are there any other questions? Seeing none, thank you very much. [LR227]

JARED MEYER: Thank you. [LR227]

SENATOR RIEPE: Thanks for making the journey and for being here with us. It's helpful. Are there any others? Okay, please come forward. If you'd be kind enough to state your name and spell it, please. [LR227]

LINDA POCHOP: My name is Linda Pochop, L-i-n-d-a P-o-c-h-o-p. I'm the director of education Xenon Academy, which is a cosmetology school in Omaha, Nebraska, but as a consumer on the nails portion I don't find that consumers are knowledgeable in the fact that the person that's doing their nails or their manicures or pedicures are not licensed. You walk into an establishment that has licenses on the wall and people are going to assume that the people that are doing their services are licensed because they see those and it's not the fact. The fact is we have people that are not trained other than 12 hours, which is, for us, a long day at work, for them no training, and the next thing you know they're working on the public. Eight hours is not sufficient amount of time to go through and learn how to put on an artificial nail. Because I have done it myself, personally--you may not have--it takes skill to learn that. So the amount of time that we're talking about, 300 hours in training in the state of Nebraska at 35 hours a week, is eight and a half weeks. Let's not pretend like this is an exorbitant amount of time for them to get trained to do this service, if it's at 150 hours, four and a half weeks of education before they're working on the public. As a licensed cosmetologist, I, myself, if I was working in a barbershop next to Ken, would have to be...it would have to be noted that he is a barber and I am a cosmetologist. In a licensed establishment, we would have to distinguish which license is which. But in a nail salon, they don't even have to let you know if they are training a student. Because

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they can be their own school, they don't have to let you know that it is a student working on you. In my school they have to sign a release when they walk in. We have to clearly state on our building that it is a school and that the people that you're working on are under our supervision and that's not is...what is happening in the nail industry. So I think it is completely in the public's best interest to regulate those types of situations so that the public is made aware. If any of you guys have had the opportunity to go in and have a natural nail service and you've ever seen them pull out a cheese grater to file off callouses off of somebody's feet, know that as a licensed nail technician that is illegal because it's considered a Credo file. But because I am unlicensed I can do it and nobody can do anything to me. So the regulations that we're having in those situations for the health and public safety are complete different guidelines. Because you're sitting at that chair as an unlicensed person and I'm sitting in this chair as a licensed person, whoever walks in through that door has no idea who is who because there is no way to distinguish those differences in those facilities. And as far as like the low income that those people are making, that's because those poor girls are working and they do pedicure after pedicure after pedicure with not getting good commission because they don't have a license, they have nothing else, they have nowhere else that they can go. For some of you guys who have been in those situations where you have visited those type of establishments, you will see that they're young women. Some of them are working on alien cards and, you know, there's no regulation for them. How do we know how fairly they're being treated? How do we know how they're being paid? What kind of commission scale are they making? It's a very much cash business. So when you're saying that they're making this much money, how can you report that, because those people are not necessarily reporting their income correctly when it's an almost strictly cash business for them. So when we look at those types of situations and the women that are in those types of jobs, you have no idea how many hours they're working. These could be part-time hours; they could be full-time hours. But saying that the licensing of 300 hours in, you know, two months' time, those people could go to school, get taught, get a license, know that they have received an education that's going to allow them to be able to move, because I can tell you from experience in our area when somebody does call to complain on someplace, they just close it down and open it up in somebody else's name very quickly. And if you have seen them, they rotate from the salons because it is...it's like there is a certain group of people that own those businesses and they just rotate those girls from one shop to another to another. And again, they are not licensed so there's nobody controlling or seeing what is happening with those women. [LR227]

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SENATOR RIEPE: Can you...or if...can you wrap that...okay. [LR227]

LINDA POCHOP: Yep. I...that's...I just wanted to make you aware that the public has no idea whether they're working...somebody who is licensed or nonlicensed is working on them and as a consumer I don't think that's right. [LR227]

SENATOR RIEPE: Okay. We'll see if the committee has any questions. Senator Williams. [LR227]

SENATOR WILLIAMS: Thank you, Senator Riepe, and thank you for being here. I think you said you operate a school. [LR227]

LINDA POCHOP: I am the director of education at a school, yes. [LR227]

SENATOR WILLIAMS: Can you tell me what school and what you...what all degrees you offer? [LR227]

LINDA POCHOP: I'm from Xenon Academy in Omaha, Nebraska, and we do cosmetology and esthetics. We did used to do the nail program but I will tell you that we stopped doing it when it became so unregulated because they...the market got flooded by people who are not licensed, so it became very difficult to regulate that. [LR227]

SENATOR WILLIAMS: In your school and based on your experience and judgment, do you think our licensing requirements are keeping people out of entering these fields of work? [LR227]

LINDA POCHOP: I have 107 students in my school right now so I don't feel like with our count of students that there are not people entering our industry, because with that amount of students, you know, there's a lot of sought-after salons in this town. I have graduates that are salon owners. I have graduates that are working as vice presidents for multimillion-dollar corporations within our industry. And the thing about our industry, I think, are there people that are going to go into different levels of training in salons? Absolutely, there are. And just like in your jobs you have

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had people that have great natural talent and skill levels and then you have people that are not so skilled that need more time, and those are the students that I'm concerned about because those people that don't have a natural inkling for something are students with IEPs. We see more and more of those every single year of students that have learning disabilities. And we have to learn...adjust our teaching styles ad methods to help prepare those students to get them to their training and get them into the industry. After they reach the industry, what they decide to do with their career is on them, absolutely, but my job is to make sure that I'm giving them all of the things that they need to become successful, whether it be a salon owner or whether they want to work and just do haircuts all day at a lower-end salon. [LR227]

SENATOR WILLIAMS: Thank you. [LR227]

LINDA POCHOP: That's completely up to them. [LR227]

SENATOR WILLIAMS: I would appreciate your comments on one other thing... [LR227]

LINDA POCHOP: Um-hum. [LR227]

SENATOR WILLIAMS: ...with your experience. In Nebraska, with a Nebraska base of people and the Nebraska system that we have for control and oversight of the industries that you're involved with, our previous testifier, not from Nebraska, indicated that he believed and his association believes that in the areas of cosmetology, massage, barbering, nails, licensing and the education that comes with licensing does not protect public safety. Would you respond to that? [LR227]

LINDA POCHOP: I would disagree with the fact that somebody who has 8 hours of training versus somebody who has 150-300 hours of training is not going to be more knowledgeable on all of the diseases and disorders that we come across, because especially in the nails there are...so the difference between a nail disorder and a nail disease: a disorder we can work on, a disease we cannot. And you cannot visually learn the difference between those things in eight hours. [LR227]

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SENATOR WILLIAMS: So in your training, and you don't do nails now but when you did, and in the area of cosmetology that you do, do you spend time on issues that would relate to public safety? [LR227]

LINDA POCHOP: Yes. We spend...at the beginning of every single one of our programs, our students go through microbiology, ecology, and disinfection and sanitation training before they're ever even allowed to touch the public. [LR227]

SENATOR WILLIAMS: Thank you. [LR227]

SENATOR RIEPE: A question that I have is, what could a student expect to pay to graduate from your school in nail technology. [LR227]

LINDA POCHOP: We do not have a nail program any longer, so it's, again,... [LR227]

SENATOR RIEPE: Do you have any idea what it would cost a student to come out to be able to practice? [LR227]

LINDA POCHOP: I don't know off the top of my head for... [LR227]

SENATOR RIEPE: Okay. [LR227]

LINDA POCHOP: But I believe that Pam Rowland would be able to speak to that. If we would want to address that with her, she would be able to and she could also address how many licensed nail technicians there are in the state of Nebraska. [LR227]

SENATOR RIEPE: It seems to me, as well, that if you're running a reputable, and we have many of those, cosmetology center that also do nail technology, that the owner/manager has a high vested interest in making sure of customer satisfaction. Your reputation is everything and so with or without a license or with or without, you know...good in the classroom, some are good, some are...have the personalities to match, some have a certain knack and ability that whatever they do they do well and... [LR227]

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LINDA POCHOP: Um-hum. [LR227]

SENATOR RIEPE: And so that's just a, you know, conundrum that I deal with but in terms of...I lean a lot on the owner or the manager to protect their business too. [LR227]

LINDA POCHOP: Um-hum. [LR227]

SENATOR RIEPE: Okay. Are there other questions, comments? Are there...thank you very much for being here with us today. [LR227]

LINDA POCHOP: Thank you. [LR227]

SENATOR RIEPE: Are there others that would like to address nail technology? Yes. You'll be saying your name in your sleep tonight. [LR227]

NICOLE FOX: (Exhibit 4) I know. That's what I'm hoping. All right, Nicole Fox, N-i-c-o-l-e Fo-x, director of government relations for the Platte Institute. Occupational licensing reform is not just a state issue. It has caught the attention of elected officials and government agencies at the federal level. The Obama administration published a paper to establish a framework for occupational licensing reform in July of 2015. The paper noted how the fiscal year 2016 federal budget included \$15 million in funding for the Department of Labor to identify, explore, and address areas where licensing requirements create barriers to labor market entry or labor motility. These efforts are being continued by the Trump administration calling for states to reform their occupational licensing rules to encourage job creation. The Federal Trade Commission, as mentioned in previous testimony today, laughed its Economic Liberty Task Force earlier this year to address regulatory hurdles to job growth. Both a member of the U.S. House of Representative, Congressman Walberg out of Michigan, and a member of the U.S. Senator, Senator Lee in Utah, have introduced federal legislative proposals. Policymakers at the federal level understand the economic harm created by "excessful" occupational licensing requirements. They understand that increased licensing has not led to increased public safety and that other alternatives to protect public safety exist. Licensing nail technicians is one of four occupations being discussed today identified by the Bureau of Labor Statistics as low income. The other three

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are barbers, cosmetologists, and massage therapists. According to the bureau, the national average salary for a nail technician is \$22,150, which is 183 percent of the federal poverty level. And according to Jared's numbers that he presented earlier specific to Nebraska, that's 168 percent of the federal poverty level. And as noted, I know that there is a range as far as income for this profession that because of working for cash some of that may not be reported. But I'd also like to point out that, you know, those working for cash also are not getting benefits such as healthcare and 401(k)s, so they're...you know, that is just something to keep in mind. Forty-nine states and the District of Columbia require nail technicians to become licensed. Connecticut does not regulate this profession. Currently Nebraska requires 300 education hours and it's been proposed to reduce this requirement to 200 hours. Much of the opposition to a reduction in education hours revolves around safety and sanitation. And as has already been mentioned not only by previous testifiers on this subject but also in our first hearing on body art, an inspection could circumvent some of this concern. By having more on-site inspections to verify standards of cleanliness and safety, consumers would be assured that they are protected. And, Senator Riepe, I agree, definitely, unannounced would be good because you would know what they were doing at the time. Reducing the education hours is reasonable. Basic skills, safety, and sanitation could easily fit into a 200-hour program. In looking at the curriculum of the programs in Nebraska, one program listed topics such as life skills, professional image, communication, and business skills, while another program listed information on tools top professionals use to attract clientele, increase sales, and grow their income. It includes preparation of a resume, cover letter, and portfolio. I'm not sure that teaching life and business skills are essential to the original intent of occupational licensing, which is to protect the public. Also, in reviewing the curriculum, I'd like to point out that 225 of the 300 hours are practice hours, 100 on an artificial hand and 125 on a live person, the live person being a paying customer, while students enrolled in these two programs are paying \$3,800 and \$4,600, respectively, not including textbooks, uniforms, and supplies. This is a significant financial burden to incur for programs that typically last just over two months and on average result in low pay. The Platte Institute agrees with the initiatives of the Obama and Trump administrations, federal policymakers, and the FTC. Burdensome occupational licensing laws are detrimental to job creation and economic growth. I urge committee members to consider decreasing the currently required 300 hours of education for nail technologists to 200 hours in efforts to put individuals to work so we can grow our state. And with that, I'm happy to field any questions. [LR227]

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SENATOR RIEPE: Okay. Are there any questions? Seeing none and...or Senator Linehan, please. [LR227]

SENATOR LINEHAN: I just think, to clarify, so this is for nail technicians who use chemicals, who put, what do we call them, acrylic nails on. [LR227]

NICOLE FOX: The acrylics, um-hum, not natural. [LR227]

SENATOR LINEHAN: But if you just...if you're not using acrylics or you're not using chemicals to...for nail enhancement, then they don't have to be licensed at all. [LR227]

NICOLE FOX: That's my understanding, yes. [LR227]

SENATOR LINEHAN: Okay, that's...thank you very much. [LR227]

SENATOR RIEPE: If there are other questions, we anticipate we will probably see you again, so. [LR227]

NICOLE FOX: You bet. [LR227]

SENATOR RIEPE: Thank you very much. Are there others who want to testify in terms of nail technology? Okay, it's not common that we do repeat, but we... [LR227]

PAM ROWLAND: I was just going to give you the information that you were asking for before on the number of licensed nail techs. [LR227]

SENATOR RIEPE: Okay. Can we give that to the clerk over here and we will make sure that that's...or our page, and we'll make sure that that information gets out there. Thank you very much. I will say at this time I'm always quite intrigued. And you know my background is hospital administration. And I've always been intrigued at professionals that refer to what they do, their businesses, as practice. I'd like to think that they're beyond practicing when they take

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care of us as consumers, but, that said, are there others who want to talk about nail technology? Okay, hearing none, Tyler, do we have letters? [LR227]

TYLER MAHOOD: (Exhibit 5) Yes, I have a letter signed by Spike Eickholt of the ACLU of Nebraska. [LR227]

SENATOR RIEPE: Okay. Thank you very much. That concludes our discussion on nail technology. I would now like to move on to LR229, which is barbering, and I would invite anyone who wishes to speak to that to please come forward. And if you would identify yourself and spell us your name... [LR227]

RON PELLA: My name is Ron Pella, and that's P-e-l-l-a, and I was here before you on March 1, 2017. Before I ever got the information of no repeat testimony, that's what I start with. I will not repeat my testimony from March 1, 2017, hearing. I would ask that you review all the handouts I presented to you at that hearing. They will provide you the guidance for your decision on this issue. Remember, curriculum, sanitation, it's not two different things, it's not one thing. You learn and you're taught the proper methods and the things that you must do to protect the public, sanitizing of your tools, etcetera. Unannounced inspections? Yes, proper. That's what we do. We do unannounced inspections, very powerful. That has nothing to do when you send someone out into the real world in a highly competitive world to perform certain services. If you don't have the proper education and the complete education, it limits your profits, it limits what your annual salary is. In other words, if you go into our industry and you only want to cut hair, that's a decision you can make and that's all you have to really do, Senators, is cut hair. If you're good at it, you can make a pretty good living at it. But what do you do if you go out to Crawford or some places that I know personally where we have an individual and that individual has the entire curriculum that our program provides? That's the reason the hours are there. They can cut hair, they can perm, they can color, and the list goes on. You have all of that so I'm not going to repeat that. It's in your handouts. I gave you a complete list of everything. That's what takes the time. Now that individual can cut you, Senator, your wife, give her a perm if she so desires, a color should she desire, son, daughter, etcetera. Get here in Lincoln, you can specialize, maybe; rural Nebraska you probably can't. You need to be able to provide all the services. So I think when I hear inspections will handle this, it's wrong. What's the inspection doing? Is the inspection going

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out there and evaluating the individual, his work, her work? No. It's sanitation. That's one issue. Education is another issue. We didn't decide as a profession that this was the right number of hours. We came to the Legislature. For 30 years I did that. I brought it to the Legislature and we revised our law to stay with what's going on. There was a time, not many of you will know, when you would find a lot of gentlemen running around with a kinky perm, correct? Is it the truth? Okay. If you've not rolled a perm rod and you haven't worked with chemicals, that's not something you're going to provide. So the barber industry has got a curriculum. That curriculum is set into place for it to be comprehensive, including braiding and etcetera. When you start taking those things and dismissing them as they're not all that important, I ask you to reconsider before you make a decision on this issue. They can talk about around the country. Let me advise you, if you haven't read, education, we're number one in the cost and we're, depending on the poll, 23rd or 30th in the world. We keep going this direction, we'll get exactly what we deserve, exactly, exactly what we deserve. And what we're asking for is for us to protect the health, welfare, the safety of the public is what we do. We do it through unannounced inspections, and we give our licensee all of the things they need to go out and to be successful. We can cut that short. We can cut that in half if you want to, but you're cutting their ability to make a living in half. So I say give them everything and if that's all they want to do, then they can just cut hair. But if they're sitting somewhere and they need to have all of that, they really need that full gamut of the curriculum. And that curriculum is important. That's a different story. Check other states. Don't be led in by false thing. Inspection will take care of all of this for you. [LR229]

SENATOR RIEPE: Okay. [LR229]

RONALD PELLA: I ask any one senator to please answer that question for me, how an inspection tells you what their ability is to perform their service. All it does is tell you whether they know anything or if they've got the barber side made up, whether they're using a disinfectant for their clippers, etcetera, how clean is everything. That's sanitation. So that ends it. I'm sorry I went off. I was just going to give you a few minutes but I'm a lifetime. I'm 50-plus years in the profession. And remember, we're number two in the world in the profession and you know what number one is and I won't discuss that. Okay? [LR227]

SENATOR RIEPE: Thank you. [LR227]

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RON PELLA: I'll answer any questions you might have. [LR229]

SENATOR RIEPE: Are there questions? Senator Linehan. [LR229]

SENATOR LINEHAN: Thank you, Mr. Pella, for being here today. Can you...when it comes to the income, because I'm very...I have friends in this industry and I realize that there are a lot of young people that get out and they don't very much...they don't make a lot of income, kind of like almost anybody that gets out of school doesn't make a lot of income in their first job. But why is it so important when you're building your business to have the ability not only to cut hair and to do perms and to do color? It's my experience, and I just would like you to verify this if I'm right, that a cut is one of the cheaper things or least expensive things. And as you go up, up the list of services, the cost increases and you build your client. Can you kind of explain how that works? [LR229]

RON PELLA: Well, I'm not so sure haircuts are all that cheap anymore. [LR229]

SENATOR LINEHAN: Well, that's... [LR227]

RON PELLA: It costs me \$25 to get my hair cut. [LR227]

SENATOR LINEHAN: That's true. [LR229]

RON PELLA: I don't see anything that fancy like that. [LR229]

SENATOR LINEHAN: I guess. But... [LR229]

RON PELLA: I understand what you're saying. [LR229]

SENATOR LINEHAN: Yes. [LR229]

RON PELLA: The thing about it is, is when you involve haircut, I have a pair of clippers, I have a pair of shears, and a comb, and I can cut hair and I can have the gentleman come around and

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sharpen the blades and that's my expense. When I get into chemicals, now I have a lot of additional cost. I've got a lot of additional cost. So I think that all is kind of proportionate hopefully is what you're asking for. If you're going into...is that what you're going for? [LR227]

SENATOR LINEHAN: Well, I'm just...I'm trying to kind of guide away from or make their...the idea that these are low-income jobs, that has not been my experience in my life with the people I know in this industry. [LR227]

RON PELLA: That's good. [LR229]

SENATOR LINEHAN: They're no...they're not...there are people who don't make a lot of money but there are several people in the profession in the state of Nebraska who do financially very well in... [LR227]

SENATOR RIEPE: That's correct. [LR229]

SENATOR LINEHAN: ...the profession of cosmetology. That's what I would like you to address because I know you've been at it for 50 years. [LR227]

RON PELLA: That's exactly right. And the reason they're successful, and this is something that you can't do in school...now I've had people and I've read letters where, you know, if they have a wonderful personality, they show up for work every day, actually maybe cutting hair is the third thing. I read that in a letter. I'm saying to you, you need all of those things. You need a personality; you need to provide an environment that people want to come to. Everybody likes to be known by their first name. Senator, you stay with me long enough and you'll tell me things you won't tell some of your family members or you'll run things by me. I'm just saying. That's why we call it the personal service setting. It's an entirely different setting. So when we add and we do these things to our curriculum, we're licensed, they're expecting us to know what we're doing. When they young lady testified earlier about nail technology, let me give you one example, please. It's very important. I'm in Norfolk, Nebraska, and that's as far as I'll go. And I walk into my licensed establishment and I do my inspection, unannounced inspection. I look over and I see a manicure table. I walk over there and the young lady says, I'm not licensed, you

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can't inspect me. I'm going to tell you what I told her. And if you need the name to verify what I'm telling you, I'll give it to Senator Linehan and I'll let her call. Okay? I said: You're in a licensed establishment. It says right up there this thing is licensed by the state of Nebraska, everybody that works in here is licensed; you may not be licensed, but I'm conducting a sanitation inspection and, if you will, and I went to the owner, please have the individual get back and let me do my job. So you see there's a multitude of things here that come into this. It's not as simple...if it was as simple as that, that's almost laughable, it really is. When you're in the profession, that's a real slap in the face and it is our profession. And you're right, Senator. They use the word "practice." And one time they asked me, when I'm in Falls City, Nebraska, the guy that runs the shoe store next-door, he says, Ron, I noticed Jim's (phonetic) license says he has the right to practice barbering, when is he going to get off of that license? And I said just as soon as he gets this thing down pat and we feel comfortable with giving him a real license. And he was a board member at the time, I might add. (Laugh) [LR227]

SENATOR RIEPE: Ron, are you proposing, too, that the barbers and cosmetologists should have a second license in marriage counseling? (Laughter) [LR227]

RON PELLA: Well, I'll tell you what, Senator, I'll give you a little...just let me give you a little bit of my life story, okay? I was married for 43 years and my wife developed glioblastoma. Five years prior to that I had colon cancer and I had very little chance of surviving. That's 20-some years ago. I grieved for ten years. I was with a friend, air traffic controller, so let it not be just said barbering. And he said to me, Ron, how you doing? And I said, good. He said, no, you're not. I said, what do you base your answer to me on? He said, because I've talked to your sons. He said, let me tell you something, I know you and your wife from day one, you had 43 years of something I am still waiting for and this lady right here is my third wife, be respectful and be thankful for the 43 you had. That's where I come from and that's what I believe in and I'll...go ahead. [LR229]

SENATOR RIEPE: Yeah. We're sorry on your loss and obviously that's an important part of your whole life. I do have a question. I was talking with a constituent last night and he was saying that only someone who's a barber has to be skilled in the use of razors and if you don't think that

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you're not a, quote unquote, barber, if you don't have a skill in using a razor, is that correct or is my...tell me if my constituent is wrong. [LR229]

RON PELLA: No, no, no. [LR229]

SENATOR RIEPE: Okay. [LR227]

RON PELLA: In our profession it is...shaving is in our what we refer to is when we define the profession and the different services we provide and shaving is one of them. [LR227]

SENATOR RIEPE: Okay. But you can't call yourself a barber of you don't have skill with a razor. I see some heads going. I see about four heads back there going (laughter)... [LR229]

RON PELLA: Well, I would say if you're licensed...(laugh) now we're going to go back to are you licensed or unlicensed. I suppose you could unlicense yourself or never get a license and try to give somebody a shave. You could use a Gillette razor and give them a shave. I'm just saying it is in the scope of the practice of barbering. So, yes, that's exact right. [LR229]

SENATOR RIEPE: Let me ask (inaudible)... [LR229]

RON PELLA: Your constituent is right. [LR229]

SENATOR RIEPE: What's the burnout rate in many of these services. I would expect you to address barbering. It may apply to cosmetology. I know sometimes, you know, my wife's mother was a...is a cosmetologist, so, you know, I...and chemicals and she I think built up an allergy to the chemicals or... [LR229]

RON PELLA: Yeah, well, I think, first of all, that you'll find if you have someone here that seems to have a lot of data from a lot of different bases, but then again I'm not sure today with where we're at as to what you can believe and what you can't believe. What I know to be the truth is until about five years ago our profession had the retention of that licensee as tops in any

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profession that stayed in the profession, once licensed, stayed there. Now that changes... [LR229]

SENATOR RIEPE: Yeah. [LR229]

RON PELLA: ...for a lot of reasons. A lot of our licensees, we had young ladies come in to our profession, great technicians and etcetera, but life has interruptions for them also. So all of a sudden sometimes they're in and then when the children are grown they come back. You don't think they're staying around simply with an interest in writing a tell-all secrets book at the end of their career, do you? [LR229]

RON PELLA: Well, listen, you could write a book, Senator, don't misunderstand me. [LR229]

SENATOR RIEPE: You sure could. [LR229]

RON PELLA: You could write a book. Senator Erdman. [LR229]

SENATOR RIEPE: Senator Erdman. [LR229]

SENATOR ERDMAN: Thank you, Senator Riepe. Ron, I noticed, I copied this down what you said: We do unannounced inspections. That is what we do. You do those inspections on behalf of whom, the state? [LR229]

RON PELLA: The Board of Barber Examiners who I have testified for 30 years in front of the Appropriations Committee, I want you to know that the Board of Barber Examiners are fortunate. You could go back to my testimony and read it. But I'd tell them how we believe we're blessed to be government sanctioned at what we do. Ask Senator Mello, who is from Omaha. [LR229]

SENATOR RIEPE: I'm not Senator Mello. [LR229]

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RON PELLA: I know who you are. I know where your district starts. (Laugh) I know exactly where it ends, Senator. (Laugh) No. [LR229]

SENATOR RIEPE: Do you live in my district? [LR229]

RON PELLA: No, no, I don't. [LR229]

SENATOR RIEPE: okay. [LR229]

SENATOR ERDMAN: So who do you do these inspections for? [LR229]

RON PELLA: For the state of Nebraska... [LR229]

SENATOR ERDMAN: For the state of Nebraska. [LR229]

RON PELLA: ...because it's right in our... [LR229]

SENATOR ERDMAN: Okay. [LR229]

RON PELLA: ...it's right in our law. We shall conduct... [LR229]

SENATOR ERDMAN: Do you examine all of the facilities in the state of... [LR229]

RON PELLA: Yes, yes. [LR229]

SENATOR ERDMAN: How often are they examined? [LR229]

RON PELLA: Once every licensing year. [LR229]

SENATOR ERDMAN: Once a year, so you show up at all the facilities? [LR229]

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RON PELLA: Once each licensing year. Until 1913...2013, when we changed the law to, what do you call it, provide for two-year licensing instead of one-year, we did a lot of things, instructor requirements. It was a major overhaul of the law. And at that point we then changed the language to inspect once each licensing year, so every two years. Up until that time, it was every year, yeah. [LR229]

SENATOR ERDMAN: All right. So you do an inspection... [LR229]

RON PELLA: So I stopped out to see Virgil Fries every year. You can ask him. You know him, right? [LR229]

SENATOR ERDMAN: I know him, yeah. [LR229]

RON PELLA: Okay. All right. [LR229]

SENATOR ERDMAN: So then when you do the inspection, you find them to be substandard, what do you do? [LR229]

RON PELLA: Write up a violation. [LR229]

SENATOR ERDMAN: Give them so much time to correct it? [LR229]

RON PELLA: Here's the things we're going to correct. [LR229]

SENATOR ERDMAN: Then what happens? [LR229]

RON PELLA: And now if I come back or if it's grievous enough, I make a trip back and if it's not taken care of, you're brought in for a hearing and fines can be assessed. [LR229]

SENATOR ERDMAN: Closing the establishment? [LR229]

RON PELLA: It's in statute. [LR229]

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SENATOR ERDMAN: Have you closed any? [LR229]

RON PELLA: Oh, yeah. Oh, yeah. [LR229]

SENATOR ERDMAN: Okay. [LR229]

RON PELLA: I've closed schools, taken school licenses. [LR229]

SENATOR ERDMAN: All right. Thank you. [LR229]

RON PELLA: So it's...Senator, if you take care of business and you do it the right way, there's no easy way. You know that. [LR229]

SENATOR ERDMAN: I understand that and... [LR229]

RON PELLA: You know that and that's what we've tried to do. We've not tried to burden anyone. And anyone that tells you that it's hard to get into the state of Nebraska is blowing smoke. As Mr. Remington (phonetic) said, stop the smoke, stop the music, and get out there and kick somebody's ass. That was in last Friday's paper. Perhaps... [LR229]

SENATOR RIEPE: Make sure that's in the minutes. (Laughter) [LR229]

RON PELLA: Stop them. Stop the recorder. (Laughter) [LR229]

SENATOR RIEPE: Are there other questions? Senator Williams. [LR229]

SENATOR WILLIAMS: Thank you, Senator Riepe, and thank you, Mr. Pella, for being here. Are you part of a school yourself? [LR229]

RON PELLA: No. [LR229]

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SENATOR WILLIAMS: Do you know if anybody is going to be testifying that is part of one of the schools? [LR229]

the schools? [LR229] RON PELLA: Let me ask. [LR229] SENATOR LINEHAN: You can't do that. [LR229] ____: Yes. [LR229] ____: Yes. [LR229] SENATOR WILLIAMS: Okay, then I... [LR229] RON PELLA: Yes. [LR229] SENATOR WILLIAMS: I have some questions there I'll pass on. [LR229] RON PELLA: Okay. [LR229] SENATOR RIEPE: Okay. Ron, good to see you again. Thank you... [LR229] RON PELLA: Had a wonderful conversation. Thank you. [LR229] SENATOR RIEPE: ...for being here. If there are no other questions, we'll move on to... [LR229] RON PELLA: I didn't get any questions last time when I gave you all that information so it surprised me. [LR229] SENATOR RIEPE: You must have done a good job. [LR229] JARED MEYER: (Exhibit 1) I'll spell my name first this time: Jared, J-a-r-e-d, Meyer, M-e-y-e-r. And just based...again, thank you for the opportunity to come speak with you today. But just

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based on the last testimony there are two very key details that I want to highlight about occupational licensing. The first is that the entire justification for licensing is public safety, not skill. For example, I could cut my own hair but I would do a very, very bad job. But if something like that where you're not going to harm yourself or harm someone else, that doesn't bring into play licensing. So while skill is important, and barbering is a very skilled profession--I, for one, cannot do it--that doesn't necessarily, and doesn't actually add any credence to the call for further licensing. And the second point that I want to make sure is clear is that this training is mandatory. It is mandated by the government. You cannot go and cut someone's hair for money in...if you do not have a license. That is a violation. So this is not option curriculum, it's mandatory, and if that education is going to have you earn higher income wherein a lot of times learning more skills, getting more education will help you, that should be optional, not mandatory, if it has nothing to do with public safety. But as I talked about that occupational licensing is problematic for the harms it places on low-income Americans, but it also disproportionately harms military families. And because licensing requirements disproportionately harm people who are defending America or trying to bring their families out of government dependence, these barriers to work need to be carefully and regularly reviewed. Again, the only legitimate legislation for limiting Nebraskans' ability to work is to protect public safety; however, this public safety justification for extensive requiring education and training for barbers is dubious. But looking at military families specifically, there's one reason why Nebraska passed LB88 last year: to make it easier for military spouses to continue practicing nursing when they've relocated to the states. Other states, including Arkansas, Florida, Indiana, Iowa, Kentucky, Missouri, Michigan, Oklahoma, and West Virginia, they all have legislation that relaxes or waives occupational licensing requirement for members of the military and their families. If you look, about 75 percent of military spouses with an occupational license require a renewal or a reissuance of their license when they're relocated to a new state. And because military spouses or ten times more likely to have to move in a given year than their civilian counterparts, this is something--and I should point out they're licensed at a higher rate than the general population--this is a very substantial burden when you have licensing requirements. And excessive licensing requirements are one reason why military spouses face an unemployment rate of 18 percent, which is more than four times the overall U.S. rate. But again, because we're talking about safety, not skill, in every discussion with occupational licensing, I want to point out that academic studies show that today's level of licensing is unnecessary to protect public safety

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in many instances because if creating a license to work in a specific occupation is truly necessary, then that license should be in place across the nation. As I mentioned in my previous testimony, there are 1,100 occupations licensed by various states but only 60 occupations are licensed in every state. For example, Nebraska is one of only 16 states that licenses signlanguage interpreters. You can find hundreds of these examples, actually over 100, in Nebraska where not every state is licensing that occupation. And the licensing burdens across these occupations do not align with the respective threats posed by working in these occupations. If proponents of licensing are correct, then those occupations that have a high potential for, let's say, fraud or bodily harm, such as administering healthcare, handling large sums of money and working with vulnerable parties, should be the most strictly licensed. But this isn't the case. Right now Nebraska's required training time for emergency medical technicians, people who are literally required to hold lives in their hands, is as little as 150 hours. On the other hand, for barbers, Nebraska requires 2,100 hours of education and training, so EMTs, 150 hours, barbers, 2,100 hours. And I should point out that this requirements for barbers is the longest in the entire nation and that of 26 states mandate 1,500 hours. So that seems to be the national standard but whereas Nebraska decides to require another 600 hours for an occupation that has median earnings of \$23,574 dollars in Nebraska. So this...I mean if 43 states can protect their residents while requiring 1,500 or less hours of training for barbers, I just see no reason for Nebraska to force aspiring barbers to pay for an additional 600 hours of education. And I think this holds especially true with the harms to low-income Americans and also members of the military who have been serving their country and their spouses that give so much as well. We need to really look at each occupational license and figure out if every single hour that you're mandating people have to go through, because, again, this is mandatory, it's not optional, if it is truly necessary to protect public safety. [LR229]

SENATOR RIEPE: Questions? Senator Williams. [LR229]

SENATOR WILLIAMS: Thank you, Senator Riepe, and thank you, Mr. Meyer, for coming to Nebraska to testify today. I just have one question. Are you making an assumption that if the hours are reduced, the tuition would be reduced? [LR229]

JARED MEYER: I would assume so because... [LR229]

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SENATOR WILLIAMS: Why would you assume that? [LR229]

JARED MEYER: ...because it would take less time of paying instructors and less time utilizing the buildings because a lot of this is through having to do hands-on training, so less time to have to pay for all of that. [LR229]

SENATOR WILLIAMS: So as a banker then, you're suggest...I'm, by the way, a banker, that they would be eliminating everything except the things that protect public safety. So the things that can make you successful in business--knowing how to run a business, knowing how to market your business--none of those would be part of the training. [LR229]

JARED MEYER: Those are unquestionably important skills but I don't think they're skills that should be required in licensing. [LR229]

SENATOR WILLIAMS: So why do you think the tuition would go down? [LR229]

JARED MEYER: Because if you don't have to all of a sudden spend 2,100 hours training an individual, they won't have to pay as much if they only have to pay for 50. [LR229]

SENATOR WILLIAMS: But don't you think the person will want to have the training that will make them successful in the business? [LR229]

JARED MEYER: I would personally like to have that and I, because I have the means to do so, would pay to get that education, so, yes. [LR229]

SENATOR WILLIAMS: Thank you for your answer. I appreciate it. [LR229]

SENATOR RIEPE: Thank you. Are there additional questions? Senator Crawford. [LR229]

SENATOR CRAWFORD: Thank you. I guess I understand the importance of licensure for...and a key component is protecting public safety. But if you are going to a licensed professional, I believe you would also have an expectation that they have certain skills in that profession. So

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isn't there a professional skill component to licensure as well? This is someone certifying that if you go to a dog trainer or a barber or a nail technician, that there is...there are...is a level of skill that you can expect a certain standard of service there. [LR229]

JARED MEYER: I'm very glad that you used the word "certified" because certifications I think are a much better role for government in this case in letting someone know that they've passed strenuous exams, gone through a lot of training. That's where certifications can come in, whether that's through private companies or through the government. But the important distinction between recertification and licenses are that certifications are optional. You couldn't call yourself a certified barber if you didn't go through the state's training but you could still work, whereas licensing you are not allowed to work unless if you have the license. So I think certification is another great thing in addition to regular, unannounced inspections, that the committee could look at in encouraging that rather than licensing. Again, licensing is the most extreme form of occupational regulation that we have. So I would love...and I should point out, as well, when I came in last night I was looking for a place to eat so I went on...first I asked my Uber driver if he had any recommendations and he said I'd have to walk about half-hour to find something that he'd recommend, so I went on Google and started looking for reviews. And I found this great place that had 4.8 star...almost 200 reviews and it was, I can tell you, great Halal food. So that's something that I think today with information being in the hands of consumers, maybe in the 1950s that argument of pushing out information was better for government to be involved in this, but I think if anything people say we have too much information today. So I think in the age of smart phones, in the age of Yelp, Google reviews, social media, where word of mouth can spread to literally anyone who has an Internet connection, I think the incentives, as Chairperson Riepe mentioned earlier, for business owners to keep themselves in line and to keep serving customers' needs and making sure they have those quality skills and service providers, is very, very strong. [LR229]

SENATOR CRAWFORD: The profession itself is also involved here in terms of what it means to be in the profession, I believe. [LR229]

JARED MEYER: Yeah. And there's a lot of very skilled professions. I mean, for example, I work in policy research. We're not licensed but we still have a set of standards that we follow. So

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there's ways to do this without licensing. I just think the knee-jerk reaction to have established interests push for licensing or further licensing, I think that's misguided when there's other tools the government can use to protect public safety and encourage higher levels of skill. [LR229]

SENATOR CRAWFORD: Thank you. [LR229]

SENATOR RIEPE: Senator Howard. [LR229]

SENATOR HOWARD: Thank you, Senator Riepe. Thank you for coming back, Jared. I apologize, I missed a portion of your hearing. My understanding is that in the last cycle there were no pushes for additional regulation. So sort of one of the things that I've heard you say several times is we oppose additional regulation. There was no...I don't remember a proposal for additional regulation. This was just to kind of leave us where they were at, make sure that an already stable occupational licensing system remained the way that it was or that there were clarifications when necessary. So I just wanted to sort of get a better feel. Are there other states where you're seeing more rigorous licensure requirements proposed? [LR229]

JARED MEYER: So, because we are not testifying just on a specific bill here, we're taking about the occupations in general, I wanted to bring it up because some of the other people who have testified have advocated increasing the number of hours, so that's why I was emphasizing that. But throughout the U.S., even with this nonpartisan push to try to reform licensing, you have things like music therapists and interior design who have their professional associations trying to expand licensing. Interior design, for example, they're pushing for six years of required training and they've done so successfully in three states and the District of Columbia. And for music therapists, Minnesota just enacted that. Again, two very skilled occupations--my mother is an interior designer--but skill shouldn't matter when it comes to licensing. It should be public safety. So this is happening. There's pushes for constantly expanding licensing and I wanted to make sure that I addressed that during the testimony. [LR229]

SENATOR HOWARD: Sure. And then I apologize, I was in my office dropping off a letter and I thought I heard you say...did you say public safety is not a skill? [LR229]

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JARED MEYER: Oh, I said that licensing should focus on public safety instead of promoting just pure skill. It's...so training is important and if I was going into one of the occupations we're talking about today, I would definitely want to learn from someone who has experience in the industry. It's very difficult. I would need to learn how to do that, to be the best to serve the customers, but in order to not physically injury the customers, I don't think that's the same level of training. So that's why I would push for something like certification, which is optional, rather than licensing, which is mandatory. [LR229]

SENATOR HOWARD: Thank you for your feedback. [LR229]

JARED MEYER: Thank you. [LR229]

SENATOR RIEPE: I have a question. One of the things that we have heard is that in some of the disciplines that unless you have, say, 600 hours your students are then not eligible for students loans. So this plays into sort of it drives maybe the numbers where you might otherwise say, well, the number could be different. But if you make it 500, they miss out on that loan opportunity, which creates a problem for us, too, or a concern. [LR229]

JARED MEYER: Yeah, I think that's one of the great...I'm very happy that you have people from the industry here who have that on-the-ground knowledge about things that would come up with that. But by lowering it to 1,500 hours, which again, 26 states have, you'd be perfectly fine to still get access to student loans. And beyond that, it's 43 states in total have 1,500 hours or less for barbering when Nebraska has 2,100 hours. It's just...if your neighboring states...I mean I've...I was just in Florida and I mean I...actually your quality of men's haircuts might be better here, looking at you two, but I don't see a noticeable difference... [LR229]

SENATOR RIEPE: Especially Virgil. [LR229]

JARED MEYER: ...usually between...for that extra 600 hours, so. [LR229]

SENATOR RIEPE: Okay. Thank you very much. [LR229]

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JARED MEYER: Thank you. [LR229]

SENATOR RIEPE: If there are no other questions, we will proceed on. We're still talking about barbering and I think there was...okay, thank you. Would you be kind enough to introduce yourself and then spell your name, please,... [LR229]

CAROL GERLT: Yes. [LR229]

SENATOR RIEPE: ...then go forward. [LR229]

CAROL GERLT: My name is Carol Gerlt; that's G-e-r-l-t. I am the director of barbering at College of Hair Design. Last night when I was thinking about this hearing and the things that I should say, the things that I should look up, the stats--who has what hours, who pays what, what do they get--I kept coming back to one thing: my state of Nebraska. Give you a little back history about myself, I'm the first child out of my family that went to college. I got my first set of clippers when I was 12. Chuck (phonetic) said, you have a gift, this is what you need to do while I was there with my grand-daddy and my dad getting their haircuts. I was watching this and I loved what he did. He got to talk to people, educate people, and I felt like a sense of family and community. As we walked out that door, my grand-daddy looked at me and said, you're fired because it's not your dream to work at my salvage yard, so you need to be enrolled in school. So at 17 I took on debt and I became a barber. So as I was thinking last night about the things to say to you, I decided to put it simply in a letter. I've been a licensed cosmetology and barber instructor for 18. I have been proud to not only live, teach, but have also gotten my education where it requires 2,100 hours because when I went to school we were one of six states that allowed that bar and that high regard for education to be here. I always felt that education was a good thing, it was an investment in myself that nobody could ever take away, but yet up for consideration in my beloved state of Nebraska is to shorten hours from 2,100 hours to 1,500 hours. So I pose questions. What and why is less education a good thing? Why does Nebraska want to lower our standards? Because, yes, I do teach shaving, sir, and I welcome you gentlemen at any time to come and let me shave you in my class to see what not only sanitation but, importantly, disinfection, what disorders and diseases are, and how we teach. And when neither of these things or either of these things, why are they good to take away? Why? Because

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somebody says so? Because they have an investment in somebody else's pocket? I don't know. But I do know as an educator and as a parent and a child who may someday go, I'm going to push that child to go for the highest regard of education, to take pride in themselves and get everything they can out of their investment. So we do teach sanitation/disinfection, which is stressed upon daily. And as far as our school being inspected, we get inspected four times a year and we do get drop-in and I love it because it keeps them on their toes. They know how dangerous things can be and how things can become contagious and they learn all this before they touch somebody and where is that a bad thing? So we do teach diseases, disorders, hair cutting, chemicals, perm/relaxing, colors, along with many other aspects and subjects. Yes, we do teach life skills because, you know what, I've got students that came from some hard families and they didn't get those. And, yeah, I get the cry, I get to be mean, I get to give a hug, I get to laugh, I get to smile, and I also get to help wrestle that one-year-old for his first haircut. Where is it bad to take my time away, their time away, to say you're worth less? So as a teacher I help make them more confident, well rounded, and stronger in their chosen profession and, boy, am I mean because I see them go off, set goals, become barbers, become barber owners of their own shop, and become successful and set goals for themselves and then offer more for the people that come in. I've always felt in Nebraska that we should give our students more than just a basic foundation because if we don't have a foundation, our house won't stand. By cutting hours and lowering our standards, we'll be forced to shorten classes, theory, and hands-on. Oh, by the way, if you've got a disorder and it's communicable, I hope I was there the day I caught it. Maybe someday you'll review it. I don't know because, 1,500 hours, are we going to have the time? We'll be forced to shorten these classes, theory and practical, reduce, possibly, and even delete parts of our curriculum because these students aren't worth 2,100 hours, which is honestly what scares me most, especially when it comes to shaving. It is an injustice for our future professional as a barber to just push them through their education. I close with simply we are not worth less. Keep our bar high and keep our standards raised. I do have a few inserts from a coworker who simply put, and she hit the nail on the head, somebody told her once that you can teach a monkey how to cut hair in five minutes but yet we can put a monkey into outer space and it still doesn't make him an astronaut. [LR229]

SENATOR RIEPE: Hmm. Okay. Thank you very much. [LR229]

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CAROL GERLT: Sorry if I got choked up. I guess I'm a little bit too passionate about what I do and what I teach. [LR229]

SENATOR RIEPE: And you said that you'd been in the business 30 years, is that correct? [LR229]

CAROL GERLT: Going on 30 years, sir. [LR229]

SENATOR RIEPE: How long have you been an instructor? [LR229]

CAROL GERLT: Almost 20, sir, 18. [LR229]

SENATOR RIEPE: Twenty. Is that at your school or is this another school that you're an instructor at? [LR229]

CAROL GERLT: I've been 14 with College of Hair Design and 4 at another school. [LR229]

SENATOR RIEPE: Okay. Okay, are there other questions? Senator Linehan. [LR229]

SENATOR LINEHAN: Can you help me remember, do you have to take a test to be licensed or you just have to graduate from school? [LR229]

CAROL GERLT: We have test finals for every session. We have a school final. We have a school practical final. And, yes, we do have a state board exam, practical and theory. [LR229]

SENATOR LINEHAN: So there is a state board exam. [LR229]

CAROL GERLT: Yes. [LR229]

SENATOR LINEHAN: So before you can get a license you have to take a state board exam. [LR229]

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CAROL GERLT: Yes. [LR229]

SENATOR LINEHAN: ...as a nurse does or as a lawyer, there's a state exam. [LR229]

CAROL GERLT: Correct. [LR229]

SENATOR LINEHAN: And is it different for barber and cosmetologist? [LR229]

CAROL GERLT: A cosmetologist has a written exam and they do have a state final. [LR229]

SENATOR LINEHAN: Has there been any discussion, because this is something I think about, I know barbers are different than cosmetologists, but has there been any discussion inside the industry, not from outside the industry, but inside the industry of figuring out how you'd have a cosmetology and a barber license merged, because, I mean, it used...guys used to go to barbers, women went to cosmetologists. Now it's not that delineated. Has there been any discussion inside the industry to have a license for...is the two separate license one license? [LR229]

CAROL GERLT: Not that I'm aware of. [LR229]

SENATOR LINEHAN: Okay. Thank you. [LR229]

CAROL GERLT: And it would be one that I'd oppose of,... [LR229]

SENATOR LINEHAN: Okay, that's good. [LR229]

CAROL GERLT: ...not because of the requirements, 2,100, it's just a blessing for both. [LR229]

SENATOR LINEHAN: Okay. So right now you have to go 2,100 hours to be both. [LR229]

CAROL GERLT: Yes. [LR229]

SENATOR RIEPE: Okay. Senator Crawford. [LR229]

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SENATOR CRAWFORD: Thank you, Chairman Riepe, and thank you for being here. Of those 2,100 hours, what...how many hours are hours that are practice hours, so spent... [LR229]

CAROL GERLT: I knew you would ask that. Our school is divided up into sessions, so our orientation is 350 hours. Out of that 350 hours, 164 of those are strictly theory. That is everything from chemicals to sanitation/disinfections to orders, hair cutting, relaxing, all of it. Out of that 350, 171 of that is practical, hands-on skill and applying to their trade, because these are for future professionals and it is practice because doesn't practice make perfect? Sessions, we do have other sessions where they start getting out onto the floor but they still have class. One session we've combined. They have 700 hours in 20 weeks. Out of that, over 70...almost 71 hours is classroom theory, 40 of it is practical. We have 560 hours of clinicals where they're practicing to get consistent at their trade and we do incorporate demos where we do have other future professionals and licensed professionals that come in and help educate our students that will be someday licensed. Our other classes are 350 each where they range from theory from 30 hours to 23 to 46. And out of those 350 hours they're spending about 281 to 278 to 265 on the floor practicing their trade. By the time they get with me, I'm making sure everything has come together and our house is strong, because they're tied to me, I'm tied to them, and I would rather them say, you know what, I had a teacher of mine tell me one time when I thought and I was asked to become one teacher. I said, I don't think I have what it takes. And he goes, if anybody should be one, you go in with heart, so do what your heart says because a student forever remembers two people: the teacher that let him down or the teacher that lifted him up, so who do you remember? And I said oh, Ms. Paskachil (phonetic)...I skipped her class a lot, okay? She didn't teach me a whole lot, eye candy, yes, but didn't teach me a lot. I go, and I went every day to your class because you were a pain in the butt and a force to be reckoned with but you taught me something, the value of not only my education but myself and I see Mr. Hansen (phonetic) in... [LR229]

SENATOR CRAWFORD: Thank you. [LR229]

CAROL GERLT: Thank you. [LR229]

SENATOR RIEPE: Okay. Senator Williams. [LR229]

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SENATOR WILLIAMS: Thank you, Senator Riepe. And thank you, Ms. Gerlt, for being here. Describe to me, and not asking you to give any secrets away of your school which you're not uncomfortable, but how long does it take for a student from when they start to when they graduate and become a licensed practicing barber. [LR229]

CAROL GERLT: We have two years from the time that they sign their contract with us and the State of Nebraska gets their paperwork; they have two years to get their education, in and done, and get their exam. [LR229]

SENATOR WILLIAMS: Does it take most of them the full two years? [LR229]

CAROL GERLT: No, it takes about 14 months... [LR229]

SENATOR WILLIAMS: Okay. [LR229]

CAROL GERLT: ...to get their education now. Life is always going to throw hiccups at you. We get those bumps in the road and we have to detour. [CONFIRMATION]

SENATOR WILLIAMS: But generally about 14 months? [CONFIRMATION]

CAROL GERLT: Fourteen months. [CONFIRMATION]

SENATOR WILLIAMS: And what is the cost of tuition? [CONFIRMATION]

CAROL GERLT: I do believe it is about \$22,000, sir,... [LR229]

SENATOR WILLIAMS: Okay. [LR229]

CAROL GERLT: ...which is much more than what I spent in 1987. [LR229]

SENATOR WILLIAMS: Now when...and how many students did you say you have? [LR229]

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CAROL GERLT: We have almost, I would say, between our cosmetology, our barbering, and our esthetics, I think we're about 140-plus. [LR229]

SENATOR WILLIAMS: Okay, and trying to break that down to the barbering, do you know what the number would be for the barbering, since we're talking specifically about that now, roughly? [LR229]

CAROL GERLT: I would say about 60. [LR229]

SENATOR WILLIAMS: Are the people that are interested in becoming barbers finding a spot in a school? [LR229]

CAROL GERLT: Yes. [LR229]

SENATOR WILLIAMS: Okay. Do you keep track then of those that graduate and go out as to how successful they are, how long are they staying in the profession? [LR229]

CAROL GERLT: Yes, I do believe with the government standards now, they do have to check in: where are they working, how long they've been in the industry, and if they moved, just for whoever is doing the stats. But I do have a lot of barbers that are calling me that have got licensed barbershops and saying, do you have somebody coming up because we're in need, I've got two chairs and I am busy and I'm doing 30 heads or I'm having to turn people away. [LR229]

SENATOR WILLIAMS: So that leads into my next question. Do you believe the licensing requirements are preventing us from having enough barbers out there to provide the services? [LR229]

CAROL GERLT: No. I do believe we're strong at 2,100 hours and these barbers are kicking some ass out there, pardon my language. [LR229]

SENATOR WILLIAMS: Okay. We had a lot of discussion previously with testifiers concerning the difference between learning what it takes to provide safety to the public, public safety

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portion, and then the portion that is business skills, those kind of things. Do you have an idea in your mind, if you were only teaching those things that protected public safety, how many hours would it take? [LR229]

CAROL GERLT: To really give you a rough number, it would be hard to say because that's something that's stressed not only per session but on a daily basis. [LR229]

SENATOR WILLIAMS: So the point is it's hard to distinguish between the two... [LR229]

CAROL GERLT: It is... [LR229]

SENATOR WILLIAMS: ...when you're doing one versus the other. [LR229]

CAROL GERLT: ...because I can tell you right now we spend maybe 15 hours in the first ten weeks, but it's something that is stressed daily. [LR229]

SENATOR WILLIAMS: Okay, a hypothetical question: If this Legislature were to reduce these hours to 1,500 versus 2,100, have you contemplated what that would do to your school and whether you would actually change anything at your school? Or would you maintain the level of hours that you have now and, with that, the level of tuition because of your providing that broad education that includes more than public safety? [LR229]

CAROL GERLT: I feel that you're going to have to have some give-and-take. What gets shortened? What gets unstressed? What's not important anymore? Twenty-one hundred hours I feel sometimes is not enough and when I've got other states with friends saying can you help me out because we're in a 1,500, the 1,200-hour state, and I don't know if I got what it takes to even pass their test, I don't know what this is, can you help me out? I'm not only an educator at school; I'm an educator at home on my own time. So I don't ever feel that something that's so important like that should ever be deemed unimportant because it is stressed and it has to be lived every day because we have to protect not only the school but also our clients. And I've got a duty to protect those kids over there that I call my kids. They're not just students. I gave birth to one child but I feel like I've got over 300-400 since I've been teaching. [LR229]

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SENATOR WILLIAMS: Thank you. [LR229]

SENATOR RIEPE: Senator Crawford. [LR229]

SENATOR CRAWFORD: Thank you, Chair Riepe. And thank you, Ms. Gerlt, for being here. Is the license exam that must be passed, is that similar state to state, or do we have a Nebraska-specific exam that must be passed? [LR229]

CAROL GERLT: I'm not too sure what every state requires differently. I do know some is you just take a 70-question test on a computer and you get told that you're passing. I don't think that makes you competent because what if it's a practical or a theory question and you get led? I do feel keeping our tests the way we are in 2,100s... [LR229]

SENATOR CRAWFORD: Do you feel the test is a good test of whether someone has the skill and knowledge to practice in the state? [LR229]

CAROL GERLT: Yes. [LR229]

SENATOR CRAWFORD: So would the test be really the key determinant? [LR229]

CAROL GERLT: Yeah, because it gauges one's competency level. You know, we've got reader learners that can go kick, you know, and do awesome on a written test, but do I have what it takes to take it from my head to my hands and apply a razor to your face, Senator Williams? I would hope so. [LR229]

SENATOR WILLIAMS: You might have that screaming 60-plus-year-old rather than that screaming 1-year-old (laughter), just telling. [LR229]

CAROL GERLT: You know, there has to be a level of competency to take all of that knowledge and be able to say, now, do you have what it takes, do you got it, you learned it, because nobody can take it away from you when you do. Now you've got a license to back it up and you can go now that I do believe we're one of four states that are 2,100 hours. But I can go and get a job

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down in Kansas real quick and I like turning them down because my roots are here and I got too many kids that I have to teach someday. [LR229]

SENATOR RIEPE: Okay. Are there other questions from the committee? Hearing none, thank you very much for being here. [LR229]

CAROL GERLT: Thank you for your time. [LR229]

SENATOR RIEPE: We'll see if we have other testifiers, so. Welcome. [LR229]

SHANNON BINGHAM: Hi. [LR229]

SENATOR RIEPE: And if you'd be kind enough to state your name and spell it? [LR229]

SHANNON BINGHAM: Sure. My name is Shannon Bingham, S-h-a-n-n-o-n B-i-n-g-h-a-m. Senator Riepe and members of the committee, thank you for hearing us. I'm a co-owner of a small business in Omaha, Nebraska, and the name of my salon is Seven Salon. And I kind of didn't know when to come up here because I represent nearly every one of these things that you're seeing today, so I thought I'd just sit in. We have an average of 20-25 employees on a typical month or whatever. And I've been a stylist for over 21 years, owned a salon for 14. I've been a traveling national educator for a major manufacturer for 15 years, so I've seen a lot of things in our industry across the board. I have also employed a barber. I've employed nail techs. I've employed estheticians and licensed massage therapists. A couple of them were here today. They had to leave. But one of my massage therapists was here as well, so. I chose to come to Nebraska myself partly due to the requirements and hours. In fact, I went to Xenon Academy, which is represented here today as well. One of my teachers is in the audience, so pretty cool. But I wanted to just say that I'm definitely opposed to lowering the hours, obviously, for any of these nail techs, barbers, and cosmetologists. In our salon we have a strong and complementary program designed...devised to solidify them into our professional culture, which I've developed and oversee. I can say with confidence that it's not the job of my salon and its resources to instill the basics, so, but to enhance their already-honed foundational skills taught by our amazing schools, represented today, to suit our salon entry requirements. My concern with diminishing

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the hours of any of the occupations' listed licensing is that there will be less qualified people to hire, requiring us to utilize an immense amount of resources, finances, and time to these newly licensed cosmetologists, massage therapists, and barbers, which we have had in the past, have had up to standard that they typically come out of school with now. As a small business of under 50 employees, we simply do not have the working capital and time to get these undereducated individuals ready if there were level of expertise that is required in the area with the diminished required hours. And on a side note with that, if somebody comes into my establishment, I want to make sure that everyone is at their top of their game because competition is obviously there. I've educated stylists across the country. In fact, one of my stylists in my salon is a major educator in Floyd's Barbershops across the United States, so he's the one that's devised most of their product. So I've seen also that side of it. He's worked in environments that in different states have had lowered hours for barbers and saw what happens after that actually goes into effect, which there's a lot of things underneath of it, like how things are developed and, for instance, which goes where for hours and how many hours are this and that. So that's something that should be well looked at also. So now we want to not compromise, obviously, the integrity of our profession and the safety of the general public, but the Department of Health and Human Services regulates us in sanitation, chemical applications, etcetera, not to mention the common awareness of those chemicals that we use in our industry. The current burden, I will say this, on my business is not due to the lack of qualified hires--I want to stress that--as we attract new stylists come out of the Nebraska cosmetology schools and often and they're regularly coming in. So I don't have an issue with anybody coming to me saying they need a job. And I'm wrapping up. Our burden is actually the minimum wage that we have to pay those professionals once they're building they're businesses, payroll taxes, competition with corporate chains, and on-line retail sales, not the lack of professionals coming into our industry. We are proud of our licenses and the hours that we require to make sure that people join our industry and are committed with the responsibilities that come with that. Thank you for your time and careful consideration with these bills. [LR229]

SENATOR RIEPE: Thank you. Are there any questions? Senator Williams. [LR229]

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SENATOR WILLIAMS: Thank you, Senator Riepe, and thank you, Ms. Bingham. As a shop owner, and I think you said this--I just want to be sure I understand this--you're not suffering from a lack of qualified people to hire. [LR229]

SHANNON BINGHAM: Correct. [LR229]

SENATOR WILLIAMS: Okay. [LR229]

SHANNON BINGHAM: I have never actually suffered from that. [LR229]

SENATOR WILLIAMS: Tell me about those people that you're hiring in these different disciplines and their ability to make a decent living. How are they doing? [LR229]

SHANNON BINGHAM: Okay. So one of the biggest...I know that you guys has been talking a little bit about business skills and things that may not be as important coming into the work force. They're so important because these are kids most often coming into our work force, because they're 19, 20 years old. They just graduated from high school, went 21 hours, which is about 12.5 months, and then they come out into the work force. I get them. They have no money, skills. They're really trying to put their business skills that they learned into effect and they're also trying to get their name out there, which most of us know that's a difficult thing. So for me the foundational skills are there. The schools are doing an excellent job of equipping our stylists and our estheticians and our barbers. Obviously nail techs have kind of been a little bit, unfortunately, a little bit more diluted. So when you see somebody come into my salon, I want to take their skill level to the next level, obviously, and move forward for that, but their business skills are really needing to be there as well, so, because they have to build their business.

[LR229]

SENATOR WILLIAMS: Are there... [LR229]

SHANNON BINGHAM: Does that answer your question? [LR229]

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SENATOR WILLIAMS: Are there...yes. Are there...is their ability to protect public safety there in the training that they receive? [LR229]

SHANNON BINGHAM: Yes. I mean they're very well aware of the sanitation because we are...that's something that the schools do a very good job of instilling in them. But they are very aware also...I don't want to say there's a fear sometimes coming into the industry, but there's a healthy respect for what we're doing on these customers, because it is...you are working with chemicals. We've seen some things happen. [LR229]

SENATOR WILLIAMS: I'm sure sometimes over the period of time that you've been involved you've employed someone that it just hasn't worked out for,... [LR229]

SHANNON BINGHAM: Yep. [LR229]

SENATOR WILLIAMS: ...that you've looked at them and said this...would you list the top two or three things that you have had to terminate a relationship with someone, (inaudible). [LR229]

SHANNON BINGHAM: People skills. [LR229]

SENATOR WILLIAMS: Skills? [LR229]

SHANNON BINGHAM: People skills. [LR229]

SENATOR WILLIAMS: People skills? [LR229]

SHANNON BINGHAM: People skills are huge, and also lack of respect for the job environment in general. [LR229]

SENATOR WILLIAMS: Not public safety, wouldn't be on your list? [LR229]

SHANNON BINGHAM: I haven't had to fire...well, no, I will say that I have had to let someone go that we hired on that his license was lapsed and wasn't...we were asking him to continue to

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bring his license in and he was a long-time stylist that we knew and trusted and he wasn't licensed and didn't let us know until we came in and got inspected. And then we discovered at that point that he was on probation and we did not...we were not aware of that, so that was our mistake early on. [LR229]

SENATOR WILLIAMS: In your judgment of having employed a number of people over a lengthy... [LR229]

SHANNON BINGHAM: Um-hum, oh, yeah. [LR229]

SENATOR WILLIAMS: ...period of time, do you believe that lowering these hours will influence the ability to protect public safety? [LR229]

SHANNON BINGHAM: I believe that it will lessen the ability to not only ensure that our customers are taken care of at the top of...up top of their game but, yes, I believe that there is the option that they are going to be less careful when they don't know all of the things that can happen inside of our industry. [LR229]

SENATOR WILLIAMS: Thank you. [LR229]

SHANNON BINGHAM: Yep. [LR229]

SENATOR RIEPE: Senator Crawford, please. [LR229]

SENATOR CRAWFORD: Thank you, Chairman Riepe. And thank you for being here today. [LR229]

SHANNON BINGHAM: Yeah. [LR229]

SENATOR CRAWFORD: I believe you said you have hired people across different states. Is that correct, or no? [LR229]

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SHANNON BINGHAM: Yeah, there's...actually my business partner came in from Kansas, so I've definitely hired multiple people. And not only in that, I've also hired or became partners with somebody that had an out-of-state license at one point, so. [LR229]

SENATOR CRAWFORD: Okay. So do you see a difference in hiring across those different states? [LR229]

SHANNON BINGHAM: Always. [LR229]

SENATOR CRAWFORD: And could you elaborate on that? [LR229]

SHANNON BINGHAM: Their skill level just...their...it's hard to really explain without actually being in the industry, but the skill level is never quite up to what our standards are in our state. I will say Nebraska's quality that we put out is...I mean I've been across the United States teaching in various salons and there's sometimes...and for lack of a way less professional way of doing this, really don't know what they're doing. And some of it is just repetition, skill, anything, but they don't have quite what we have here. And that makes me proud when I go into other states because I see that. [LR229]

SENATOR CRAWFORD: And I think what you said is, and those other cases in the salon provides that additional training. [LR229]

SHANNON BINGHAM: Yes. I mean, I go above and beyond, obviously. And I'm one of the few salons in the city of Omaha that has a really strong education program in my salon, so. [LR229]

SENATOR CRAWFORD: Thank you. [LR229]

SENATOR RIEPE: I think we're talking, some here, about the, for lack of a better term, the burden, the obligation of students. Do they have the opportunity to earn any money during this 14 months that they're in training... [LR229]

SHANNON BINGHAM: In the schools they are... [LR229]

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SENATOR RIEPE: ...or is it required of them that they be full-time students? [LR229]

SHANNON BINGHAM: They are full-time students. It is...I mean... [LR229]

SENATOR RIEPE: No...not allowed to have any other (inaudible)... [LR229]

SHANNON BINGHAM: They can come and work for me at night, like they can sit at my front desk and answer phones. [LR229]

SENATOR RIEPE: Or they could work for McDonald's or... [LR229]

SHANNON BINGHAM: Yeah, anywhere they want to work. [LR229]

SENATOR RIEPE: Oh, okay. [LR229]

SHANNON BINGHAM: But during the school day it is...they're on the...they're clocked hours. They have to make their hours and then they come in, which I personally like because they clock in at a certain time, clock out at a certain time, which makes them responsible when they come and work for me. [LR229]

SENATOR RIEPE: My lead there was... [LR229]

SHANNON BINGHAM: Yep. [LR229]

SENATOR RIEPE: ...is that could be a barrier to a low-income students. And there is some merit to learning how to show up for work in addition to, you know, the technical professional skills that they're going to learn. [LR229]

SHANNON BINGHAM: Yeah, I mean, it is something I did myself. I put myself...I worked at night and I went to school during the day and I was fresh out of high school and my mom was a single mom. So I definitely made that effort, I made it work, and it made me more appreciate of (a) my mother, and (b) the profession. [LR229]

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SENATOR RIEPE: Um-hum, okay. Seeing no other questions, thank you very much for being here. [LR229]

SHANNON BINGHAM: Okay. Thank you guys, appreciate it. [LR229]

SENATOR RIEPE: Thank you. I'd like to get on through the barbering before we take a...we talked about the noon break, but I don't want to break in the middle of one session. So if we have...I think this gentleman is going to testify or talk on barbering? [LR229]

GREG HOWARD: Yes. [LR229]

SENATOR RIEPE: So let's go ahead with that, please. How many other testifiers do we have? Okay, so we might be having supper. Okay, we have...looks like we have three more. Okay. [LR229]

GREG HOWARD: My name is Greg Howard and I'm a second-generation barber. My dad started the College of Hair Design in 1960 and I've been a licensed instructor for approximately about 15 years, so I primary... [LR229]

SENATOR RIEPE: Could you spell your name, please? [LR229]

GREG HOWARD: Sure. It's G-r-e-g, and last name is H-o-w-a-r-d. [LR229]

SENATOR RIEPE: Thank you. Now please go. [LR229]

GREG HOWARD: I just wanted to be real brief because Ron Pella and my instructor, Carol Gerlt, both shared excellent information about our industry and answered a lot of questions about our industry. I just wanted to address the point about lowering the 1,500 hours and the costs of running the school in related to that. The cost will really stay very similar and that is really due to that we're a very regulated industry and to be a school of our nature you have to be accredited, you have to comply with national accreditation, you have to comply with regulations from the Department of Education that involves like we have to submit campus crime reports, we have to

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be trained in Title IX, campus VAWA. There's programs, all kinds of things you have to do, similar you would to a four-year college. There's...so in other words, I employ people that administrate financial aid, I have people that register and recruit students, so those costs really won't go away essentially. We'll still have the same instructors. Our curriculum will be very similar, just condensed slightly. Our tuition, just to clarify because we've done some things to revamp our tuition, it currently is right at \$19,000 and then there's tools and books that go along on top of that. So with tools and books, it brings it up to roughly \$20,000, so a little above \$20,000, so. And also just to clarify, in Nebraska there is a provision in the law that if you hold a cosmetology license, then you can get a barber license in 1,100 hours. So that's something that does enable someone to not have to go for a complete 2,100-hour program if they already have another license, which is a benefit. That's also something that was never addressed in the original law was what would happen to that portion of it, as well, if that would be changed or not, so that was a question that I always wondered about. So that's really my testimony. I do...I'm opposed to lowering the hours and I think we have...I've been a licensed barber for 35 years and been an instructor for 15, going on 16, years, and so we have a great curriculum. And there is a portion of the program that is dedicated to customer service and developing clientele and knowing how to work the business side of it, so. [LR229]

SENATOR RIEPE: Okay. [LR229]

GREGORY HOWARD: That's the end of my testimony. [LR229]

SENATOR RIEPE: Are there questions? Senator Erdman. [LR229]

SENATOR ERDMAN: Thank you, Chairman Riepe. Thank you for coming today. As you were sharing your comments about what the cost may be, I was listening to Senator Williams' questioning earlier about those students working on the floor, they get...you charge for doing the service they do while they're learning as people come in, right? [LR229]

GREG HOWARD: They do, at a very, very reduced rate,... [LR229]

SENATOR ERDMAN: Okay. [LR229]

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GREG HOWARD: ...say a haircut is \$7 to a student at the university that comes into our school. [LR229]

SENATOR ERDMAN: So help me go through this process. [LR229]

GREG HOWARD: Yes. [LR229]

SENATOR ERDMAN: If they...if we eliminate 600 hours, we go back to 1,500 hours, then those students will work less on the floor, will perform less services that you, the school, get paid for,... [LR229]

GREG HOWARD: True. [LR229]

SENATOR ERDMAN: ...so, therefore, the cost of an education for those students may be higher because those students aren't producing the income for you? [LR229]

GREG HOWARD: That's really true. There is an element of that that you're supporting the school function with space and equipment and staffing to do the...to have that salon environment, that barbershop environment, and so, right, the cost really wouldn't...they could incur more expense by not having the program (inaudible). [LR229]

SENATOR ERDMAN: So have you done an analysis of what you may do if we go to 1,500 hours? Are you going to raise tuition, charge more per haircut that they perform, or how are you going to recover that cost? [LR229]

GREG HOWARD: Well, I'm honestly...we haven't done a complete study but it really would be a net effect of not being able to lower it, for sure, and it...there...we haven't actually lowered our tuition in several years, so it would probably be an effect of, in a sense, making...causing us to look at raising it, yes, so. [LR229]

SENATOR ERDMAN: Tuition? [LR229]

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GREG HOWARD: Tuition, yes. And haircut prices is something that I guess we've just stayed fairly low just to keep our students in practice and so... [LR229]

SENATOR ERDMAN: If you're charging \$7 and Ron is paying \$25, you may want to charge a little more. [LR229]

GREG HOWARD: Yes, I think you're right. I appreciate that. [LR229]

SENATOR RIEPE: Further questions? When was the tuition at 2,100 hours, when was that set? Was that '97? [LR229]

GREG HOWARD: The tuition? [LR229]

SENATOR RIEPE: No, I'm sorry, the hours. [LR229]

GREG HOWARD: The hours? I graduated from school in 1982 and it was that at that point, so I think it... [LR229]

SENATOR RIEPE: Okay. What's tuition done since that period of time? I mean I'm looking at the basic cost. I know it's about...I've heard \$25,000 now, \$22,000 I heard today. I'm just curious. Has that gone from \$12,000 to \$22,000 or what's it done since you've been in the business? [LR229]

GREG HOWARD: I'll answer your question a...I think when I was in school it was roughly \$3,800 I think was what my tuition...well, and then I did...my dad owned the school so I go to go for free, so I had a full-ride scholarship, I jokingly say to people. [LR229]

SENATOR RIEPE: Okay, very good. Lucky you. [LR229]

GREG HOWARD: Yes. [LR229]

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SENATOR RIEPE: Okay. I don't see any other questions, so thank you very much for being here. [LR229]

GREG HOWARD: All right, thank you. [LR229]

SENATOR RIEPE: I think we have two additional people that want to address us today. [LR229]

NICOLE FOX: (Exhibits 2 and 3) Good morning, almost afternoon. I'm Nicole Fox, N-i-c-o-l-e F-o-x, director of government relations for the Platte Institute. The idea of reducing educational hours required for a barber's license is a positive step in ensuring Nebraska's doors are open to new workers hoping to make a living in this job field. We need to make Nebraska competitive with its neighboring states and the rest of the country. But currently our licensing laws for barbers make us an outlier. At 2,100 hours, Nebraska has the highest requirements in the country. Current Nebraska requirements are burdensome in terms of time and cost. The national average for educational requirements is around 1,500 hours. Only seven states require more hours. One of the handouts is a map so you can see how Nebraska compares not only to our neighbors but the rest of the country. Nebraska's 2,100 hours, or 14 months, of education comes at a cost of around \$20,000. And I know, Senator Williams, earlier you were asking about if tuition, you know, if these schools would be lowering their tuition, something along those lines. And the way the Platte Institute sees this, if the hours were lowered to 1,500, is that other schools could come into our state and open and that would provide competition that would potentially drive tuition down. Those extra hours translate to a minimum of four months of extra time compared to the national average. In a round-table hearing held over two months ago, we learned that these extra hours were primarily floor work where students are paying nearly \$6,000 in tuition costs, or again about a third of what they're paying for the total tuition, to work as free labor for the schools when they could be working and earning an income of their own. Currently state law is allowing the schools to profit under the guise of public safety. Also at this round table we learned that many students receive financial aid in the form of loans and Pell grants. The Pell grant portion of this aid is helpful to schools. This is because if the student drops out, the schools keep this money regardless, and we learned that the drop-out rate is high. One graduate at that round table recalled that they graduated with three of a freshman class of 26, if I...per my notes.

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According to the Web site Salary Expert, the average barber salary in Nebraska is \$29,667, or an equivalent hourly rate of \$14. This is 11 percent lower than the average barber salary in the United States. The average entry-level salary in Nebraska is \$22,998, which is 190 percent of the federal poverty level. These high requirements do not justify this low pay. Much of the opposition to lowering educational requirements comes from the industry's educational institutions. They will tell you students of their programs will not be as competent and talented with the additional hours, they'll list the multisyllable names of chemicals they apply and talk about how sanitation issues may arise, but let's remember that occupational licensing is about acquiring a set of skills adequate to enter the work force without compromising public safety. The Platte has yet to find data suggesting that Nebraskans are safer under these increased requirements compared to other states. Occupational licensing is not about talent, specialty skills, or the quality of the end product. That...these are free-market principles and those are principles that should not be government regulated. Occupational licensing is a permission slip to work. And I was just kind of thinking, you know, think about...I know somebody mentioned their Uber driver. And if you had a choice, if you could choose between an Uber driver that just got their driver's license or an Uber driver that had been driving, you know, that had 20 years driving experience and you were concerned about, you know, things like safety, you would...I mean, you know, that's a...that is consumer choice and that's kind of what we're talking about here. You know, a young driver can get a driver's license or that permission to drive, but, you know, again, experience will, as insurance companies will tell you, make you better drivers. But again, those are things that the government cannot regulate. On the Nebraska Board of Barber Examiners' Web site, a May 2016 post discussed the state's need for barbers. They highlighted that the number of licensed barbers is not keeping up with demand, partly due to, quote, babyboomer barbers retiring. How do we compete with other states for workers? How do we tell workers who have been licensed in other states in good standing that they may have to delay their entry into Nebraska's work force because they need to pick up additional education hours due to the state's increased requirements? How do we encourage Nebraskans wanting to work and gain upward economic mobility to stay in our state? Reducing the educational requirements to align with most other states is not putting the public at risk. Barbers in states with far lower educational requirements are exposing clients to the same, quote, potential harm as they do in Nebraska, and clients in those states are not being put at risk. In fact, I doubt the average consumer seeking barber services asks about the educational hours as they walk into a shop.

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Most likely, that client walked in due to convenience of its geographic location or via word of mouth. The answer to the questions I ask is simple. This issue is about jobs. If you want Nebraskans to work, whether it's for someone else's business or allowing them to start a business of their own, you must lessen the burdensome and unnecessary barriers to them doing just that. You can do that by reducing Nebraska's high education requirements from 2,100 to 1,500 hours so that Nebraska is competitive with its neighboring states, as well as the majority of the country. And with that, I conclude my testimony and I'm happy to answer any questions. [LR229]

SENATOR RIEPE: Okay. Thank you. Are there questions? Seeing none, thank you for being here. [LR229]

KEN ALLEN: Good midday. Chairman Riepe and committee, I appreciate this time. My name is Ken Allen; that's K-e-n A-l-l-e-n. I am the director of the Board of Barber Examiners. I don't...I...first of all, let me ask...you all should have gotten a packet handed out after the round table. There was a lot of information in that packet. If there's any questions on that, I will save that for the end of my testimony, if you don't mind for right now. I'd like to start out saying I believe the biggest misconception of the 2,100 hours of education for barber training is the true value of a license. We've heard that 26 states have 1,500 hours. But are those licenses equal? Do they let you do the same thing in Kansas as they do here? Do they let you do the same thing in Missouri as they do here? Our barber license is designed for a specific reason. Now we have quite a few shops in...licensed in the state of Nebraska that will allow you, and your license allows you, to do this full gamut of services. We also have shops that do strictly just haircuts. We have one in Bellevue, Nebraska close to the military base. What do you think they're going to do? Fades, fades, fades. That's all they need. But we also have licensees in Crawford, Nebraska. Susan Dirks (phonetic), perfect example, I invite you to call her. We have Tim Rehm in Holdrege, Nebraska. We have Rhonda Kreitzinger (phonetic), Benkelman; we have Michelle Kotrous up in Verdigre. We have Alyssa Hendrix, and I think most of you that heard the last round table, she was there, very well (inaudible). She asked you to go to a stylist with 1,500 hours and get your hair cut and compare the difference, very truthful statement. Anyway, what I'm...where I'm going with this whole thing, these people that I just mentioned have used every fiber of their education to create a great income. They haven't restricted their license to just one or two services. They use them all. Okay? That being said, I invite you to call each one of these

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people I just listed. Call each one and you ask them which part of their education should you take away, because that's what you would be doing for the next Michelle, the next Susan, the next Time, the next Alyssa. You would be talking that away from them. They deserve that. They deserve more. Okay? I have examined people from 1,500-hour states: not a good result. And it's not because our expectations are higher. It's because we teach people more; our license is rounder. Okay, these people come in. We had one from California in the last two years failed miserably, said he could do it. I don't set people up to fail, trust me. Said he could do it, didn't. Okay? Texas, 1,500 hours, they come in: Yes, I can do it, I know it, I got a 70 in Texas, which is good enough for them. It's not good enough here: failed miserably with a 50-something. So it's not the fact that our education is equal to the other 26 states that have 1,500 hours, because it's not. It's greater. It's rounder. We have more in our scope. Okay, so please don't forget that. Senators, please don't stereotype the profession of barbers. And, yes, Mr. Pella mentioned it is the second oldest profession. I'm going to leave it at that. Okay? But it's still a profession. Don't downgrade it to anything less. And barbers are not just people that cut and shave, not by a long stretch. You've got a list in that handout of all the services, plus some that they can do under their current license for a reason. And it was back in the early or later '70s that we did increase the hours from 1,850 up to 2,100 to create that field so people could make a good, honest living. And doesn't that grow Nebraska, giving people a chance to make an honest living with one license? Now we could separate them out, sure. As Senator Ebke how she'd feel about separating licenses. She wants to downsize licenses, less licenses. I don't think that's the right direction. We could do it if you so choose. I wouldn't advise it but we can do it. That's fine. So what I'm saying is there is so much more to a barber license than what meets the eyes. Okay? And I hear the word "rigor." I believe that was in the LR note, rigor. What is the true meaning of rigor? Thoroughness? Exhaustiveness? How do we determine what rigor really means? I think a lot of us think rigor means the exact opposite. It is hard. It is burdensome. Rigor does not have to mean that. Look it up. This is a dictionary I looked this up in. So, folks, with that being said, I would like to point out in your handouts, and this has been asked of me, the handouts prior...or after the round table, we do have a pretty lenient, if you will, reciprocity. Since 2008 we have brought in...we've had 65 applicants. Out of those 65 applicants, 46 went through no problems. Now we asked for documents, documents like where did you go to school, how much training do you have, do you feel that...we need birth certificates for, you know, federal thing. Okay? So there's seven items that we look for. If these people cannot produce one of those critical documents,

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how can we give a license? I might as well give out doctor's licenses because that would be all the more valuable. Okay? So that being said, 65, 46 went through; truly only 4 out of that bunch could not produce the credentials to at least get them examined. So it's not a burdensome...people can come and go. We do it daily basis. [LR229]

SENATOR RIEPE: Okay. [LR229]

KEN ALLEN: With that being said, do you have any questions for me? [LR229]

SENATOR RIEPE: Thank you. We'll see if we have questions. Senator Crawford. [LR229]

SENATOR CRAWFORD: Thank you, Chair Riepe. So just to clarify, if someone comes from another state, are they allowed to take the exam with however many hours they have or do they need to show they have hours equivalent to our hour standard? [LR229]

KEN ALLEN: That's a great question, Senator. Most of the time I will say to these individuals, do you feel like you can pass this exam? And like I said earlier, I don't set people up to fail and I don't want you to set people up for failure, either, nobody does. So that being said, most of the time the board rules on this, I do not, for good reason Most of the time they will say, if they feel they can pass, pass them...not pass them, I shouldn't say pass them, examine them. [LR229]

SENATOR CRAWFORD: Let them have exam, okay. All right. [LR229]

KEN ALLEN: Okay? So out of those, I can't tell you the percentage. It's in your handout, so, good question. Did I answer it fully? [LR229]

SENATOR CRAWFORD: Yes. [LR229]

KEN ALLEN: Okay, thank you. [LR229]

SENATOR RIEPE: Does the state of Nebraska have safety standards that exceed other states'? [LR229]

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KEN ALLEN: Well, because I am a steward of the state of Nebraska and not any other states, I cannot answer that honestly and truthfully. Do I believe their standards are any higher in safety? Personally, no--that's from Ken Allen--no, I don't believe they're...I think there is room for improvement. I would invite any of you to hop in a car and ride with me when we do these surprise inspections and I could show you some things that would make you shudder. [LR229]

SENATOR RIEPE: Okay. Are there other questions? Seeing none, thank you very much for being here with us... [LR229]

KEN ALLEN: Thank you. [LR229]

SENATOR RIEPE: ...and for your patience. Are there others that wish to testify or wish to at least address the issue of barbering? Do we have other people that are going to want to talk to the group? Okay. My expectation is then with this one we will conclude and take our lunch break and then come back. So please, if you would, state your name and spell it and then proceed on. [LR229]

MARIE NORDBOE: (Exhibit 4) Sure. Marie Nordboe, M-a-r-i-e N-o-r-d-b-o-e. We've had so much great testimony so this is going to be a hodgepodge and that paper you're going...is not really something that you maybe can follow along with. I have been licensed in the state of Nebraska as a cosmetologist, a barber, a cosmetology instructor, and also have been a board member for the cosmetology department for 15 years, took a couple years off, and I'm newly appointed for another five. So from this perspective I feel like I have a lot of different ideas and can offer some into the conversation. And if you've had a chance to look at the textbooks for either cosmetology and barbering, you'll see they're over 1,000 pages of information there. That's the text material. And as Carol alluded to, text material is a very small part of either the cosmetology, barbering industry, or any of those that are listed in this bill, in the resolutions. In massage, which actually happens in barbering as well, you can pull a muscle loose from the bone by going in the wrong direction, and our textbooks include the anatomy of the head, face, neck, arm, hand, foot, and leg. So we have to be aware of all these things in the text material and in our practical. With chemical relaxing that all of our (inaudible) professionals can do, we can burn the skin with the lye. We've already seen infections that can happen from dirty foot baths from

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previous testimony other subjects. The barber, beauty, massage, and nail professionals learn from the text and also have to master the skills or the techniques. Techniques take a lot more practice. They're much harder to learn than written information. Why is it that people stick with one barber or one cosmetologist for a long time? It's because of the fear of a lesser-trained individual. It truly takes years to become a great professional. I ask that you do not go forward reducing any number of hours of training for our professionals. As a long-time instruction I have a love for this industry. I've loved teaching the students. But never did I ever feel like they were overprepared. I always felt like there was one more thing I need to show them before they would go out there into the world. We want to make sure that our people are well prepared. They will in some cases be working alone with harsh chemicals and sharp tools and potentially lifethreatening bacteria. I understand there is a need to get people in the work force faster, but 14 months for a career that can last a lifetime, that's not a lot to ask. We've had the question about students don't get paid. Our four- and five-year college students don't get paid. They have much bigger debts to pay than students in our profession, so this is really a fast turnaround profession that people can do well in, in a fairly short time period, without a lot of extra undue financial burdens. Our most important thing is protect our public to make sure that the health and safety is protected. One thing that we talked about earlier and I'd like to address is we talked about, can inspections take some of the heat off of education and licensing and all that? They have to be licensed in order for us to find them so we can inspect them. If they...we can't just inspect them if we don't know who they are, so licensing really comes first. These are such great professions, I would like to see us uphold the high traditions that we have. I have traveled across the United States with the National Boards of Cosmetology and I can tell you that Nebraska is high on the list for being very well trained, public safety issues, and some of the laws in the other states are much lesser. The rules that we have, or the provision we have, for going from cosmetology and barbering and granting almost half of the training as a free credit is wonderful. There are differences between the profession. I do not feel we ever want to combine those. Our barbering profession is totally different in some aspects in cosmetology. Then there's other things that are almost the same. Let's keep them separate. Let's keep them both with high integrity and not mess with the good thing that we have. [LR229]

SENATOR RIEPE: Okay. Are there questions? I would pose this: How do you feel in terms of certification as opposed to licensure? Can you attain what you want with certification? [LR229]

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MARIE NORDBOE: I guess what would be the difference, not testing? [LR229]

SENATOR RIEPE: That's my question. [LR229]

MARIE NORDBOE: I don't see a difference. It's just registering, licensing, whatever. I respect the fact that in barbering we still have a practical test, excellent practical test... [LR229]

SENATOR RIEPE: Okay. [LR229]

MARIE NORDBOE: ...given by local people. In cosmetology we've lost that. We only have written and I kind of regret that. So, no, I'm for keeping licensure, keeping practical testing, doing inspections. All of that is going to protect the public. And we always need somebody above us. I can tell you, in the school, when the state board came in to check, that was great because you could say, see, you needed to keep that station clean. In our salons we haven't had to...cosmetology salons right now we don't have inspectors right now and it's easy to think, oh, that's okay if the floor is a little dirty today, nobody is going to come and inspect me. You need that little bit of level, something above you. You need mom looking down on you. [LR229]

SENATOR RIEPE: A little attention. [LR229]

MARIE NORDBOE: Yeah, (laugh) keep us credible. [LR229]

SENATOR RIEPE: Let me go to Senator Crawford, then Senator Linehan. Yes, please. [LR229]

SENATOR CRAWFORD: Thank you, Chair Riepe. And thank you for being here today. So I heard you also emphasize the critical value of the exam for the barbers, that it's a comprehensive and challenging exam. So if one can pass that exam, wouldn't...isn't that the real...would that be the real critical question, like some people might take more hours than others to get to that point where they can pass that exam? [LR229]

MARIE NORDBOE: We always talk about... [LR229]

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SENATOR CRAWFORD: So in areas where you have a really good exam, couldn't the exam be your critical standard? [LR229]

MARIE NORDBOE: It doesn't cover everything. It covers the practical skills. But we keep talking about people skills, the business part of it. There's no way to test those things, but there's a lot of information that's given, especially at the end of the training. You're really intensified, like a salon management course, and I feel like you can't really test that information. So I like both. I like having a good practical test for the practical skills, but there's so many more like theoretical ideas on business that don't come up on that test. So there's even been talk in cosmetology profession that, could we do half the training, let the students test on their practical skills, then send them out to salons and kind of see what the real world is like so that they wouldn't have to worry about, well, now we use the razor and we kind of pull through it, but you don't (inaudible) do that for a state board. There's some differences of what's trend and one is in text material. So you kind of need both. [LR229]

SENATOR CRAWFORD: Thank you. [LR229]

SENATOR RIEPE: Okay, thank you. Senator Linehan. [LR229]

SENATOR LINEHAN: Did you just say that salons are not inspected? [LR229]

MARIE NORDBOE: Barbering and cosmetology is slightly different. Barbering is on their own and they have the power to have their inspectors when they can go out and so forth. Cosmetology right now, due to a hiring freeze and losing inspectors, we just did not have inspectors for a while, and so, therefore, salons were not getting inspected. It's in the law, but if you can't hire the person to do it, you can't do it. [LR229]

SENATOR LINEHAN: So they are supposed to be inspected. [LR229]

MARIE NORDBOE: Yes. [LR229]

SENATOR LINEHAN: But you're saying that there's been... [LR229]

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MARIE NORDBOE: It hadn't been being done because of hiring freezes and not the people enforced to do it. [LR229]

SENATOR LINEHAN: So how long has that been the situation where salons have not been getting inspected? [LR229]

MARIE NORDBOE: Now that's back to cosmetology. Barbering is doing great. [LR229]

SENATOR LINEHAN: I mean cosmetologists. [LR229]

MARIE NORDBOE: I would say maybe the last couple years, and I think we'll probably have testimony in the cosmetology department that can talk about that. [LR229]

SENATOR LINEHAN: Okay. [LR229]

MARIE NORDBOE: And I do believe there is some work, something in the works now that some of the restrictions have lessened. It was fiscal problems again. [LR229]

SENATOR LINEHAN: Okay, thank you. [LR229]

SENATOR RIEPE: Okay, thank you. Seeing no other questions, thank you very much for being here. Are there others who want to talk about barbering? If not, Tyler, do we have letters that were submitted? [LR229]

CLERK: (Exhibits 5-13) Yes. I have a letter signed by Alvaro Rodriguez on behalf of himself; David Galyean on behalf of himself; Alyssa Hendrix on behalf of herself; Theodore Burns on behalf of himself; Cindy Miller on behalf of herself; Tim Rehm on behalf of himself; Timothy Nathan on behalf of himself; Spike Eickholt of the ACLU of Nebraska; and Dan Macke on behalf of himself. [LR229]

SENATOR RIEPE: Okay, thank you very much. We are now going to take a lunch break. We had originally planned for an hour but we're going to...because you've been very patient, some of you

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I know have been here from the very beginning, so we will come back at 1:15. We'll make it a 45-minute break and so that we can accommodate you as well. Thank you all. We'll see you then, same room. [LR229]

BREAK

SENATOR RIEPE: Thank you. We're back to the, I'd call it, the second half but the second portion, if you will, of the Health and Human Services Committee interim hearing on occupational licensing. I think that I'm going to pass on introductions because when I look out at the crowd I see mostly the faces that were here before. So we will spare you that. And I will also avoid going through of no cell phones, please, or at least you can keep them, just we're asking you to turn them off if you will. With that, I would like to move right on into LR232, which is cosmetology and this has been a high interest area and we would invite the first person that would like to give us some insight on that and tell us what we need to know and what we don't know. [LR232]

ANN CASEMENT: (Exhibit 1) Good afternoon, Senator Riepe. Thank you so much for allowing me to speak, members of the committee. My name is Ann Casement. I've been in cosmetology for about 40 years. I started my education at the University of Nebraska and have a degree in education, plus hours toward my master's. I then went on to cosmetology and cosmetology instructor licensure, barber and barber instructor licensure. So I'm deeply invested in this profession. The materials that you have been given are support... [LR232]

SENATOR RIEPE: Would you spell your name so we get it into the record, please? [LR232]

ANN CASEMENT: I'm sorry. A-n-n C-a-s-e-m-e-n-t. [LR232]

SENATOR RIEPE: Thank you so much. Okay. [LR232]

ANN CASEMENT: Thank you. The materials that I have distributed to you are my letter and then the supporting documents. The first of these is a curriculum reference. Oh, did I mention that I'm on the State Board of Cosmetology also? [LR232]

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SENATOR RIEPE: I don't think you did. [LR232]

ANN CASEMENT: I don't think I mentioned that. I'm sorry. [LR232]

SENATOR RIEPE: Okay. Very good. [LR232]

ANN CASEMENT: The first of these exhibits is a proposed curriculum. Now this is not finalized but it's a proposed curriculum. It's exhibit 2 and this shows that the state has...is in the process of revising curriculum, which has actually being going on for, oh, a number of years. But what we're trying to do is make the curriculum more responsive to the industry so that we are not requiring students to do finger waving and pin-curling in an era where the public demands skills in coloring. So by relaxing some of the requirements, we are hoping to make the schools a little more nimble and responsive to the industry and hopefully make their...the training that the students receive more relevant to the current situation. However, there are still some traditional practices that have to be addressed, and this takes time. We are proposing this as a 2,100-hour curriculum and I would have you imagine paying for all of the piano lessons that are required to get your eight-year-old daughter or granddaughter to the point where she can play something. That doesn't seem to be relative to the topic, but all of those little nerves and muscles that are used in playing the piano or in keyboarding are the same nerves and muscles that you have to use in performing any number of the techniques that are related to cosmetology. And this takes time. You can't just command nerves to activate muscles. They have to have time in order for this to happen. So one of the reasons that we have students in the early portion of the curriculum for as long as we do is because their fingers have to have time to be able to hold hair like this and pull it out and hold it here and put two papers on it and then put a perm rod in between there. And then use this finger to wrap the hair around the rod while you're keeping tension and...here and here, and then wind the rod to the scalp. That's a pretty complex technique and it does take time. So that's one of the reasons why time is required in the curriculum. If you will look at exhibit 3, this is the one with the map. I've produced this before, but if you will notice, and I know that there have been references to how reducing hours is going to increase the income for our citizens, please look at the box over the state of Nebraska, the number of hours that are required, and the average annual income of cosmetologists. The small number on the side is the hourly income. And then look at the adjacent and adjoining states. If you'll notice, in the entire plains

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and Midwest there is no state that exceeds the income of cosmetologists in the state of Nebraska; also, no state that exceeds our hours. If you look at how the hours decline, you will see that the correlation between declining hours and decline income is a definite correlate. And that's something that I think needs to be considered because, as I have in my statement, there are a lot of social issues that are related to this. You'll go to item 4, that's this sheet right here, item 4, these are personal notes that I took in a conference with the state board in which we were discussing the reciprocity requirements. If you'll notice on the first page, the applications in 2016 for new licenses, there were 404 applications. Of these 404, 81 were reciprocity applications. None of these were declined. All of the people who applied for reciprocity received it. In 2010, our numbers were higher. We're in kind of a low period. It seems like when the stock market goes up enrollment, goes down and of course with it then the new licenses will go down as well. But there's roughly an average of about 500 new licenses per year. There are 8,457 currently held, active licenses in the state of Nebraska. The educational requirement being 2,100, in order for an individual who comes from a state where they require 1,500 hours, if they...to work six months offsets that 600-hour difference. They get 100 hours credit for every month they work as a licensed practitioner in their home state. Then following that they have to complete the official title...the testing for licensure, which is LaserGrade testing. This is done on-line. They have to be...and this almost universally accepted in the states. They have to submit a criminal history, just as for graduates of the school in Nebraska, and that I know has been discussed previously and is certainly something that we'll want to address. They have to be 17 years old with a high school diploma, just like a Nebraska graduate. If they are foreign trained, they have to be either licensed or certified in their country of origin and they have to have been employed from five to eight...five the eight years prior to the application for reciprocity. They have to take the Nebraska test and it is given, it's administered in English. And then there are documents that have to be submitted. Question on reactivation of license: There is a fee. There is a CEU requirement, continuing education, within two years of the application for reinstatement. And they have to also submit a criminal history, which again may be up for review. [LR232]

SENATOR RIEPE: We're into the red zone. I don't know whether you have some...and maybe you'll get a question that you can finish up. [LR232]

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ANN CASEMENT: There, the only thing I have left is delays or denials. And if you'll look at that, there has only been one denial in the last two years. [LR232]

SENATOR RIEPE: Okay. And possibly there will be a question here... [LR232]

ANN CASEMENT: And if you have questions... [LR232]

SENATOR RIEPE: ...that will let you expand on some of the fees. [LR232]

ANN CASEMENT: Okay. Yes. [LR232]

SENATOR RIEPE: One of the questions I have back is on your map. [LR232]

ANN CASEMENT: Yes. [LR232]

SENATOR RIEPE: I find it ironic that in the state of Washington their hours are one of the lowest and their compensation is one of the highest. [LR232]

ANN CASEMENT: Right. Look at...well, I don't have the ones for any of the New England states because they're so tiny I couldn't figure out how to do that. But it's all on the Web site and the link is down here for the U.S. Bureau of Labor Statistics. That's where this comes from. Now Washington is...and Washington and Oregon both are relatively affluent states. Washington also has a huge military presence with... [LR232]

SENATOR RIEPE: Okay. But there seems to be no correlation between hours of training and (inaudible),... [LR232]

ANN CASEMENT: Not in that instance, no. [LR232]

SENATOR RIEPE: ...even between Oregon and Washington. [LR232]

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ANN CASEMENT: It would be interesting to know what the cost of living is. Whether the cost

of living is higher, I don't know. [LR232]

SENATOR RIEPE: But then you go down to California, where we all know it's pretty expensive.

[LR232]

ANN CASEMENT: Yes. And there's nothing going on there. And in fact, if you look all the way

along the lower border through the Coast states, we...our cosmetologists are healthier financially

than any of them. That really surprised me when I saw this and makes me really happy for the

people in the industry. [LR232]

SENATOR RIEPE: Uh-huh. Okay. [LR232]

ANN CASEMENT: There is also, in the back of your materials, there is a copy of the application

for reciprocity... [LR232]

SENATOR RIEPE: Okay. [LR232]

ANN CASEMENT: ...so that you can see what that application actually entails. They are

basically asked to do the same things that any graduate of our schools is asked to do. And as far

as the department moving the paperwork along, Chris Childs (phonetic), who is the supervisor of

our department, has simplified that within the last six months and they have actually received an

award for process improvement. [LR232]

SENATOR RIEPE: Okay. I think... [LR232]

ANN CASEMENT: So I think they're doing well. [LR232]

SENATOR RIEPE: I think Senator Linehan has a question. [LR232]

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SENATOR LINEHAN: Thank you, Chairman Riepe. Thank you for being here. This is very helpful. It's a very nice package. Do you know on the annual mean wages on your map, I'm assuming that cosmetologists, many of them, is this based on a 40-hour work week? [LR232]

ANN CASEMENT: Yes. [LR232]

SENATOR LINEHAN: It is. So if they work 36, okay. All right. [LR232]

ANN CASEMENT: Yes. [LR232]

SENATOR LINEHAN: Thank you. [LR232]

ANN CASEMENT: And that's an issue that should be considered also if we are going to flood the market, the employees will start working fewer hours. Even though they may get \$14.88 an hour, if they work fewer hours they are going to make less money. And scheduling at quick service shops can become erratic when there are too many people in the job market. That's happened before. And then people are working split shifts and that makes it hard for... [LR232]

SENATOR LINEHAN: Okay. I'm not going to ask. That's fine. Thank you very much. [LR232]

ANN CASEMENT: Okay. [LR232]

SENATOR RIEPE: What's a common debt load...I'm sorry, Senator Erdman had... [LR232]

SENATOR ERDMAN: Go ahead. [LR232]

SENATOR RIEPE: What's a...what would be a common debt load by the time a student comes out of training? [LR232]

ANN CASEMENT: About like it is at the University of Nebraska for a year at the University of Nebraska. The debt load is...has a cap that is established by the federal government. They will loan a student so much and no more. If the loan covers...if it covered every penny of tuition,

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which it probably won't, and if it covers all of their expenses, they could come out with a debt load somewhere between \$15,000 and \$20,000. [LR232]

SENATOR RIEPE: For one year. [LR232]

ANN CASEMENT: Uh-huh. [LR232]

SENATOR RIEPE: Okay. Plus, whenever they could borrow from (inaudible), which is on top of (inaudible). Steve. [LR232]

ANN CASEMENT: And a lot...a lot of the students also receive Pell Grants, which are monies that are disbursed to them from the federal government that do not require repayment. And Nebraska also has some grants that are available to students that do not require repayment. [LR232]

SENATOR RIEPE: Okay. Senator Erdman. [LR232]

SENATOR ERDMAN: Well, thank you, Senator Riepe. Thank you for coming. Help me understand what you meant when you said, if there's more graduates then those people working will work less hours and make less money. [LR232]

ANN CASEMENT: Well, there's only so much hair. And if we have more people who are wanting to cut the same heads of hair, somebody is going to have to step back at some point. So what's going to happen in the quick service salons, the hair-cutting salons, is that because there are so many people available the income of those people who are there will not rise. If I have a quick service salon, I may decide to put people in time slots that are smaller than eight hours. So I may ask you to come in, in the morning on Wednesday and work until 1:00 and then come back again at 4:00 and work until 7:00. [LR232]

SENATOR ERDMAN: But isn't that the way the economy is supposed to work? Those people, if they want to work that many hours, they can afford to do it; if not, they'll go do something else? [LR232]

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ANN CASEMENT: Right. That's right. But if this is what they really want to do then what...and what they have gone to school to do, then what we have to ask ourselves, is this the way we want our citizens to live. [LR232]

SENATOR ERDMAN: So then you're saying that we should keep the hours at 2,100 to eliminate some of these people from coming into the work force. [LR232]

ANN CASEMENT: No, I'm saying we should keep the hours at 2,100 to help to support our citizens in earning a livable wage. [LR232]

SENATOR ERDMAN: So if we lower the hours to 1,500 then more people would be in the work force? [LR232]

ANN CASEMENT: I don't know. [LR232]

SENATOR ERDMAN: Well, it's one or the other. [LR232]

ANN CASEMENT: Well, not necessarily. That would be a question that people from some of these other states might be able to answer. I don't know whether there would. Right now no school is turning away students. [LR232]

SENATOR ERDMAN: I understand. Thank you. [LR232]

SENATOR RIEPE: Okay. Seeing no other questions, thank you very much. [LR232]

ANN CASEMENT: Thank you. [LR232]

SENATOR RIEPE: We appreciate it. And we are talking about cosmetology. We would invite other people who want to talk to the subject. Welcome back. [LR232]

MARIE NORDBOE: Thank you. [LR232]

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SENATOR RIEPE: If you would please repeat your name and spell it for us so we have it for the record. [LR232]

MARIE NORDBOE: Sure. Marie Nordboe, M-a-r-i-e N-o-r-d-b-o-e. I wanted to speak just a little bit on the second half of my paper we handed out before lunch about instructors. I believe the instructor...cosmetology instructors' hours were slated to possibly be reduced as well. In the barbering profession, to become a barber instructor, they have a actual hour requirement through universities for the educational hours. I love that. In cosmetology, we've always had a 925-hour program where we teach our licensed cosmetologists how to teach, very important to me. In some states, I know Iowa, if you've been in the salon for two years, you can come in and just step in and try your hand at teaching. I don't know how you do that. I like the fact--and this was stated before, I believe in the esthetics area, our speaker had some really valid points--we need to learn how to teach. And with today's young people, there's lots of emotional stresses that can take place. We need to know how to counsel them, how to write a good test, how to grade properly, how to...in small schools you may have one or two people that are doing everything, so they're going to have to know about the Pell Grants and the business parts of it as well. These are not things that you know in a salon so I do not want to see that reduced. The 925-hour program takes six months. I'd like to see it almost be more than that because your students are going for a little more than a year and you have a half a year to get through all the knowledge of how to teach them. You've got to learn how to write the lesson plans. You've got to learn how to counsel them, all the different things. I was telling at lunch, I remember a time when I was a manager of an Omaha school. And luckily, we had an experienced instructor who had a little bit of more mature attitude--she was probably in her 40s--because she came in, she said, either this gentleman goes or I go. He took the razor and slit the mannequin open. Now if you had someone that is right out of cosmetology school and has not had training on how to handle that situation, someone that's possibly 18 or 19 years old, they might have fled the situation and left the rest of the students there to see what happens. These are things that happen in schools today. It's not an easy situation. It takes a lot of patience and practice. And doing the actual work is different than teaching the actual work, so I just wanted to make a point that I would like to see the educational requirement for our cosmetology instructors stay the same. There is an actual textbook that's used for the instructing. There's a workbook. The student instructors at this point, they do receive some pay. They can be paid to go on with their education. It's a great help for the schools

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because they have somebody that's going to carry on the cosmetology instructor profession. It's a good investment for the future. If we don't have the proper people to teach our people in school then our profession will also go downhill. So I just make the point that we need to make sure we have proper education for our cosmetology instructors coming up. And they, too, take a written test but they no longer take a practical test. In the past years, there was times when we had practical testing for the cosmetology instructor. They didn't come in and show you how to do the perm. They came in and actually taught you a class. There would be two or three of us gals and guys sitting there and they would teach a class to us so we could see how they performed in that way. [LR232]

SENATOR RIEPE: Okay. Thank you very much. Are there questions of the committee? Senator Linehan. [LR232]

SENATOR LINEHAN: One really quick one, and I don't expect you to have this, but you're with the school, right? [LR232]

MARIE NORDBOE: Not anymore. [LR232]

SENATOR LINEHAN: Okay. [LR232]

MARIE NORDBOE: I did that for about 15 years. [LR232]

SENATOR LINEHAN: Okay. So I'm just going to state this and I don't expect you to answer but maybe somebody that's coming after you. When you get Pell Grants through the federal government for your school tuition, don't...isn't there some kind of regulation where you have to turn in the number of kids that actually graduate who got Pell Grants? [LR232]

MARIE NORDBOE: Yes. There's a whole wealth of rules that come with that. They have to actually survey each student that graduates and see if they're in the profession and how much they're earning. And actually, a school can lose its national accreditation if the numbers don't add up properly so that that money will get paid back. [LR232]

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SENATOR LINEHAN: Okay. Thank you very much. [LR232]

MARIE NORDBOE: Uh-huh. [LR232]

SENATOR RIEPE: Senator Erdman. [LR232]

SENATOR ERDMAN: Thank you, Chairman Riepe. I'm trying to put this together, why it's our responsibility to guarantee what kind of instructors you have at your school. I don't know how that fits in to talking about 2,100 hours of credit time for a license. Why is it our obligation to make sure we have the right kind of instructors? That's the schools' responsibility, right? [LR232]

MARIE NORDBOE: But if we reduce the number of hours that we have those people going into the...that's part of the bill, is that the hours were to be reduced, I believe, from 925 to like 600. So I'm trying to make the case that I like the larger figure to give those people more time to be good educators because the experience will go down the road. [LR232]

SENATOR ERDMAN: We're not restricting you to go to 900. You can do whatever you want. Is that correct? The bill says 600? [LR232]

MARIE NORDBOE: Right. [LR232]

SENATOR ERDMAN: All right. You could do 925 if you wanted to. [LR232]

MARIE NORDBOE: You can,... [LR232]

SENATOR ERDMAN: Okay. [LR232]

MARIE NORDBOE: ...but most the time if you have somebody that's interested in doing that type of work, they're going to say, ooh, but I can go over here. And they think they're getting the same amount of education and at a cheaper rate, faster. We're all about faster. But I believe in quality rather than faster. [LR232]

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SENATOR ERDMAN: Okay. [LR232]

MARIE NORDBOE: So I like to see the numbers stay up there. Teaching is not as easy as it seems to be. And we require our people that are going to teach in the grade schools, we require them to go at least four years. That's teaching. Well, teaching these adults is important as well. [LR232]

SENATOR ERDMAN: Okay. [LR232]

SENATOR RIEPE: I think there's a little bit of, or at least I sense it, that...a little bit of disconnect here that if the hours were changed it doesn't mean that the schools...you know, your school or somebody's school, could still say our school is still 2,100 hours. [LR232]

MARIE NORDBOE: You, you could do that. [LR232]

SENATOR RIEPE: And the state requires 1,500, but, you know, based on our reputation, we think that we can justify charging and having students attend at that. Different universities have different kinds of programs that way as well. [LR232]

MARIE NORDBOE: Right. Uh-huh. [LR232]

SENATOR RIEPE: The other question that I have along that line is with pent-up demand. You know, my sense of that is if you establish a relationship with a cosmetologist, you're not easily swayed, unless you're into an emergency situation, to go to a quick shop where you may be... [LR232]

MARIE NORDBOE: Uh-huh, there's a lot of loyalty. [LR232]

SENATOR RIEPE: ...you may be...well, and a little bit you say if you go to the quicker, you're kind of saying just trim it a little bit, don't give me the full works because I'm scared. But so...I just don't know how much, it seems to me like there's quite a bit of pent-up demand. It takes

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some time to get a hair appointment. You know, it can take four to six weeks, I think--that's what my wife tells me--to get a hair appointment. [LR232]

MARIE NORDBOE: Uh-huh. [LR232]

SENATOR RIEPE: I don't know. [LR232]

MARIE NORDBOE: Yeah. [LR232]

SENATOR RIEPE: So my piece is that I don't know that we're going to flood the market, and I'm not even sure there are that many good students, given what they have...everyone seems to be going into information technology anymore,... [LR232]

MARIE NORDBOE: ...that there are really students that want to go on into cosmetology. You're on your feet. You working with chemicals, you know? [LR232]

MARIE NORDBOE: It takes a lot of creativity as well. [LR232]

SENATOR RIEPE: Well,... [LR232]

MARIE NORDBOE: The people skills and the creativity, and those are the things that are hard to test, as we talked about. And my point I'm making at this point today is don't forget to look at our teacher quality. Let's not reduce that to where we don't have proper teachers. So I'm coming from the instructor point of view now. That's...it's a hard position to fill. To fill an instructor's position is a tough job. It's not an overly paid profession, then you have to be in certain towns that have a school. So we have some really good quality instructors that have stayed in the business for a long, long time and that's great. But now we need to have a new group coming in. [LR232]

SENATOR RIEPE: Yes, Senator Erdman. [LR232]

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SENATOR ERDMAN: Thank you, Chairman Riepe. Could you give me a ballpark figure what a good instructor may make for a salary? [LR232]

MARIE NORDBOE: I would not know because I've been out of it. I've been a salon owner for the last 24 years, so I don't know. But it's not a huge amount. [LR232]

SENATOR ERDMAN: Fifty thousand? [LR232]

MARIE NORDBOE: I doubt if it's that. [LR232]

SENATOR ERDMAN: Okay. [LR232]

MARIE NORDBOE: And it's a salary job, so... [LR232]

SENATOR ERDMAN: Okay. [LR232]

MARIE NORDBOE: ...if there's an open house and there's a fashion show, you've been there all night planning it because you have a good work ethic and you know it needs to get done.

[LR232]

SENATOR ERDMAN: Okay. [LR232]

MARIE NORDBOE: So I doubt that it even is listed...it's such a small profession that I don't know if you could even find numbers. You've have to talk to some of the great school people we have here today. [LR232]

SENATOR ERDMAN: Okay. Thank you. [LR232]

MARIE NORDBOE: Uh-huh. [LR232]

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SENATOR RIEPE: Okay. Other questions? I think we are trying to focus, too, here on what is the training requirements and not necessarily what are the economics for schools (inaudible). So to me those are a couple different things going on here all at the same time. [LR232]

MARIE NORDBOE: Right. [LR232]

SENATOR RIEPE: Okay. [LR232]

MARIE NORDBOE: Lots of great ideas. [LR232]

SENATOR RIEPE: Thank you very much. Do we have additional people that would like to make a presentation on cosmetology? I see one. Why don't you come on up front while this young lady is coming up to the mike. [LR232]

JACKIE HORNIG: Thank you for calling me young. My name is Jackie Hornig, J-a-c-k-i-e, Hornig, H-o-r-n-i-g. And I did get to speak in March and I was the last speaker. So what my comments were is please spend the time to talk to us, so thank you for making this commitment and revisiting some of these issues. I've got (inaudible), I don't envy you the job you have at hand, because this really is a jobs issue and it's an education issue, and it's not easy. And so I appreciate the time and energy that you're putting in to this. My question today, and I have notes and notes and notes, I've heard a lot of inflammatory language being used, licensing scheme has been thrown out there and vulnerable Nebraskans. And as I sit here as a school owner I feel like I've been turned into a predator as I sit here because we're proprietary institutions. So we've been...community colleges could offer this program, universities could offer this program. Nobody is offering the program but the for-profit sector at this time, who again has put up their homes, their cars, And these are Nebraskans that own these schools. We don't have any schools from out of state, Regency, you know, Marinello, the big predatory schools that have been put out of Nebraska didn't come to Nebraska. And one of the reasons why they didn't come to Nebraska, word out of a board member's mouth for the Regency Institute, was it doesn't fit our model because we can't burn and turn students fast enough. The more students I get in my door, the more I graduate, the more money I make. So the reason why they stayed away from Nebraska is because it's harder here for the schools to make a living because we don't burn and

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turn students. So if we go to 1,500 hours,m that doesn't mean there's more students that want to come into cosmetology. And I think the school owners in this room are going to say, right now, I could sure use with a lot more students because we're down about 40 percent. NACCAS is the national accrediting agency for career colleges and they used to have 1,800 schools. Within the last 18 months they're down to just over 800 schools. So the number of cosmetology schools out there is shrinking right now. You make this 1,500 hours and I do not believe you're going to have a flood of beauty schools opening. And it's...we're not a predatory group and it hurts my heart to hear those things, but today this is what I'd like to speak to. In LB343, Section 38-10,105, it talks about transfers and the verbiage that's now been put in, it says, "The school shall provide a transcript," to the students if they wish to transfer. Students come, they've made a bad choice, this is not the school for me, my life circumstance say I'm going to go somewhere else. But what has been crossed out is: without penalty of tuition obligations. And what I...maybe I'm asking...here to ask questions more so than make a statement or I need clarification for the group as well, but this seems very punitive for our colleges. Because the University of Nebraska-Lincoln, Omaha, Metro Community College, and even Creighton University, you go to their Web sites and it says if you want your transcripts you have to have all your financial obligations paid. And I will tell you, my daughter wouldn't have graduated from high school if I didn't pay the \$80 in parking fines that she had. So even high school you can't get a diploma without paying your bill. So I relate it to if I'm going to go buy a car and I decide to trade it in, do I not have to pay for the car that I purchased and used before? Because I still have to pay my educators. I have 401(k), paid vacations, paid holidays, disability insurance, health, vision. I offer all of that. But the verbiage, as it's put, as I understand it, is if they leave I just give them a transcript and they don't have to pay for the tuition, but I can't go back to my educators and say: Will you take that money back out of your checking account and give it back to me because now I don't have any funds? And it also states that even if I get the diploma, I have to give them a diploma whether they paid for their schooling or not, and that just seems very harsh and punitive for us when other colleges and universities can require that their bill be paid before they get their transcript or their diploma. So that's the conversation I'm here to have today. I've got a lot of notes if you want to talk about anything else, but that's kind of the key point I have today, so. [LR232]

SENATOR RIEPE: Is there some...something that prohibits you from collecting your payment before you award or give it? [LR232]

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JACKIE HORNIG: Well, that's my question. My verbiage is saying that "The school shall provide a transcript," and so... [LR232]

SENATOR RIEPE: But does that go that far (inaudible). It doesn't say regardless of whether you get paid or not. [LR232]

JACKIE HORNIG: Well, it just says that at any time the school shall provide a transcript. So if in statute it says I have to provide it, so then if they say, well, statute says you have to provide it to me, you can't keep it in abeyance of tuition. So I guess that might be my...the area of my question. If it says that I'm required to give them a transcript, can they say, I don't have to pay you because in statute it doesn't say I have to? Or should the verbiage be relooked at and say that the school has the option to give it or to hold it. I get you don't have to put in a statute that says they have to pay it, because I don't know if there's a statute that says you have to pay UNL, UNO, Creighton either. But I believe the way it's written, it says I'm required. It's added: The school shall provide a transcript showing the number of hours and credits earned by the school (sic--student) at each school, that they earned at the school. [LR232]

SENATOR RIEPE: (Inaudible) I'm not an attorney and I know we have some attorneys... [LR232]

JACKIE HORNIG: Okay. [LR232]

SENATOR RIEPE: ...at the table here, but so we'll probably be... [LR232]

JACKIE HORNIG: So that's my point. [LR232]

SENATOR RIEPE: ...interested to look at other...what we're doing in other arenas... [LR232]

JACKIE HORNIG: Okay. [LR232]

SENATOR RIEPE: ...or is a precedent set. And I don't know. That's (inaudible) playing out for today, but... [LR232]

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JACKIE HORNIG: Nope, but that's...it's a hearing and that's what I wanted to bring up. [LR232]

SENATOR RIEPE: I don't anyone should have to provide something and then they're punished by not getting paid, but that's my personal opinion. Senator, did you have something? [LR232]

SENATOR WILLIAMS: I'm sure we can have legal counsel look at that one. [LR232]

SENATOR CRAWFORD: Uh-huh. [LR232]

SENATOR WILLIAMS: Yes, I do have some questions. And you heard my line of questioning earlier about the schools. [LR232]

JACKIE HORNIG: Uh-huh. [LR232]

SENATOR WILLIAMS: How many students do you have in your school? [LR232]

JACKIE HORNIG: A hundred and seven in Omaha and thirty what, forty-one in Grand Island. [LR232]

SENATOR WILLIAMS: Okay. And how many other schools are there, schools of cosmetology in the state? [LR232]

JACKIE HORNIG: We have College of Hair Design in Lincoln and we have Paul Mitchell in Lincoln and we have seven Joseph's? [LR232]

(WOMAN FROM AUDIENCE): I think seven. [LR232]

JACKIE HORNIG: Seven Joseph's College. And then I believe there's one in McCook, and I believe that's it. [LR232]

(WOMAN FROM AUDIENCE): Fremont. [LR232]

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JACKIE HORNIG: Fremont. Yes, I'm sorry, La'James in Fremont. And Capitol. [LR232]

(WOMAN FROM AUDIENCE): Oh boy, don't forget that one. [LR232]

SENATOR WILLIAMS: And at your school, what would the average length of time that it takes a person, from the beginning to the end, and what would be the cost? [LR232]

JACKIE HORNIG: Sixty-three weeks. And in our Grand Island location it's \$16,500 is the net amount that the students are paying at that campus, and it's just about \$7,200 (sic--\$17,200) here at the Omaha campus. Uh-huh. [LR232]

SENATOR WILLIAMS: And you said the net amount. [LR232]

JACKIE HORNIG: Uh-huh. Well, we offer, we provide scholarships for students. In central Nebraska, we provide travel scholarships for the students that have to travel or move into town. [LR232]

SENATOR WILLIAMS: Okay. Gotcha. [LR232]

JACKIE HORNIG: So net amount. We don't offer those in... [LR232]

SENATOR WILLIAMS: So what was the number in Lincoln then? [LR232]

JACKIE HORNIG: I don't have one (inaudible). [LR232]

SENATOR WILLIAMS: Or in Omaha, excuse me? [LR232]

JACKIE HORNIG: Omaha is \$17,200. [LR232]

SENATOR WILLIAMS: Okay. I asked the question earlier when we were talking about the barbering situation, and I would ask it here, too, along the line of questioning. Have you thought

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about what you would do with your business model if we did reduce these hours, and what have you learned from that modeling? [LR232]

JACKIE HORNIG: Well, I also am involved in schools in Colorado that just went from 15 to 18, so we've...I've already made those adjustments. We have written... [LR232]

SENATOR RIEPE: You went from 15 to 18? [LR232]

JACKIE HORNIG: From 18 to 15. [LR232]

SENATOR RIEPE: Oh, okay. [LR232]

JACKIE HORNIG: From 18 to 15. And then I also was involved in running schools in Missouri and Kansas. They have 1,500-hour curriculums, and so I already have a curriculum for 1,500, 1,800. I've been in 1,450 in Colorado. I've been 60 credits in Colorado, not hours. (Inaudible) variety of things. Uh-huh. [LR232]

SENATOR WILLIAMS: So let me ask the question a little bit differently. It seems to me that you're making an assumption by what you've done there that if legislatively the hours are changed that are required from 2,100 to whatever, that you would automatically decrease your hours. [LR232]

JACKIE HORNIG: No. I just think a good business person has to be prepared for anything, and so you have to look and see what would it cost. [LR232]

SENATOR WILLIAMS: But in the other states where they did that,... [LR232]

JACKIE HORNIG: Right. [LR232]

SENATOR WILLIAMS: ...did you reduce your hours or did you...? [LR232]

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JACKIE HORNIG: This time I reduced my hours. Prior, when the state of Colorado reduced their hours to 1,450, we did not. [LR232]

SENATOR WILLIAMS: Okay. [LR232]

JACKIE HORNIG: And financially we were harmed. We started laying off employees. Because a student doesn't know what they don't know, and so they would go to the schools down the street, which somebody brought up earlier. So we couldn't sustain our business. We started laying off employees because students go, I want to get out, I do want to get out quick. And so I don't doubt...I don't short a student for that, but then when it comes back to I can't earn a living in this business, you can't make it. How many dads sit across the desk in our admissions office, say, I don't want my daughter to be a beautician, you can't make any money. You know, well, yeah, you can, but you have to have a quality education to do that. And somebody...a false statement that was made earlier is that why would you need job placement, why do you need interviewing skills, why do you need resume skills? Because this is about education as well as jobs. So if I'm going to put on my, look, I lowered this regulation so more people could get jobs, but who's on the back end doing the math of how many people are getting out of the business because they can't make any money? You know, so who's going to do that math, because they're not qualified in the middle of Nebraska to offer all these services, so... [LR232]

SENATOR WILLIAMS: Thank you for your answer. [LR232]

JACKIE HORNIG: ...it's a big deal. You're welcome. [LR232]

SENATOR RIEPE: Senator Linehan. [LR232]

SENATOR LINEHAN: Thank you for being here. What is the completion rate? So you have 107 students in Omaha now. So is your completion rate 50 percent, 75 percent? [LR232]

JACKIE HORNIG: Eighty-six percent. [LR232]

SENATOR LINEHAN: Eighty-six percent completion rate. [LR232]

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JACKIE HORNIG: And our accrediting agency, for your last question for the last speaker, is we have to have a minimum of 60 percent placement rate if you're a nationally accredited school, 50 percent graduation rate and 60 percent placement rate and 70 percent licensure rate. So we are heavily regulated above the state level as well, and we don't get Title IV funds if we don't meet those requirements. [LR232]

SENATOR LINEHAN: Being Pell Grants. [LR232]

JACKIE HORNIG: Pell Grants and student loans, yes. [LR232]

SENATOR LINEHAN: Okay. So those, you have to get those minimums before you could...

[LR232]

JACKIE HORNIG: To maintain... [LR232]

SENATOR LINEHAN: Okay. [LR232]

JACKIE HORNIG: ...eligibility for Title IV funds. [LR232]

SENATOR LINEHAN: Okay. That's helpful. Thank you very much. [LR232]

SENATOR RIEPE: Senator Erdman. [LR232]

SENATOR ERDMAN: Thank you, Chairman Riepe. So what is your student to teacher population or ratio? How many teachers do you have? [LR232]

JACKIE HORNIG: Well, we have nine full-time teachers in the building and seven that are in the classroom all day. [LR232]

SENATOR ERDMAN: At both schools? [LR232]

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JACKIE HORNIG: Yeah. No. Well, that would be in Omaha. In Grand Island we have...? [LR232]

(WOMAN IN AUDIENCE): I have five in (inaudible) classrooms at all times and then one in the building (inaudible). [LR232]

JACKIE HORNIG: So 40 students and five educators. [LR232]

SENATOR ERDMAN: Say that again? [LR232]

JACKIE HORNIG: Forty students and five educators in Grand Island. [LR232]

SENATOR ERDMAN: Thank you. [LR232]

JACKIE HORNIG: Uh-huh. [LR232]

SENATOR RIEPE: I have a question. [LR232]

JACKIE HORNIG: Okay. [LR232]

SENATOR RIEPE: Did...I want to understand if I heard this right. You have required placement?

[LR232]

JACKIE HORNIG: Yes. Yes. [LR232]

SENATOR RIEPE: I struggle with the idea that anyone has an obligation to place students. I mean you train them. As far as I'm concerned, they're birds out of a nest and they find their own jobs. [LR232]

JACKIE HORNIG: Thank you. Yes, that's our national accrediting agency, but if you're familiar with gainful employment from the United States Department of Education, we are also required to make sure they make a certain amount of income: 80 percent of their spendable income or 20

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percent of their income. So there's not a more highly regulated group of people. And these are committed people that stay up at night because, you're right, I have to place them. I have to get them to take their state boards. And now I have to make sure they're gainfully employed and they make a certain dollar amount to justify them with taking out student loans (inaudible). [LR232]

SENATOR RIEPE: Okay. So now your accountability for their employment, their placement, does that take them up to retirement at 65 that you've...? [LR232]

JACKIE HORNIG: No. [LR232]

SENATOR RIEPE: I mean, you know, that seems...that's just a... [LR232]

JACKIE HORNIG: No. [LR232]

SENATOR RIEPE: ...that seems like a ludicrous requirement for you. [LR232]

JACKIE HORNIG: Thank you. Thank you. But we are required to stay eligible. And they do that, of course, to keep us accountable. So there are people out there keeping us accountable. We got to put on a good (inaudible). [LR232]

SENATOR RIEPE: I think that goes beyond it being accountable. [LR232]

JACKIE HORNIG: Well, thank you. I didn't take them to raise but you would think sometimes that's what it felt like. [LR232]

SENATOR RIEPE: I mean it borders on a nanny state, but go ahead. Is there anything, any other questions? [LR232]

JACKIE HORNIG: No? Okay. [LR232]

SENATOR RIEPE: Thank you very much... [LR232]

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JACKIE HORNIG: Thank you. [LR232]

SENATOR RIEPE: ...and thank you for being an entrepreneur in our state. Others that would like to speak? Thank you. If you would just state your name and spell it and then please go forward. [LR232]

ASHLEY SHECKLER: (Exhibit 2) Ashley Sheckler, A-s-h-l-e-y S-h-e-c-k-l-e-r. I am from central Nebraska, the director of Xenon Academy. I have been in the industry for 17 years. The average age of our students are 23 years old. A majority are single parents. In central Nebraska, our students come from rural areas. As an example, in the last 12 months, 64 percent comes from rural areas. Many of our graduates return home to their small communities to become entrepreneurs as both a booth renter or a salon owner at a young age of 23. In the map that I have passed out I have highlighted in pink where students come from. In the yellow are the towns that offer corporate, also known as chain, salons. The chain salons are able to offer 401(k), marketing department, insurance, and a human resource department. Everything that a graduate needs is provided for them, whereas students who are in the smaller communities need to be taught how to become entrepreneurs. Our students have to market their own business, do their own advertising, handle their own accounting, budget for insurance, and plan for 401(k), and so much more. If we were to lower the hours of 1,500 I truly believe we're setting our students up for failure and not giving them the business education that is needed to be successful in their careers. We are not New York. We're not Florida, Texas, or Kansas, where their professional license covers only just hair. Nebraska is very fortunate, enough to provide a license that consists of cosmetology, nail technicians, and esthetics. Our professionals in the smaller communities use their entire license as one. They are able to do makeup. They are able to do nails. They are able to do hair. They are able to do their pedicures on their whole clientele. I know that a chain or corporation has the ability to offer the whole package, and they would love more graduates in their salons, but our graduates are not staying in these large communities. We would like to continue to provide a full curriculum for the future professionals to stay successful. We thrive on the education to become career-orientated professionals and the opportunity to become financially stable. We here in Nebraska are all about small-town living and making a difference in the community we serve. So thank you for taking the time to listen. [LR232]

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SENATOR RIEPE: I have a question. [LR232]

ASHLEY SHECKLER: Yeah. [LR232]

SENATOR RIEPE: I'm "Curious George." It seems to me like there's training in terms of cosmetologists that are going to be workers, and that's what they want to do. It seems to me like it's a whole different educational track that's maybe two or three years later, after they've got some experience on the ground, that says I want to own my own. And so that I think there is a lot to be said about, you know, you don't want to necessarily go to a community college and learn, take a couple of management courses. Any management courses or entrepreneurials in this industry, in cosmetology, if that's a comeback like I'll call it postgraduate education, if you will. It's a second degree track coming. It sounds...I'm trying to figure out why you would train every student that came through your school to know how to set up a 401(k) plan and how to set up this. They don't care. Probably 80 percent of them won't go there. Am I crazy? [LR232]

ASHLEY SHECKLER: No. [LR232]

SENATOR RIEPE: Well, don't go there but...(laughter). You don't know me that well or you'd probably say yes. You see where I'm...you see why I'm confused? [LR232]

ASHLEY SHECKLER: Yeah. But out in central Nebraska, we don't have a lot of those large chains that offer all of this that they want to go work at. A lot of them want to go back home to where they came from and to start their business and to perform services on their family, their friends, their relatives, their community. [LR232]

SENATOR RIEPE: But if they went and said, you finish on Friday and if you're going back home to, to some you don't go home, you finish up with another 200 hours or give...you give me the number, X number of hours, you stay around to learn the next part of it. Some won't do that, some will want to. But to make them all do that doesn't seem reasonable to me. You can rebut that, really. [LR232]

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ASHLEY SHECKLER: (Laugh) Which is understandable. But majority of them do want to know the business side of it because they do have to know how to market their business and get the income coming in. [LR232]

SENATOR RIEPE: But in my...I don't want to be argumentative. Here it might not be their business. They might want to go out and work for somebody else, and that's really what they want to do, because they, for a variety of reasons that, you know, they have a parent their taking care of or, yeah, they have other, they don't want to get into this full accountability. They want to have a supplemental income to their families. I see two different divides here. [LR232]

ASHLEY SHECKLER: Right. [LR232]

SENATOR RIEPE: Okay. Senator Linehan, I saw a pen go up so I'm going to call that a call. [LR232]

SENATOR LINEHAN: Thank you, Chairman Riepe. So I just want to make sure I understand. So if you have 21 (hundred) under artist, cosmetologist,... [LR232]

ASHLEY SHECKLER: Uh-huh. [LR232]

SENATOR LINEHAN: ...what can't you do in a salon? If you had the 21 (hundred), you can do nails? [LR232]

ASHLEY SHECKLER: Uh-huh. [LR232]

SENATOR LINEHAN: You can't shave though, right? [LR232]

ASHLEY SHECKLER: No, we cannot shave. No, cosmetologists... [LR232]

SENATOR LINEHAN: Is there anything else you can't do? [LR232]

ASHLEY SHECKLER: No. [LR232]

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SENATOR LINEHAN: So if you're a cosmetologist, you don't have to go back and get nail technician. You're a nail technician when you graduate. [LR232]

ASHLEY SHECKLER: Correct. [LR232]

SENATOR LINEHAN: Okay. [LR232]

ASHLEY SHECKLER: It's under your umbrella of the cosmetology license. [LR232]

SENATOR LINEHAN: Okay. Thank you for clarifying that. I'm not sure I understand that.

Okay. [LR232]

SENATOR RIEPE: Okay. Senator Howard, please. [LR232]

SENATOR HOWARD: Thank you. Thank you for visiting with us today. Do you keep track of the percentage of your graduates that go into full-time work and do this as a full-time position? [LR232]

ASHLEY SHECKLER: A majority of the students that graduate are full time doing hair. There's a little, like a handful, that get a part-time job. Of course, then you're building your clientele, you have to have some type of income coming in. A majority...I have done studies in Kearney, majority of the salons out there are booth rent. And booth rent for just one week to have a chair in a salon, you're paying \$150 minimum just to have it for a week. In Grand Island, majority of the salons are commissions. And in Hastings, Nebraska, they are booth rental and you're paying \$250 a month to have a chair. So it is a whole wide variety of what's out there and what's offering. [LR232]

SENATOR HOWARD: So my husband and I call them side hustles because we do it to pay off our student loans. A lot of your graduates are doing this for a side hustle; they're doing it for a full-time job. [LR232]

ASHLEY SHECKLER: Yes. [LR232]

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SENATOR HOWARD: And then when I'm looking at this map with all the pink in it,... [LR232]

ASHLEY SHECKLER: Yeah. [LR232]

SENATOR HOWARD: These aren't corporate salons. These are all sort of booth rental or a smaller business? [LR232]

ASHLEY SHECKLER: Those are all booth rental salons that the students go home to and go back and start their own business. [LR232]

SENATOR HOWARD: Okay. And where are you located again? [LR232]

ASHLEY SHECKLER: I work in Grand Island but I live in Kearney. [LR232]

SENATOR HOWARD: Okay. Great. Thank you. [LR232]

ASHLEY SHECKLER: You're welcome. [LR232]

SENATOR RIEPE: Do you have an alumni association? [LR232]

ASHLEY SHECKLER: Do we? Yes. [LR232]

SENATOR RIEPE: Okay. Good. I think that's a good way to stay connected and to get information in terms of who's doing what, where, when. Are there other questions? Thank you very much. [LR232]

ASHLEY SHECKLER: Thank you. [LR232]

SENATOR RIEPE: Appreciate it. Please state your name and spell it, please. And then proceed on. [LR232]

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BRIDGET SHARPE: (Exhibit 3) Great. My name is Bridget Sharpe, B-r-i-d-g-e-t S-h-a-r-p-e. And, Chairman and members of the committee, thank you so much for allowing me to take some of your time today. I do want to state just kind of going into this that I'm representing the Professional Beauty Association. We are a national trade association. We do represent the interests of cosmetologists, licensed professional salon and spa owners, as well as manufacturers and distributors nationwide as well as in Nebraska. So some of my comments may disagree from some of my industry colleagues in the room, but I just wanted to kind of put that up-front. So thanks again for having me. So PBA and consumers agree that maintaining licensure for cosmetologists upholds health and safety standards and allows for a long-term sustainable career within our industry. However, the barriers and restrictions that overregulation creates is harmful to the growth of our industry. Over regulation means restrictions in worker mobility across states and reduced access to jobs in cosmetology occupations. As you may know, occupational licensing has become an incredibly hot topic across states, both at the state level and at the federal level of government. Twenty-nine states have created committees or introduced legislation to review the need for occupational licenses. At the federal level, the Federal Trade Commission, the Department of Labor, and Congress are all participating in licensing reform efforts. Unfortunately, some of the false shared themes are that licensing is an extreme barrier to work, licensing is a scheme, there is no defense for hour requirements, or no need for licensure at all. PBA is working diligently to protect our licenses, but we're also working diligently to create reform so that we can get more folks into the industry and working. During the 2017 Legislative Session, four states successfully lowered their cosmetology hour requirements and they did so with a bipartisan approach. Colorado, Montana, Rhode Island, and Kentucky all lowered their hours to 1,500 or less. Representative Zolnikov, who is this bill's sponsor in Montana, said of his bill that it was a easy piece of legislation to support that helps mostly young women move forward with their lives and combat unnecessary debt. Upon passage, House Bill 393 lowered Montana's hours from 2,100 to 1,500 hours. So I would like to say thank you very much for your time and I also just want to go back to on quick comment that was made about the cosmetologist license. Every single stage, save Oregon, has a full cosmetology license and that license does include hair, skin, and nails. There are some states who...that just have a hair license. For instance, Arizona just passed a 1,000 hair-only license. But every single state, except for Oregon, has a full cosmetology license. [LR232]

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SENATOR RIEPE: Senator Williams. [LR232]

SENATOR WILLIAMS: Thank you, Senator Riepe. And I have a follow-up question on that that I was going to ask someone else. But since you're here and know this, in those other states, those few that you mentioned that restrict it, are we really comparing apples to apples with that license? [LR232]

BRIDGET SHARPE: I'm sorry? I'm not sure what you mean. [LR232]

SENATOR WILLIAMS: What I'm meaning is a cosmetologist license then in Kansas, is the training and what the scope of practice is for that person the same as Nebraska? [LR232]

BRIDGET SHARPE: As written in statute, yes, because in statute it lists out the actual practices and services that you can provide, so that's really what they're comparing. So I would say, yes, that they are. [LR232]

SENATOR WILLIAMS: Do you see what I'm asking when we're comparing one state to another? [LR232]

BRIDGET SHARPE: Uh-huh. [LR232]

SENATOR WILLIAMS: I'm...hopefully somebody else can further answer that, that's coming up, about whether we're comparing apples to apples. [LR232]

BRIDGET SHARPE: Yeah, I guess I can only speak to knowing what the hour requirements are for cosmetology licenses in every state and just knowing that the scope of practice, as written in statute, is very similar to Nebraska. [LR232]

SENATOR WILLIAMS: Okay. Thank you. [LR232]

SENATOR RIEPE: I'm going to go to Senator Crawford, and then Senator Linehan. I think you... [LR232]

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SENATOR CRAWFORD: Chairman, thank you. And thank you for being here. When you have

seen states move from a higher level of hours to 1,500, do you have an experience with what that

generally looks like in terms of what that shift means in their curriculum? [LR232]

BRIDGET SHARPE: Well, the shift can be, I think, different, depending on what kind of school

you own. I know that many schools do end up putting their students on the floor around 600 or

700 hours, sometimes a little bit less. So it's either that you have to give an objective look at your

curriculum and see what can, you know, not necessarily go away but be shifted, or you're cutting

floor time for the student. [LR232]

SENATOR CRAWFORD: Thank you. [LR232]

SENATOR RIEPE: Senator Linehan. [LR232]

SENATOR LINEHAN: In that line, so of the schools that reduced from 2,100 to 1,500,

Colorado, Montana, Rhode Island, and Kentucky, did any of the schools' tuition drop? [LR232]

BRIDGET SHARPE: You know, we don't have a number for that right now because it was this

legislative session that it happened, but I can look that up for you and get back to you. [LR232]

SENATOR LINEHAN: Any...do you know of any states where they've dropped it two or three

years ago where you could look at it? [LR232]

BRIDGET SHARPE: I can definitely look it up for you and see if we have data. [LR232]

SENATOR LINEHAN: Okay. That would be helpful. [LR232]

BRIDGET SHARPE: Sure. [LR232]

SENATOR RIEPE: That would be helpful. [LR232]

SENATOR LINEHAN: Thank you. [LR232]

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BRIDGET SHARPE: Absolutely. [LR232]

SENATOR RIEPE: Senator Howard. [LR232]

SENATOR HOWARD: Thank you, Senator Riepe. Thank you for visiting with us today. I'm not familiar with your organization. Can you tell me a little bit more about it? [LR232]

BRIDGET SHARPE: Sure. So we're the Professional Beauty Association. We're based in Scottsdale, Arizona. We represent all 50 states and we have a government affairs department, which includes me. And our main focus and our main kind of struggle right now is making sure that occupational licensing does stay intact. On the other side of that, out struggle is making sure that reform can happen but making sure that it happens at a good and sensible way. And we felt last year...or this last year with LB343, we were supportive of the hour drop to 1,500 hours and we felt that that was fair as it matched more than half of the states in the United States. [LR232]

SENATOR HOWARD: And you're a membership organization? [LR232]

BRIDGET SHARPE: We are, yes. [LR232]

SENATOR HOWARD: So tell me about your membership in Nebraska. [LR232]

BRIDGET SHARPE: So we have...unfortunately, we don't have any manufacturer members here but we do have salon owners as well as individual members. We have, I believe, our last check of numbers was about 250 individual members and that could be either the professional or the salon owner. [LR232]

SENATOR HOWARD: So you don't have a differentiation. Salon owners and individuals are together? [LR232]

BRIDGET SHARPE: I don't but I can get that for you. [LR232]

SENATOR HOWARD: I guess...and where are you based out of? [LR232]

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BRIDGET SHARPE: Scottsdale, Arizona. [LR232]

SENATOR HOWARD: Okay. [LR232]

BRIDGET SHARPE: Yeah. [LR232]

SENATOR HOWARD: Well, thank you for visiting Nebraska today. [LR232]

BRIDGET SHARPE: You're welcome. [LR232]

SENATOR HOWARD: That's great, lots of out-of-towners. I guess sort of my question is so I put a lot of weight on when I hear from individual salon owners or individuals who are coming and saying that the 21 (hundred) hours is working for them. [LR232]

BRIDGET SHARPE: Uh-huh. Sure. [LR232]

SENATOR HOWARD: And I'll apologize in advance, I put a little less weight when somebody is coming to me from another state... [LR232]

BRIDGET SHARPE: Sure. [LR232]

SENATOR HOWARD: ...because you're not my constituent, right? [LR232]

BRIDGET SHARPE: Sure. Absolutely. [LR232]

SENATOR HOWARD: And so I guess I'm wondering is this something where you were hearing from a lot of your members and do you have a lot of letters or things that you'd like to share with us that indicate their wish for you to come here and advocate on this issue? [LR232]

BRIDGET SHARPE: So we have a couple of different ways that we can show that. So we are a part of a group called the Future of the Beauty Industry Coalition, and in...basically we're seeing these groups like the FTC and the Department of Labor, the federal government coming in and

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saying that licenses should be restricted. We don't want to leave it up to the federal government to make that decision for us. We want to be at the forefront of what that would look like. And knowing that 26 other states do have 1,500 hours, we feel that that's fair. You know, not only are we here for Nebraskans but we're here for the people that would like to move to Nebraska and open businesses. And we feel that if other states can do it at 1,500 hours and have thriving, successful schools, salons, and individuals, that it can be absolutely be done here. [LR232]

SENATOR HOWARD: From a national perspective, would you say that Nebraska doesn't have Nebraska like thriving professionals and schools? [LR232]

BRIDGET SHARPE: No, I wouldn't say that necessarily. [LR232]

SENATOR HOWARD: So are they being harmed right now? [LR232]

BRIDGET SHARPE: I mean I would say the harm comes to the student who has to go, you know, spend an extra \$3,700 for school when they could be doing so at 1,500 hours or wouldn't have to pay the extra \$3,700. So it's from a student debt perspective. [LR232]

SENATOR HOWARD: Okay. I just...I apologize, do you have a student with you who's going to tell me about that? [LR232]

BRIDGET SHARPE: I don't but I can connect you with them though. [LR232]

SENATOR HOWARD: That would be great. [LR232]

BRIDGET SHARPE: Okay. [LR232]

SENATOR HOWARD: Thank you. [LR232]

BRIDGET SHARPE: Sure. [LR232]

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SENATOR RIEPE: You just commented and said something about the extra hours being \$3,700. The audience doesn't have privy to this but, because it is going to be in the record, I want to quote this now. [LR232]

BRIDGET SHARPE: Sure. [LR232]

SENATOR RIEPE: I'm going to read it back to you. You said, quote, the excess educational requirement adds unnecessary cost to the schooling and burdens students with up to \$20,000 in student loan debt. [LR232]

BRIDGET SHARPE: That can be up to the actual amount that they pay. The \$3,700 number that I quoted comes from the American Enterprise Institute and they said that Nebraska could cut an average student loan debt by \$3,700 if it adopted less burdensome mandates. [LR232]

SENATOR RIEPE: I think the \$3,700 maybe cost reduction to the student is certainly...it's not going to reduce it by \$20,000 if they have total costs of \$22,000. You see what I'm saying? [LR232]

BRIDGET SHARPE: Sure. Yeah, absolutely. [LR232]

SENATOR RIEPE: There's a disconnect there that... [LR232]

BRIDGET SHARPE: Okay. [LR232]

SENATOR RIEPE: ...I want to make sure I get on the record. [LR232]

BRIDGET SHARPE: Okay. [LR232]

SENATOR RIEPE: Okay? Are there other questions? Hearing none, thank you. [LR232]

BRIDGET SHARPE: Thank you. [LR232]

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SENATOR RIEPE: Stay here for the winter. [LR232]

BRIDGET SHARPE: (Laugh) [LR232]

SENATOR RIEPE: If you'd be kind enough to state your name and spell it, and then proceed

forward. [LR232]

LINDA POCHOP: (Exhibit 4) My name is Linda Pochop, L-i-n-d-a P-o-c-h-o-p. [LR232]

SENATOR RIEPE: Thank you. [LR232]

LINDA POCHOP: Okay. And again, I am from Xenon Academy in Omaha, Nebraska, and I'm the director of education there. I've also been a licensed cosmetologist for 29 years and a licensed instructor for 24 years. I find it very concerning that the Nebraska State Board of Cosmetology and the schools and industry professionals, again, before this bill was presented, I don't feel like we had the adequate time to discuss that with...prior to that bill being presented. It kind of came to a shock to us when somebody is going to come in and try to essentially deregulate some of the rules and statutes that we have abided by. I mean the schools and the state of Nebraska has had 2,100 hours for as long as I know, you know? So it's not something that has happened overnight. We also have the privilege of working with schools that are...because we have a school that is in a state that has less hours than us and also has a teacher training that is similar to what you guys were writing, that they only needed two years of experience in the salon and bringing back down the hours from that for the education point of view. So I can tell you, as the person that's in charge of training, our educators at our campus, and when I go to the other school to train their staff members, there is a complete different set of standards that are placed on somebody who has to have a license to teach. When we work in schools and situations where people only have had practical training behind the chair, so those two years that they spent behind the chair they could have spent in some of those smaller quick-service where you said you were nervous to go get your hair cut. You're nervous to go get your hair cut there because you know that it maybe is not as, hmm, what's the right word I want to use, the level of service that you're going to get at that type of salon is not as high a standard as you would get at the normal place where you're getting your hair cut. And the same thing happens when we are

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doing...so if I have a stylist that spent two years in a salon like that and has no experience with hair color, has no experience with any of the other chemical services because they aren't required to do those at that salon, how can we, in turn, see that that person is then qualified to come back and teach my students to do those chemical services when they have never performed them on the public? Because by saying just having your license for two years, that doesn't say that you're qualified and you have done the well-rounded amount of services that you need to do in order to teach a new student how to perform those services. So...and I think that when we're looking at the salons maybe that are looking for...because this is the thing everybody keeps saying, oh, these salons are looking for help. Well, maybe it's time for them to change their business practice, because stylists don't want to work in that type of environment. They don't want to do 30 haircuts a day for a very meager type of salary. They want to be able to grow their business and be profitable and you can't do that standing behind the chair doing \$12 haircuts and having to do 30 of them a day to survive. So in our aspect of, you know, yes, we are required to go back and report our students' income, we have to track them for up to three years from the time they graduate, we have responsibility to make sure that those students are getting into the salon industry and can survive in that rate. So when we're looking at, again, these apples to oranges, yes, there are salons and stylists and state-licensing in the state of Colorado. They have a hair styling only license. Those people cannot do any nails. They can't do any type of skin care treatments. And in our smaller communities, our stylists need to be able to do that. I live in Omaha. We are a border town with Iowa. Iowa still is at 2,100 hours. Eleven percent of our student body comes from Iowa. So when we're looking at the loss of that tuition that we would have, because if we're at 1,500 hours and they're still a 2,100 hours, those students aren't going to be able to cross back over the river and go to work there. So we're going to lose those 11 percent of our student body because their regulation is still at 2,100 also. So with 11 percent of our student body, because we're right at the border there, this is something that is going...so they'll have to leave our school and then go back to school in Iowa. That doesn't make sense when everything that we've been doing to this point has kept us at the same level there. [LR232]

SENATOR RIEPE: Okay. Thank you very much. Are there any comments? Senator Linehan. [LR232]

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SENATOR LINEHAN: Thank you very much for being here. Thank you, Chairman Riepe. My eyes are drawn to the last paragraph of your letter here: If schools are open to reform, I would love the opportunity assist in this reform. So I think we all know change now is...comes at us faster. [LR232]

LINDA POCHOP: Absolutely. [LR232]

SENATOR LINEHAN: Ability of the Internet to train, I'm not saying that replaces humans but it...I think our whole education system across the board is going to face some major challenges... [LR232]

LINDA POCHOP: Right. [LR232]

SENATOR LINEHAN: ...because people...the cost and getting people to work faster. So if we did, how would this work? How would you suggest, if we sat down with schools open to reform, who would be involved in having a discussion about some...because I'm assuming from this statement that you believe that there are some things that could be changed to make (inaudible) better. [LR232]

LINDA POCHOP: Absolutely. And in that mainstreaming, you know, even the application process could be simpler. We're still doing pen and paper applications, where a lot of the states are on-line applications, so it slowed...you know, that slows our processing down. We were one of 12 schools in the United States that work with Pivot Point, who is one of the main curriculum taught in the cosmetology industry to launch their Web site based curriculum. So we have been working with them over the last three years. So I'd say like as far as schooling goes, we're very much innovators in that. And our industry seeks us out for that information and feedback that we can give them in order to help us streamline and make this education better for the students. Because, quite frankly, some of the things that are mandated that we teach the students, maybe in 1930 it was great. But the chemicals that they're using on the skin now, so we talk about like in the esthetics program and in the cosmetology program, to do chemical peels, our insurance won't even...normal insurance won't cover you for that. You have to get medical malpractice insurance. But yet, you're saying that the people that teach that don't have to have any type of teaching

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background and it's going to be okay for them to teach people how to do that when they don't...when you have to have a specific type of liability insurance to even perform those services. And so our concern is that by shaving back all of the stuff, what...who's going to say what is going to get taken off? That's where the schools want some say in that, because I firmly believe that there are things that need to be heavier weighted right now because it's what is going to be in the student's future. Pin curls and finger waves, they're not coming back around so much that anybody needs to be teaching so many hours of those. But we definitely need to be able to increase the amount of hours for those things that public safety is an issue of. I also want to be able to, you know, allow those students...and we talked about, you know, people having Yelp reviews and those things. That's great in a metropolitan area. Yes, in Washington, D.C., you can get on Yelp and see that there are 86 salons within a five-mile radius. But in Craig, Nebraska, there's one. So how are those people going to not deserve the same amount of services and the education that that stylist needs versus somebody who is in a metropolitan community? It's not the same type of situation. In New York City they get licensed and then they apprenticeship for years. [LR232]

SENATOR LINEHAN: Okay. Thank you. [LR232]

SENATOR RIEPE: It sounds to me like they have a monopoly out there and so there's an advantage to that as well. [LR232]

LINDA POCHOP: (Laugh) [LR232]

SENATOR RIEPE: Are there other questions as such? If not, did you have...okay. Thank you very much. [LR232]

LINDA POCHOP: Okay. Okay. [LR232]

SENATOR RIEPE: Do we have another. [LR232]

: I believe this gentleman. [LR232]

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JARED MEYER: (Exhibit 5) My name is Jared Meyer, J-a-r-e-d M-e-y-e-r. I hope you all enjoyed your lunch. I have a few more points I'd like to make on this, just mostly pointing out the reforms that Nebraska made over the last two years to licensing. In 2016 the state approved LB898, which allowed African hair braiders to work without first obtaining a cosmetology license. I'm not sure if any of you remember the fight then but it was similar opposition to moving this outside of the scope of cosmetology, which shows I think a lot of time the people who come out against reforming licensing, they aren't open to the reforms that make sense. And if you look back to that fight two years ago, I think that made it very clear because now Nebraska is among the 23 states that requires no training to work as an African hair braider. And last year five bills were signed into law that streamlined, relaxed, or eliminated occupational licenses across Nebraska. And because of this success the Federal Trade Commission issued a statement on Nebraska's reforms this year. And the FTC, it has a dual mission of promoting competition and protecting consumers, so I view them as really an authority on occupational licensing. And they said: We commend Governor Ricketts and Nebraska's legislators for examining state occupational licensing laws to determine whether such laws, on balance, help or harm Nebraska citizens. And the important point is that the FTC also made it clear that licensing can limit occupational opportunities and impede competition without offering meaningful protection for even substantial risk. So there's still more work to be done to continue to open up labor markets and make sure that licensing is truly about protecting public safety, not ensuring some level of quality or protecting established interests from competition. Now if you look right now, and we talked about this, that Nebraska requires 2,100 hours of education and training to become a licensed cosmetologist, which along with Iowa and South Dakota are the longest requirements in the nation. Now across the United States we've also mentioned that 30 states mandate 1,500 or less for their cosmetology licenses, so the whole point again is that business education and all these other things, that I'm sure would help someone if they owned their salon, should be entirely outside the purview of occupational licensing. To stop someone from earning a living and being able to work, the only justification for government to come in is to protect public safety. It's not to give them training in how to run their financials or how to save for retirement. You could argue like, again, we...all of you work in unlicensed occupations. No one has to get a government-issued occupational license to be a state senator. But yet if you obviously still want to make sure that you're saving for retirement and that you're doing a good job making outreach to your constituents and that maybe your Twitter feed is interesting, all

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these things help you be better at your job but they're not part of licensing. Why, when it comes to cosmetology, do we decide to make people get business training that, sure, could benefit them but don't really...doesn't really benefit the public. And I think too often in these hearings what happens is that people come from the licensed profession and they line up and talk about how they don't want any change. And I understand, they went through the existing licensing requirements and it helped them. But by letting...by modernizing these in ways that have been proven in other states to still protect public safety, I think that's the best way to move forward. And just to reemphasize, emergency medical technicians can work after 150 hours of training in Nebraska; cosmetologists need 2,100 hours. And I think this indefensible divergence arises because as the U.S. Supreme Court found in 2015, without proper state supervision, licensing boards can become unaccountable, self-serving organizations that protect themselves from competition than protecting consumers. This case, FTC v. the North Carolina Dental Board (sic-North Carolina State Board of Dental Examiners v. Federal Trade Commission), I'm happy to talk more about it in Q&A if any of you have questions. But the justices noted that when legislatures hold hearing on licensing practices they are flooded with lobbyists and established practitioners who give the impression that additional occupational regulations or keeping things as they are will only enhance public safety without imposing additional costs on workers. But there's a clear line that the more training you require, the more costs, the harder it is for people to enter occupations. And I've already talked about how low-income Americans and military families are disproportionate harmed, but I would add young workers to that as well. And it's...you might miss it because the economy has been recovering since the last crash, but young workers, if we look at 20- to 24-year-olds, their unemployment rate is still above 7 percent and the teenage unemployment rate is near 14 percent. So I think making reforms that can help young Americans get to work and start building up their careers is something we should do. And licensing definitely fits into that. But unfortunately, the expansion of licensing has created an incentive for established practitioners in a licensed profession to use government to erect further barriers to work. If you've noticed, people aren't just defending the current system. They're saying, if anything, we need to go further. And maybe that works for them. They are in a skilled occupation. They found success. They what about the next person who's trying to come in? So this creates a larger incentive to turn to government for more protection from competition. So I just hope the members of this committee and other Nebraska policymakers will continue working to lighten the burden that licensing places on your state's workers. Reducing the state's

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required training for cosmetologists I think is an effective way to achieve this goal. And thank

you and I look forward to any questions. [LR232]

SENATOR RIEPE: Okay. Senator Howard. [LR232]

SENATOR HOWARD: Thank you, Senator Riepe. Thank you for visiting with us again. Just a

point of clarification, LB898 that you mentioned, there was actually no opposition on that. I

think we actually have a history in Nebraska of cleaning up our practice acts pretty well. When

there's no opposition we're like, okay, let's just (inaudible). [LR232]

JARED MEYER: Oh, when I was looking over this I found various Op-Eds that were written

by... [LR232]

SENATOR HOWARD: No, there was literally no opposition. And actually I would say and I

would venture a guess with Senator Fox that I believe it went on consent calendar, which meant

that it had 15 minutes of debate at most on the floor. There was no opposition and there were no

votes out of committee that were against it. [LR232]

JARED MEYER: Okay. [LR232]

SENATOR HOWARD: So I think it was...I mean we all sort of were in agreement on that bill.

[LR232]

JARED MEYER: Well, that's great. Yeah, what I found was just by looking at the articles that

were written when I was researching. I couldn't find the actual hearing itself right away. [LR232]

SENATOR HOWARD: The committee statement? [LR232]

JARED MEYER: Yeah. [LR232]

SENATOR HOWARD: Yeah. [LR232]

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SENATOR RIEPE: Okay. Thank you for the clarification. Senator Williams. [LR232]

SENATOR WILLIAMS: Thank you, Senator Riepe. And thank you, Mr. Meyer, for being here again. And another further point of clarification: When you were talking about unemployment numbers, were those based on Nebraska's unemployment? [LR232]

JARED MEYER: No, I was looking at the U.S. because they don't do state-specific unemployment rates for 20- to 24-year-olds. And for teenagers it's on quite a delay just because the CPS population is much smaller that they draw the survey from. [LR232]

SENATOR WILLIAMS: The unemployment rate in Nebraska has hit an all-time low. The unemployment rate in my district is below 3 percent. [LR232]

JARED MEYER: And is that for all workers or just... [LR232]

SENATOR WILLIAMS: All workers. [LR232]

JARED MEYER: Okay. [LR232]

SENATOR WILLIAMS: Yeah. [LR232]

JARED MEYER: I was specifically only talking about young workers. [LR232]

SENATOR WILLIAMS: But was not for Nebraska. Thank you. [LR232]

JARED MEYER: Yes. It was not in Nebraska. [LR232]

SENATOR RIEPE: Okay. Thank you very much. [LR232]

JARED MEYER: Thank you. [LR232]

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SENATOR RIEPE: I see no other questions. And our next presenter. Welcome and, please, if you'd be kind enough to state your name and spell it, and then we'd ask you to make your presentation. [LR232]

JANE NIMS: (Exhibit 6) I am Jane Nims, J-a-n-e N-i-m-s, and I currently have seven cosmetology schools in Nebraska. I have a prepared letter in here and actually I'm going to let you read that at a later date. I want to answer a few of the questions and make some of the things clearer about cosmetology schools, licensure in Nebraska, accreditation policies in Nebraska and national. Also, we are governed by, of course, the federal government because we use Title IV funding. Pell Grants happen to be part of Title IV funding. Someone mentioned that these Pell Grants, I can't quite remember, that they didn't get to go to the student. A Pell Grant is a grant where, depending on the clock hours of the program, students can actually, if they're low poverty, they can actually receive over \$10,000 in free grant money in Nebraska to attend cosmetology schools. We also are, because of Title IV, we also are allowed to work with direct student loans with the federal government, the same as the university does, the same as community college. The amounts that people can borrow often depend on, again, what their income level is, what the actual need happens to be for their education. If we could only fund the actual cost of tuition, they would only have to take out probably less than \$7,000 worth of student loans. But because the federal government has guidelines that are placed on how we cannot deny a student a loan if they qualify for it, they can borrow up to \$20,000 in addition to what may have been needed for tuition. Instead of working, they use that to live on. Okay? There's so many things in this industry that need to be revisited, not just in the state of Nebraska but across the nation, also with financial aid with the federal government. Okay? We're very restricted on the requirements that we can place on denying, which we cannot deny, a student for a student loan. So all this rhetoric that goes on about kids are in debt for student loans, they went to school, they can't pay it back, they actually come back to the school. Now we didn't force the students to borrow, okay? But we're held accountable if they do not repay their student loans. [LR232]

SENATOR RIEPE: Hmm. [LR232]

JANE NIMS: We're held accountable many ways. Defaults, I'm sure you've all heard of default rates across all government agencies, private vocational schools have been blamed for heavy,

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heavy default rates. I am proud to say that on my seven campuses my current default rate is only at 13 percent. Anything under 15 percent by the government you may give the student, if they qualify for the student loan, you may give it to them at the day they sit down in school. If you're above 15 percent you have to wait 30 days in order to issue a student loan to the student. Now I don't have to, but I always wait 30 days because I want to make sure that student actually is going to feel that this career is compatible for her or him, and we're having more men enter the profession. So we still adhere to the 30-day regulation. We're also governed by Title IV to do what is called R2T4 and that is Return Title IV Aid. There are certain amounts of funding that you can earn, okay, and if the student does not stay past an earning period that funding has to be refunded to the federal government. Now we can turn around and charge the students, okay, but again most of the time we just feel that...why? Why do that? But financial aid I think has made the whole proprietary section of education a real negative issue. I heard the gentleman say that we're not always open to change. In Nebraska, that's not true. We are open to change. We're just not open to change without having a voice in that change. My husband recently passed. He originally heard about this coming event and asked to work with the Platte Institute in order to give guidelines for the difference in regulations. He was told that was not acceptable and that would not be available to him. So I'm here to answer your questions because, for me, the biggest piece is let Nebraska lead the nation in education, public safety, and professionalism. Why? We're in the center of the United States. Why do we have to go along with everybody else? You're a Unicameral. Why aren't you guys with everybody else? (Laughter) Okay? I mean...and it's not that we're not willing to work and get together and propose regulations that will be better for everyone. My seven schools, if you do care to look at the back, of the map, are in Exhibit 1. I go all the to North Platte, north to Norfolk, south to Beatrice. I have Lincoln, Grand Island, Kearney, and Hastings. I have seven locations in Nebraska. Some of my schools only have 15 students in them but it's available for them in that community. They don't have to move to Lincoln. They don't have to move to Omaha. They don't have to move to the center of the state. [LR232]

SENATOR RIEPE: Okay. Thank you very much. [LR232]

JANE NIMS: If...I'm going to say one more thing. [LR232]

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SENATOR RIEPE: Okay. [LR232]

JANE NIMS: I'm not saying that a reduction in hours would force me to close any of these locations. I'm only saying it would make me more difficult to be able to offer the services that we currently do. We bring educational people from all over the country into our locations. This coming Monday we have educators coming from L.A. to teach our educators all the different current techniques that are going on in color. So we have costs that are going to go on. So to lower our tuition, Mr. Erdman, absolutely not. In order for me to continue, I will probably have to raise it. [LR232]

SENATOR RIEPE: Okay. [LR232]

JANE NIMS: Thank you. Now I'll answer any questions. [LR232]

SENATOR RIEPE: Thank you. Are there questions? Senator Williams. [LR232]

SENATOR WILLIAMS: Thank you, Senator Riepe. And thank you very much, Ms. Nims, for being here and providing services across the state. We are different. We are a Unicameral. And one of the most unique things is that every piece of legislation is given a fair and open hearing and I appreciate everyone that has been here today and their willingness to come and spend time helping us...helping those of us that don't deal daily, like you do, with cosmetology understand these things. And, yes, we have heard from a number of schools today and we've heard from a number of hired guns coming here today to tell us a different story. I find it exceptionally interesting that we have not had one testifier come from their individual situation of saying the current licensing restrictions are keeping me from going to a school, from making a living of my choice in this state. Where are those people in this discussion? [LR232]

JANE NIMS: I believe some of them are e-mailing you, gentlemen and ladies. We have an organization that we sort of spearheaded a little bit called Nebraska Cosmetologists United. This is out of our own pocket. We take no funding for this whatever. We have a Web page that they can go on. We post different things that are happening, current events in the industry, some safety issues. We also have, and I'm going to let the next gentleman speak on this, how many

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actual petition people that have signed that are practitioners in the business that do not actually want the hours reduced. I have current students in school that, at 1,500, they're just starting to think, am I ready, am I ready to go out there and face that big world? Okay? I need 2,100. I may need more than 2,100. Now I've heard rhetoric about business training, should they get it here or should they get it there? There was only one community college that actually had cosmetology and that was Sidney, Nebraska, and their program has closed. I think some of that is because community colleges at that point did not have the opportunity for that many hands-on skills to be developed. When they talk about credits, somebody said 600 hours for a program and 600 credits. What Nebraska...the term Nebraska uses for "credits" in clock-hour schools happens to be "skill levels" or "skill items." I might have to do 70 skills of hair coloring. That means hands-on. So I use the term "skills" instead of credits. Nebraska requires 2,100 clock hours and 2,000 credits, which are skills. And educational-wise, it's different than a credit-hour program versus a clock-hour program. [LR232]

SENATOR WILLIAMS: Thank you. [LR232]

JANE NIMS: So if that...any other? [LR232]

SENATOR RIEPE: I noted, and the state is not here to say how many hours you can require. The state is simply here to consider, to consider what the required hours might be in the interest of safety and also to, if you will, for access of the economy. So if schools want to continue the 2,100 they... [LR232]

JANE NIMS: Now I have an answer for that too. Actually, because of our accrediting commission, if you offer a program that extends past what the state requires, you have to have special permission from the accrediting agency to be able to do that and your students probably would not be eligible for any funding in order to continue on past whatever hour requirement is acquired...or required by the state. [LR232]

SENATOR RIEPE: It seems to me like your challenge might be with your accreditation and also... [LR232]

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JANE NIMS: It's a national... [LR232]

SENATOR RIEPE: ...it's a requirement that schools have to place students. I mean that's...

[LR232]

JANE NIMS: It's a national accrediting agency out of Washington, D.C. [LR232]

SENATOR RIEPE: Well, that explains a lot. (Laughter) [LR232]

JANE NIMS: Yeah. Yeah. And almost all private vocational schools have to go through some sort of approved accrediting agency. In Nebraska, we also have to go through the Department of Ed for certain items to be able to offer in our programs. State: We have inspection every two years; we have to renew our school licenses as well as our individual licenses. I've been in this business for 52 years. I started when I was ten. (Laughter) Well, let's say a little past ten, okay? And I've seen change. We went from 1,800 to 2,100 in the early '70s, I believe, and now we're being asked to go backwards. I just don't see where education needs to be part of going backwards. [LR232]

SENATOR RIEPE: Okay, Thank you very much for being here. [LR232]

JANE NIMS: Thank you. [LR232]

JANE NIMS: And good to see you again. [LR232]

SENATOR RIEPE: Others that want to talk on cosmetology. [LR232]

KEN BROEKEMEIER: Good afternoon. [LR232]

SENATOR RIEPE: If you would be kind enough to state your name and spell it. [LR232]

KEN BROEKEMEIER: Ken Broekemeier, and it's K-e-n B-r-o-e-k-e-m-e-i-e-r. And today...thank you, by the way, Senator Riepe and committee members and legal counsel. I really

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like the dialogue that we have going. I know in January it was an interesting month for everyone and we've come a long ways. I think, with communicating and I think everybody's understanding and depth of questioning and searching has become more...has become deeper. So in the spirit of that, I say thank you. It just seems like the salon business has bad luck with these hearings because Fridays and Saturdays are the biggest moneymakers for salons. So I kind of look around and I know they're all making money and that makes me happy. And of course I'm proud of Nebraska's anniversary, which happened last time. I am here to represent Nebraska Cosmetologists United and we are a grass-roots organization. We are organic in every sense of the word. No one leads the organization, but what it is, is it's a voice for professionals and citizens of Nebraska. We saw the need that Nebraskans be able to voice in a productive and positive manner things about this profession and also about the state they love and live in. I have heard some things that do bother me and I'm more inclined to have dialogue than pick a fight. But I do find it ironic that the opposition or the voices of opposition are coming from outside of the state of Nebraska. And you can be a member of PBA and still be in opposition of lowering educational hours in Nebraska. I do want to make that clear. I find it ironic that we've actually had people testify today that are member of PBA that are against 2,100 or against a reduction of 2,100 hours. And I do feel it needs to be made clear. The transparency of the issue is important. It's not...as we watch the movement and the dialogue and the intricacies of what is playing out, what we search for is clarity and I want to make it clear that I appreciate that many of you have expressed the ideology that this is a Nebraska's issue and we should do what's best for our state and our citizens. I do not really have anything else planned because, as you know, I think you've gotten a few e-mails and I'm proud of our organizations because we're exercising our right to communicate with you, our leaders. I learned that in junior high, going to school here in Nebraska, and it stuck with me. The other thing that I would like to say is please read those emails. They are from the heart, from the many people who signed. It includes clients, professionals, business owners, concerned people that want to do what's best for Nebraska. Our umbrella organization includes massage therapists, barbers, nail technologists, estheticians, and cosmetologists. And I appreciate you letting me talk. Thank you. [LR232]

SENATOR RIEPE: Yeah. Thank you very much. Are there questions? Senator Crawford. [LR232]

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SENATOR CRAWFORD: Thank you, Chairman Riepe. Does your...any of your conversation include discussions of efforts of improving the process, the application process, maybe addressing some of the issues with requiring people to list their misdemeanors and other ways that we can improve access to the profession? [LR232]

KEN BROEKEMEIER: Yes. And I would go back to Mrs. Nims's comment when...because I was in the building when we reached out to the Platte Institute and the door was closed on us. We didn't have the umbrella of NCU, but we did have the umbrella of Bruce Nims and it was really disheartening because I know, you know, we had another hearing before. I think the dialogue is good. You can tell I'm passionate because I don't usually talk this way. I feel a little nervous because I'm so...it's so darn important because I find it condescending having lived in Los Angeles and Chicago and some major metropolitan areas, I find it really condescending for people to come in and think we don't know it or we're slow to change or we're not innovative, we're not smart, we're not this, we're not that. Well, I'll tell you what, we're Nebraskans and obviously we're doing okay. And the people I know in the industry, they're making money. Can we elevate the ones at the bottom? Yeah, let's roll up our sleeves and do that. Let's don't attack something that's working. And like what Mrs. Nims said, you know, let Nebraska lead the nation. You know, we're doing a great job. It's working. We want to open our doors so people can have access. Let's do it. Reciprocity is not an issue. Nobody is arguing that. Have you heard anybody argue anything about reciprocity? There is not an issue. Let's make it easy. If they were a good professional and they've learned the craft, they've learned the skill, they know how to maintain public safety, let's let them in. I don't really see them coming down I-80, though, in trucks right now. I think the state board has stated that then someone has applied for reciprocity, it's usually granted. There's not a problem. There might be a problem in paper, and I guess that's what you folks do, and that's awesome. But when it comes to quality of education, safety, or professionalism, I think Nebraska has got it right. I went to school, beauty school in Phoenix, Arizona. I'm a proud of graduate of the University of Nebraska--Lincoln. I don't want to say I know everything, but I have been around. I've seen environments and I can size it up, and Nebraska is doing pretty good. [LR232]

SENATOR RIEPE: Okay. Thank you very much. [LR232]

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KEN BROEKEMEIER: Thank you. [LR232]

SENATOR RIEPE: Are there any other questions? Seeing none, we appreciate you being here today. [LR232]

KEN BROEKEMEIER: Thank you, Senator. [LR232]

SENATOR RIEPE: Others that want to talk on cosmetology. If you would be kind enough to state your name and spell it. [LR232]

KARLA UHLIR: Well, my name is Karla Uhlir. It's K-a-r-l-a U-h-l-i-r. And for those of you that aren't Czech, that means coalman. [LR232]

SENATOR RIEPE: And you're from...? [LR232]

KARLA UHLIR: Well, I'm originally from Omaha but I married Verdigre, Nebraska, so I have to live there now. [LR232]

SENATOR RIEPE: Have to, huh? Okay. Thank you. [LR232]

KARLA UHLIR: Yeah. I started out my cosmetology career going to Columbus beauty college, where my mother went and where my grandmother went, so I'm third generation. My daughter then, after she graduated from Omaha Westside, she says, I want to go to beauty school. I said, you've got to be crazy. I'm going to tell you what my mom told me: Don't do it, you're not going to make any money at it. She did. So I heard them say that about military and being transferred from state to state, my daughter marries the military so right now she's in Kansas. And when you live in the military, on post you can have any license from any state and work on post. So that doesn't matter unless, of course, you're going to work in the general public, which then, being as my daughter has 2,100 hours, she can work anywhere in the United States. Let's see, I just wanted to address some things that I had heard. When I lived in Omaha I...well, let's start with I've been a hairdresser for 31 years. I've been a salon owner for 25. I opened my shop. I thought I was too old to open a shop. I was 26. (Laugh) And so I, every year, my income raised obviously,

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right? Well, when I married Verdigre I had to move there and my income was cut by...I went down to one-fifth of my income. We have 500 people in that town with 5 hairdressers, 1 barber. But I do have to tell you, I don't know what the minimum wage is but I do make a very good living. There's no problem with that. And I think that if you're on the lower end of the cosmetology scale it's because you don't want to make money. When people say that I have to have another job because I don't make money being a cosmetologist, I say...I tell them what my first boss told me and that was, if you have to work two jobs, you're not doing your first one good enough. Well, in this state when I graduated I told my mom, I said, I just don't think I'm ready to go out and she says, you know, you've got 2,100 hours, you can go out and do it. Twenty-one hundred is just the beginning because we just continue learning all the time. Now us being thespians or, what do you want to call us, we're artists, we do not generally know how to run businesses. So we can do great hair but not run a good business. So when these wonderful school instructors said, these guys and gals are great hairdressers, they just don't know how to run a business, we have to add that to our curriculum, that was wonderful. Now I didn't get that. I had to go to Metro Tech. I went to Metro Tech in order to learn business because after I opened my business and I sat there and thought what the heck did I do, I know how to cut hair, I know how to throw hair extensions on somewhere, do their nails, but I don't know how to keep money in my checkbook. So I had to go to school. So when you were saying, that's the reason I'm bringing this up, is when you were saying, why would you do that, most hairdressers...I never wanted to be a salon owner but, can I say this, I just hated the stupid bosses I had that maybe bought a salon and they were not hairdressers so they didn't understand the business. So I had no other choice but to go into business for myself. That's...we're a very unique people. And I guess, in closing, I think that...well, I think it's pretty much known that we do need the amount of hours that we have and we wouldn't want to lower our...who we are. [LR232]

SENATOR RIEPE: Okay. [LR232]

KARLA UHLIR: That's basically it. [LR232]

SENATOR RIEPE: Okay. Thank you. Thank you for coming here today. Are there questions from the committee? Seeing none, we thank you for coming. [LR232]

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KARLA UHLIR: Thank you. Thanks, guys. [LR232]

SENATOR RIEPE: If you'd state your name and spell it, and then proceed forward, please. [LR232]

CLAIRISSA WIGHT: My name is Clairissa Wight, C-l-a-i-r-i-s-s-a W-i-g-h-t. I finished hair school in 2011 and I did it in 14 months. If you had come into the hair school when I was at 1,500 hours I would have told you I wasn't ready to take clients or to pass my test. At 2,100 hours I still was nervous to go in to the world and take clients, and I still wasn't sure I was ready to pass my test. Without the schools offering business training, I would have had to go to the university to learn more and then, in turn, pay more for the education I needed to make it as a stylist. I wouldn't have the clientele I have today with 2,100 hours and I would not be training the new hires in my salon if I hadn't got the education I received. I've heard it brought up a couple times today about the EMTs and how they require only 150 hours to get their certification, but what hasn't been brought up is how little they can do with that certification. Paramedics are the next step up and they take 1,200 to 1,800 hours, and with that certification they are able to administer medications, IVs, and do advanced airways. So basically, if you would put me out in the world with just the basic trainings, I would have had a lot less hours of education and I wouldn't have been ready because that would have only been ten weeks of schooling. So with that being said, I don't believe that 2,100 hours is even enough. I was so nervous to go out and take clients and even now I know that there's so much more for me to learn, and I've been doing hair for six years. [LR232]

SENATOR RIEPE: Okay. Thank you. Are there questions from the committee members? Seeing none, we appreciate your patience in staying around and presenting to us. [LR232]

CLAIRISSA WIGHT: Thank you. [LR232]

SENATOR RIEPE: Thank you. Thank you. If you'd be kind enough to state your name and spell and proceed on. [LR232]

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MARCIA HARPER: M-a-r-c-i-a H-a-r-p-e-r. Good afternoon, everybody. Thanks for having us for this hearing. I was here for the last one and didn't get to talk. I have been out of school 40plus years. My first job was on a temporary license so I had to be baby-sat by people. Thank goodness I didn't kill anyone. I hesitate to tell you what I paid for school but I will tell you. I had to take out a loan and pay back for ten years. I had two little kids. But with this profession, I've heard it said, we're poverty stricken or whatever, alone I helped put two daughters through school. I have a doctor and a nurse. So somewhere I did something okay. I now work for a person. Claire that just talked to you is one of our educators and we have many. We have four salons in Omaha. I'm the director of health, wellness and safety. One of the things I do, because we like to be well-rounded, is we have different exercise things. We just had a blood pathogen class. I want to tell you, does anybody here know how long Hep C can be on a surface? Two weeks, three weeks by the CDC. This is something we have to know and deal with, so do they take that out of the education? I don't understand why we're not having the rest of the states be 2,100 hours basically. I mean...and I heard, too, that the school shouldn't be teaching business and ways to get along. Well, one of the things, if you've never been a hairdresser, what you don't understand is you don't own a business but you have to promote yourself every day of the week or you don't make enough money to do it. You're kind of a business owner within the business owner if you're worth hiring. And I've worked in two salons my entire life and have done that. First salon I had a...I'm not going to be able to think, but some profit sharing, which I didn't care. All I wanted to do was feed my kids and get on and make money. And it was a good profession. I could take my daughters to ballet. I could work different hours. It was great. I remember in my next job came 401(k) and I didn't really have the money for it but I knew it was important. Now, when I see these young kids come in because I mentor a bit, right away they can't wait to sign up for 401(k). That's because of the schools and their business teachings. So we can teach these kids to do this now and these other well-rounded things that make you a better person, and coming down here, voting, all those things. I mean they don't get into that, but all those things help the next thing. And do we want them to do that now or do we want then to be...not make any income and have them be on welfare when they're old? We don't. We want them to take care of themselves. That's all they want. So don't take us back. You know, I just...I can't imagine in the time I've done this, and I don't know when you're in school if they transfuse you with some special blood that puts this in your blood, but I'm old enough to retire and I can't imagine ever retiring because it just gets better. And I just hope the schools don't stop well-rounding people

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because from what I know of you all, and I do watch on TV and do watch what goes on, and I see a lot of well-rounded people. I know what your salary is. I know you're here because of this and I just hope you just don't...I mean the changes need to come. I agree. They're professionals. They know more than I. But I know what I've been through and I hope every person that goes...has gone to school and after me has the same opportunities. It's just getting better. So that's all I have to say. [LR232]

SENATOR RIEPE: Okay. [LR232]

MARCIA HARPER: Any questions? [LR232]

SENATOR RIEPE: Thank you. Are there questions? Okay. [LR232]

MARCIA HARPER: Thank you. [LR232]

SENATOR RIEPE: Thank you so much for being here and for your patience. [LR232]

MARCIA HARPER: You're welcome. [LR232]

SENATOR RIEPE: We're continuing on in cosmetology. Are there others who want to testify? [LR232]

NICOLE FOX: (Exhibits 7, 8, and 9) Good afternoon once again. My name is Nicole Fox, N-i-c-o-l-e F-o-x, director of government relations for the Platte Institute. Again, the Platte Institute strongly supports occupational licensing reform as a means of lessening burdens to those trying to enter the state's work force. For individuals wanting to become licensed as a cosmetologist, we highly urge this committee to reduce Nebraska's burdensome education requirement of 2,100 hours down to 1,500 hours. The national average is 1,500 hours and currently Nebraska, our requirements are 40 percent more. Much of the opposition to lessening educational requirements comes from the industry's educational institutions. Nebraska's cosmetology schools are businesses and with a price tag of about \$20,000 per student, cosmetology schools stand a lot to gain with the existing structure. And as I mentioned in my barber testimony, a significant amount

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of the 2,100 hour require is for work where students are paying to work. Owners will tell you that students of their programs will not be as competent and sanitation issues may arise, but again, both claims are not true. These claims have been discredited by an American Institute for Research 2016 Examination of Cosmetology Licensing Issues Data Report. Industry arguments about increases hours lead to increased wages is false. A May 2016 Bureau of Labor Statistics report depicting the mean wages of cosmetologists does not correlate with hours of education required. Some of the states with the country's top salaries require only 1,000-1,599 hours of education. In Iowa, the other state with the 2,100-hour requirement, mean salaries are 17 percent lower than in Nebraska. And then in Oregon, the state with the highest education requirement, mean salaries are 9 percent lower. On the flip side, in New Jersey, a state with the lowest education requirement at 1,200 hours, mean salaries are 14 percent higher than in Nebraska. The only thing that is clear is that other states are training future cosmetologists in half as much time with no increased hard to the public. Students in states with lower education requirements incur less student loan debt and are able to work, contribute to the economy, and bring home a paycheck sooner. Two months ago there was a round table to discuss our licensing requirements. It was attended by barber and cosmetology schools, representatives from the licensing boards and some currently licensed practitioners. A common theme that emerged from the opposition's arguments was that cosmetology is part of the fashion industry. They tried to say that be requiring more schooling, students would be better acquainted with the latest fashion trends, such as the current high demand for hair color. The role of occupational licensing is to assure adequate training to protect the public from harmful practice. It is not about developing topnotch talent. It's not about teaching how to interview or how to how to grow a business. I would just like to highlight that there are lots of entrepreneurs out there that are opening businesses without business training. I think about where I live and within a six-block radius I have a florist, I have a jewelry maker, I have a coffee shop, I have restaurants, home...a small home decor shop, and a clothing shop. And they learned how to develop and grow and market their business by...on their own. They didn't have to go to school or receive an occupational license to do so. Occupational licensing is not intended to be used by special interests to subsidize their businesses, maximize profit, and serve as a roadblock to competitors. I recently spoke with a cosmetologist licensed in 2012 and she provides training for employees after they're hired. She could not be here today due to her work schedule and she asked me to share the following highlights. And I'm going to kind of step...or I'm going to kind of inject a few comments here. You know, they're has been

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comments about, where are people, where are the proponents that, you know, the cosmetologist proponents, why aren't they here today. Well, I'll tell you why they're not here. First of all, they're working. And second of all, I think some of them are afraid, because we've had several of them, several of them reach out to the Platte Institute and they want our help, but they don't want to testify because they know that the opposition headed by the schools is very well organized and large in numbers ad they do not want to come. You know, they're afraid that they're going to be targeted somehow and they're worried that it might negatively impact their business. So I'll quote for you a conversation I recently had with an individual and that was: What you put into school is what you get out of it. You can go into school and go above and beyond, or you can get by doing just the bare minimum. Schools need to focus on teaching basic skills. Professionals can perfect their own skills in the work force. Despite 2,100 hours, students are not ready. Nebraska is losing employees because Nebraska can't honor other state's licenses. Most students take 13 to 15 months to complete the 2,100 hours because the hours are clocked and if you[re late or have to be gone due to illness, all of that time needs to be made up. In school, I was free labor. One might think that a significant number of students are directly out of high school, but actually many students are older, more nontraditional students with families. The only benefit I see in having completed a 2,100 hour program is that I can go work in any other state in the country except Oregon. And another point I want to highlight is somebody mentioned a student coming to Nebraska maybe from Iowa if we reduced our hours, and then they said, but then that student couldn't go back to Iowa. Well, that's just the point. We want to grow Nebraska and we want that student to come to Nebraska for their education and we want that student to stay in Nebraska, work, and potentially open or start a business. And I'd also like to just quickly highlight the bill in Montana that Senator Zolnikov had introduced that passed with no opposition. It was a bill that reduced their hours from 2,000 to 1,500 hours just this year in 2015. So I hope the Nebraska...the Platte Institute hopes that the Nebraska Legislature will follow Montana's lead. With that, I'd be happy to answer any questions. [LR232]

SENATOR RIEPE: Okay. Thank you. Are there questions? Seeing none, thank you very much. [LR232]

NICOLE FOX: All right. [LR232]

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SENATOR RIEPE: We continue on in cosmetology. Do you have your glasses. [LR232]

PAM ROWLAND: I do. Thank you for reminding me. [LR232]

SENATOR RIEPE: Could you state your name again... [LR232]

PAM ROWLAND: Yep. [LR232]

SENATOR RIEPE: ...and spell it? [LR232]

PAM ROWLAND: (Exhibit 10) My name is Pam, P-a-m, Roland, R-o-w-l-a-n-d. Again, I am a licensed nail tech, nail tech instructor, the instructor member on the State Board of Cosmetology. Again, along with Jane Nims, I just wanted to make a few clarifications as far as some of the questions being thrown out there. As far as some of the cosmetology schools that are 1,500 hours, such as Wichita, Kansas, there are two schools: the Eric Fisher School (sic--Academy), Paul Mitchell. And there are fees that range anywhere from \$15,600 to \$16,800, which is right around the mean for us here in Nebraska. But as of three weeks ago, no Nebraska cosmetology schools lowered their tuition. We are all open to reform. I want to point out, too, that the Board of Cosmetology actually was working on some solutions to some of these items and started that in May. As you know, the executive order came out and we had to halt all of our workings till December 31. That being said, I'm not going to really share too much of that but we have made great strides and great practices and, again, we can't discuss those. So I do want to make sure that you're aware of that. The other thing that really hasn't been addressed is some of the testing. I don't think the panel has delved into enough information of the testing. There's a couple testing companies. NIC is one which I've had the pleasure of working for, for years and even writing exam questions. It's a legally defensible examination. And the NIC stands for National Interstate Council of all the state boards of cosmetology, and that includes the barbering, the nail technology, all the scopes of practice. There are about...I talked with the president at the conference in August and there are about 32-33 states that use this exam. Some of the other ones use the PSI exam that we use in Nebraska. For years we used to use the NIC. Now being part of this organization is you...one of the stipulations is you must be a state board member. Okay? So that being said, I had the pleasure, with two other people, one was from the state of Utah, the

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other one was South Carolina. We worked on the National Endorsement Committee. What our project was, each of us, the three members on the Endorsement Committee, which I've been asked to chair for this year, had to research 16 states each. So where I'm going with this is some of the information by the young gentleman and PBA and Platte Institute, I need to pose a rebuttal, is in doing and calling every state board on my 16 states and talking with the other two members and their 16 states, there were a lot more than they would lead you to believe 1,500hour states that can only do hair. We just called in June and July, okay, and talked with many, many board. So a lot of...and I'd have to go back and research the number but it's more than they led you to believe is that 1,500-hour license for cosmetology is--again, one of the senators over here mentioned apples to oranges--they can only do hair. They cannot do skin and nails as they can with the Nebraska umbrella license at 2,100. So I wanted to really clarify that. The other questions and I'll move on really quickly here is some of the information given, I went back and looked at our last board meetings. The number of licensed cosmetologists is slightly under 9,900. The number of estheticians is just under 800, about 730-740. The number of licensed nail technicians was 1,312. There are six nail technology schools and the tuition is approximately \$4,000 for a two-month program to get a career. The other thing I want to make a strong point on is they talked about business plans. Part of our job as an educator is not only to teach safety and sanitation but to teach success. One of the things we used to do in our business plan is we broke down their eight-hour workday. We also told them how many number of clients they needed to serve. We watched their times. I mean obviously if they're doing a nail service for three hours, no one is going to sit for three hours. We watched their speed, how many clients do they have to service each day, each week, and each two weeks or three weeks, because nail clients come very two to three weeks; hair about every four to six weeks. So in order to make them think about the numbers, we went over a business plan: this is what you can make, this is the number of people you need to service each day, each week. And I can tell you again with some of the reference of the young gentleman from Washington, the business plan I taught my nail technology students has worked extremely well. They have built in six months to a year, and make slightly under \$50,000. And me, being married to a police officer, we reported every service, cash, check, or charge, as they are trained in school. So I wanted to also clarify the, really, purpose of the business plan goes to the education and the success when they leave school, and isn't that why we don't have the...we have the lowest, as Jane pointed out, the student debt ratio? Okay? [LR232]

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SENATOR RIEPE: Okay. [LR232]

PAM ROWLAND: Lastly, I'm going to leave a report with you and this is from 2014 and it's by a Dr. Pham. They made reference to the FBI, the Future Beauty Industry Coalition. Well, I'm going to tell you, in looking at an organization a year ago until I just was on the Web site last night, there are a lot of manufacturers who have left that organization, a lot. The textbook companies have left this organization. And here's why: Because they have misrepresented themselves. They first said, yeah, go to the 1,500, but now their Web sites, PBA and the FBIC both, advocate 1,000 hours. So are they going to take us to 1,000 or 1,500? Let's be honest. [LR232]

SENATOR RIEPE: Okay. [LR232]

PAM ROWLAND: So you can go to both those Web sites but this is from 2014. Again, we've talked about safety, that they have the right for safety, sanitation, free services, that we foster income tax reporting and all of that. But the main thing I want to leave with this report...
[LR232]

SENATOR RIEPE: In fairness to everyone, can you kind of wrap this... [LR232]

PAM ROWLAND: ...and you'll get copies of this is, let's see here, back here, professional beauty licensing leads to higher employment rates, facilitates market entry, and acts as a stepping stone to higher education, higher earnings, and longer, more sustainable careers. So some of the things that they're saying in their reports are not accurate. So I will leave you with this report. Here's 82 percent support our industry. At the bottom you can look at the billions of dollars and the number, 2 million-some jobs by our industry across the state as well. [LR232]

SENATOR RIEPE: Okay. Okay, did you want to give those to our page to hand out... [LR232]

PAM ROWLAND: So with that, any questions? [LR232]

SENATOR RIEPE: ...or do you have copies? [LR232]

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PAM ROWLAND: Yes. [LR232]

SENATOR RIEPE: Do you have ten copies? [LR232]

PAM ROWLAND: I wanted to find one thing real quick. [LR232]

SENATOR RIEPE: Okay. Are there questions from the committee? Okay. Hearing none, thank you very much. Appreciate it. [LR232]

PAM ROWLAND: Thank you, Senators, again. It's been a pleasure. [LR232]

SENATOR RIEPE: Thank you. Cosmetology. Okay. Hearing none, Tyler, do we have letters in terms of cosmetology? And if so, how many and who are they from? [LR232]

TYLER MAHOOD: (Exhibit 11) I have one letter signed by Spike Eickholt of the ACLU of Nebraska. [LR232]

SENATOR RIEPE: Okay. That concludes our legislative interim study on cosmetology for today and we would now move to massage therapy. So I would invite anyone who wants to address massage therapy to please come forward. And I see we have one so far. [LR232 LR228]

KIM ADAMS JOHNSON: (Exhibit 1) Good afternoon. My name is Kim Adams Johnson, K-i-m A-d-a-m-s J-o-h-n-s-o-n, and I represent the Nebraska State Board of Massage Therapy. Our therapists have worked hard to bring legitimacy to the profession of massage therapy by exceeding national standards and having statutes and regulations that other states look to for inspiration. I recently attended the annual meeting for the Federation of State Massage Therapy Boards and I was again reminded of how try that statement is. Every single person I spoke with, whether it was another regulator, licensed professional, or representative of a professional organization, applauded Nebraska for setting standards that they all hoped to attain within their home states. Other states, including Iowa, Washington, Oregon, Connecticut, have all raised their initial educational hours or have been considering raising their hours to keep massage therapists competitive and keep up with the current trend of massage therapy being recognized as an

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integral part of the alternative medical world. In Oregon, the Legislature passed Senate Bill 298, a new law related to massage therapy. The primary purpose of the bill was to increase the number of certified class hours required for Oregon licensure. Erika Baern delivered testimony to the Oregon House Committee on Health Care. Her testimony summarized how the East West College, the oldest and largest massage therapy program in the state of Oregon, has an 800-hour program that is in line with licensing requirements in many other U.S. states. Massage therapy is increasingly recognized as a healthcare profession. In recent surveys of massage consumers by the American Massage Therapy Association, the use of massage for medical or healthcare reasons in 2014 rose to 54 percent, which was up from 43 percent in 2013. As massage therapists are increasingly being called upon to work with clients with injuries, pain, or disease, it's essential that they have the education to do so safely and effectively. Ms. Baern stated that the 800-hour program was in line with licensing requirements of states, including New York, Nebraska, and Puerto Rico, which all require 1,000 hours of initial education; New Hampshire, North Dakota, and Ohio require 750; Arizona and Mississippi require 700. Ms. Baern also points out that in a recent study from the AMTA massage schools require a median of 601 to 700 hours in-class supervised hours with an additional 81 to 100 clinical hours. In closing, Ms. Baern states: We believe that both the massage profession and consumers of massage would be better served by setting the minimum classroom hours required, and that's in-class hours, not including the clinicals, required for licensure to 750 hours. This additional time would provide the opportunity for schools to ensure their students have adequate education and clinical experience prior to licensing so they can meet the increased demand for massage therapist to act as healthcare professionals. To lend credence to Ms. Baern's assertion that massage therapy is being recognized more and more as a healthcare profession, we only need to look at the recent actions of our Attorney General. Doug Peterson joined a bipartisan coalition of 37 states and territories urging national health insurance companies to examine their payment and coverage policies that contribute to the overall prescription of opioids. The Attorneys General, in acknowledging the important role insurance companies play in reducing opioid prescriptions contend that incentives that promote use of nonopioid techniques will increase the practicality of medical providers considering for any of the myriad conditions that cause chronic pain. Doctors should be encouraged to explore and prescribe effective nonopioid alternatives, ranging from nonopioid medications, such as NSAIDs, to physical therapy, acupuncture, massage, and chiropractic care. Nebraska's educational requirements for licensed massage therapists are already ahead of the

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curve when it comes to the changing landscape of the profession as a whole. We would be doing a disservice to our licensed professionals and the public if we were to lower our standards when other states are seeking to raise theirs and looking at our state for inspiration. Kristine L. Mackey said in her abstract, "The Value of Education in Today's American Society: A Glimpse into the Current Way America Supports the Educational System," that, "A nation's brilliance and ability to prosper is directly dependent upon its people's edification. America is considered a powerhouse internationally because its citizens recognize the importance of learning and the fact that continuing growth through knowledge is a powerful tool for maintaining such elite status globally. It is a vital responsibility tot he citizens of America to relay this value in education to their posterity." And I just want to say that I sit before you today to share facts and knowledge and I'm not defending regulation and licensure. I am simply attempting to justify its continued existence. Thank you. [LR228]

SENATOR RIEPE: Okay. Thank you very much. Are there questions? Senator Williams. [LR228]

SENATOR WILLIAMS: Thank you, Senator Riepe. Kim, thank you so much for being here... [LR228]

KIM ADAMS JOHNSON: Yes. [LR228]

SENATOR WILLIAMS: ...and being here last time, being at our round-table discussion and participating to help raise... [LR228]

KIM ADAMS JOHNSON: Everybody always remembers me. I don't know why. (Laughter) [LR228]

SENATOR WILLIAMS: ...raise our level of knowledge on this. I would specifically like you to talk to us about, because you didn't get to it in your testimony,... [LR228]

KIM ADAMS JOHNSON: Uh-huh. [LR228]

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SENATOR WILLIAMS: ...the reciprocity issue in our state. [LR223]

KIM ADAMS JOHNSON: Uh-huh. [LR228]

SENATOR WILLIAMS: How many people...first of all, if I'm remembering right, we have about

1,300 licensed massage therapists... [LR228]

KIM ADAMS JOHNSON: Uh-huh. [LR228]

SENATOR WILLIAMS: ...across the state right now. [LR228]

KIM ADAMS JOHNSON: Yes, that is correct. [LR228]

SENATOR WILLIAMS: And new ones coming in that come to your state board to be licensed. How many of them are coming from the schools and how many of them are coming from some outside with a reciprocity agreement? Could you just discuss that in general? [LR228]

KIM ADAMS JOHNSON: It's kind of hard to break that down without having the papers in front of me, but I believe in 2016 we had 54 individuals come in for reciprocity and that was kind of a combination of if they had just come directly from school and needed ore hours or if they had practiced in another state and had a license in good standing and came here. But of those 54 applicants, none were denied. And we did have a few that we did have to send, you know, to get further education, but they were willing to do that. [LR228]

SENATOR WILLIAMS: And if I'm remembering right, there were a similar number that graduated from our schools--I'll use that term--... [LR228]

KIM ADAMS JOHNSON: Uh-huh. Uh-huh. [LR228]

SENATOR WILLIAMS: ...came out of our schools and also applied and received licensing. [LR228]

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KIM ADAMS JOHNSON: Yes, uh-huh. [LR228]

SENATOR WILLIAMS: So it was about half of the new licensures in a year... [LR228]

KIM ADAMS JOHNSON: Yeah. [LR228]

SENATOR WILLIAMS: ... are coming from reciprocity. [LR228]

KIM ADAMS JOHNSON: Uh-huh. That is correct. [LR228]

SENATOR WILLIAMS: Okay. So do you see the reciprocity issue under our current situation as hampering us from...a qualified massage therapist from receiving a license to do business in our state? [LR228]

KIM ADAMS JOHNSON: It doesn't seem that way since like you reminded us, we had the same number of applicants from other states as we did graduating from our own schools. So we do have people coming here to seek employment and, like I said, when I was at the federation meeting just a couple weeks ago all of the people that I had talked to that said that they had licensees or applicants from Nebraska come to their state, they said that the knowledge was just amazing. [LR228]

SENATOR WILLIAMS: Based on your knowledge, and especially attending the recent educational opportunity you had and looking at other states, generally would you say states are looking at lowering their requirements or are they looking at raising their requirements? [LR228]

KIM ADAMS JOHNSON: There is actually a current trend toward raising the requirements and those were some of the states that I had mentioned, were Iowa, Connecticut, and Washington State, Oregon. And Connecticut, in addition to Iowa, had all either raise their hours recently or were in the process of examining it. [LR228]

SENATOR WILLIAMS: Okay. That was a question we had following our round table that the broad statement was made but we didn't have specifics at that time. [LR228]

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KIM ADAMS JOHNSON: And that's why I found that. (Laugh) [LR228]

SENATOR WILLIAMS: And I appreciate you bringing those to our attention. A last question: With only 1,300 licensed therapists across the state right now, do we have a shortage of therapists and could more make a good living in our state if they were licensed? [LR228]

KIM ADAMS JOHNSON: You know, I've heard contradictory information on that. Some people say, whether it be school owners or business owners, that there are plenty of massage therapists. But then in the same sense sometimes if you talk to the schools they may not have enough students. I think it was, with what they said with cosmetology, it's kind of in a lull right now and, you know, whether that's economy, whether that's...who knows what it is? But... [LR228]

SENATOR WILLIAMS: Thank you. [LR228]

KIM ADAMS JOHNSON: Yes. [LR228]

SENATOR RIEPE: In your comments you talked about, I think I heard, Oregon and certification. [LR228]

KIM ADAMS JOHNSON: Oh, Oregon is...it was certified class hours. [LR228]

SENATOR RIEPE: Oh, okay. [LR228]

KIM ADAMS JOHNSON: Yeah. But, no, they license. [LR228]

SENATOR RIEPE: Not certification. [LR228]

KIM ADAMS JOHNSON: No, they license. [LR228]

SENATOR RIEPE: Okay. [LR228]

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KIM ADAMS JOHNSON: And that's one of the differences that I wanted to point out. Earlier, certification was brought up and I have a big issue with certification simply because it is voluntary. It's not required. And if it's not required then if we're talking about inspections as well, we would only be able to inspect the places that were certified that we had the information on. And since it is a voluntary document, people would probably choose to not do that. [LR228]

SENATOR RIEPE: Fair enough. Are there other questions from the committee? Senator Crawford. [LR228]

SENATOR CRAWFORD: Thank you. Thank you. Could you speak for just a moment about any role you have in inspections? [LR228]

KIM ADAMS JOHNSON: You know, the Massage Therapy Board has inspectors from the Department of Health... [LR228]

SENATOR CRAWFORD: Oh, okay. [LR228]

KIM ADAMS JOHNSON: ...that go in and do those. And like was mentioned earlier, currently there are not being inspections done because of the hiring freeze. But in emergency situations we do have somebody go in and take a look at those. Like if there was a complaint filed, we're still taking care of those. [LR228]

SENATOR CRAWFORD: We being...? [LR228]

KIM ADAMS JOHNSON: Oh, the...I say that as the board... [LR228]

SENATOR CRAWFORD: Okay. [LR228]

KIM ADAMS JOHNSON: ...and the department. [LR228]

SENATOR CRAWFORD: Okay. So the department is not able to do inspections of massage therapy as well as several other entities in our state because of the hiring freeze. [LR228]

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KIM ADAMS JOHNSON: Yeah, not currently. [LR228]

SENATOR CRAWFORD: Okay. [LR228]

KIM ADAMS JOHNSON: We don't have...the state doesn't have an inspector for our regard that

includes Lincoln and Omaha. [LR228]

SENATOR CRAWFORD: Thank you. [LR228]

SENATOR RIEPE: Senator Williams. [LR228]

SENATOR WILLIAMS: I do have one quick follow-up if I could. [LR228]

KIM ADAMS JOHNSON: Uh-huh. [LR228]

SENATOR WILLIAMS: At our round-table discussion, and I think we are going to hear some testimony today, because at the round table you can jump in any time, about a potential certification or licensing change for a mobile massage therapy kind of unit. [LR228]

KIM ADAMS JOHNSON: Uh-huh. [LR228]

SENATOR WILLIAMS: Have you got a comment about that and how that could be achieved? [LR228]

KIM ADAMS JOHNSON: It's something that the board is currently working on to look at language within the regulations to have it fit, I guess that's the best word. [LR228]

SENATOR WILLIAMS: My question I guess is does that need to be a statutory change or can that be done through a regulatory one? [LR228]

KIM ADAMS JOHNSON: I think it can be a regulatory change because we would simply, I think, put it in under the establishments. I'm not 100 percent sure on that but it has been

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something that we've had lengthy discussion about at our board meetings because we did try to fit it under the current regulations but just with the definitions of what an establishment is.

[LR228]

SENATOR WILLIAMS: Right. [LR228]

KIM ADAMS JOHNSON: And then going to the location of the client, it didn't fit in either category so we're trying to come up with language to... [LR228]

SENATOR WILLIAMS: Right. Thank you. [LR228]

KIM ADAMS JOHNSON: Uh-huh. [LR228]

SENATOR RIEPE: Okay. Senator Linehan. [LR228]

SENATOR LINEHAN: I just...I want to clarify. So if you do have a concern about a place of business, you've worked it out with HHS that you can get an inspector? [LR228]

KIM ADAMS JOHNSON: Yeah, there is somebody who goes in. I believe it's...it may be Chris (phonetic) but... [LR228]

SENATOR LINEHAN: Okay. So...all right. Thank you. [LR228]

KIM ADAMS JOHNSON: Uh-huh. [LR228]

SENATOR RIEPE: Okay. Other questions? Seeing none, thank you very much for being here. [LR228]

KIM ADAMS JOHNSON: Thank you. [LR228]

SENATOR RIEPE: Let me ask this question to you. How many more testifiers do we have on massage therapy (inaudible)? One, two, three, four, five, six, maybe six, seven. I know we have

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something like 30 letters that have been submitted to, to keep us from being here till midnight and so...if you'd be kind enough to state your name and spell it, and then proceed forward, please. [LR228]

BRIANA CUDLY: (Exhibit 2) Yes. Hello. My name is Briana Cudly, B-r-i-a-n-a C-u-d-l-y. I've been a licensed massage therapist since 2005, own Cudly Massage and Wellness in Fremont, and am a board member with the American Chapter...or the Nebraska Chapter of the American Massage Therapy Association. In 1987, Nebraska increased massage therapy educational standards to 1,000 hours to change the profession from masseuse and masseur to that of massage therapist. Primary forces behind this push of education was other therapy professions, physical therapy and occupational therapy to name a few. But educational standards and value of massage therapy in Nebraska is still supported by the healthcare community, as evidenced by the letters of support that you have already been presented with. Another indication of Nebraska's regard--and here Kim and I will be doubling up--is Nebraska's Attorney General Peterson's recent signing of a letter, along with 36 other state attorney generals, urging America's health insurance plans to take proactive steps encouraging healthcare providers to prioritize nonopioid pain management options. Massage therapy is one of the nonpharmaceutical options which was specifically named. Research supports massage as a nonpharmaceutical treatment. A meta-analysis conducted by the Samueli Institute and commissioned by the Massage Therapy Foundation concluded that massage therapy can provide significant improvement for pain, anxiety, and health-related quality of life for those looking to manage their pain. Nebraska's education hours are important to the development of critical thinking skills needed to develop and implement treatment plansan important part of the therapy. Decreasing the educational standards for massage therapy in Nebraska moves the profession out of therapy practitioner and into the realm of massage technician. The argument of other states have lower hour requirements and still use the title "therapist" is a moot point as other states are increasing their hours. As an example, in 2015, Maryland increased their entry-level education from 500 to 600 hours, although this is for registered massage practitioners who are not able to practice therapeutic massage and are not allowed to work in healthcare facilities, like hospitals. To be able to work in a healthcare facility in Maryland there is an additional 60 college credit hours and the title of "licensed massage therapist." There are more examples across the country of states increasing their hours bit by bit to meet Nebraska's requirement. To use the excuse, other states have less hours so we should too,

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is to not understand the situation. We are Nebraska. We value education. We hold ourselves to higher standards. We are industry leaders. We're happy to have people move to our state and be a part of our profession. About half of new licenses in 2016 were given in reciprocity. From what we've heard by those moving to Nebraska and experiencing alleged problems obtaining a license, almost all of those should be qualified under our current reciprocity guidelines. They've either called the wrong place or didn't understand what they were told. Nebraska even offers the opportunity of a temporary license to work under the supervision of a licensed massage therapist while finishing the needed education to practice Nebraska standards of healthcare. Just as a thermometer does not make one a nurse, or giving a friend ibuprofen does not make one a pharmacist, rubbing a back does not make one a massage therapist. Please vote no to changing massage therapy educational requirements and keep this profession a valued healthcare profession. Thank you for our time and I am happy to answer any questions. [LR228]

SENATOR RIEPE: Not seeing any, are you in any provider networks, for example, with Medicaid or any commercial insurance? [LR228]

BRIANA CUDLY: No, I do not work in a hospital setting. I am a private business owner. We do accept "flex" and we do health savings accounts that do pay for it. We are a therapeutic clinic. I do offer itemized receipts to give to clients whose insurance does cover massage therapy. I do work with personal injury and workmen's comp. [LR228]

SENATOR RIEPE: Okay. I'm just thinking in a, you know, prepaid payment methodology within healthcare, if I were the provider I might look to massage therapy as opposed to physical therapy or chiropractic. [LR228]

BRIANA CUDLY: What was that? I'm sorry. [LR228]

SENATOR RIEPE: I might look to massage therapy as an alternative to, oftentimes, to either physical therapy or chiropractic. [LR228]

BRIANA CUDLY: We do get a lot of people and actually we have very good referral back and forth with MDs, LPNs, physical therapists, and chiropractors within Fremont. But myself and the

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therapists that work in my clinic, we do a lot of pain management. One of my specialties is headache care. I work with sports injuries, acute injuries. [LR228]

SENATOR RIEPE: Okay. Are there any questions? Seeing none, thank you very much for being here. Our next individual who is presenting today. I would ask the committee members to try to have everything that's been handed out today read by tomorrow morning. If you would state your name, please, and spell it, then please proceed forward. [LR228]

BEVERLY RILEY: (Exhibits 3 and 4) My name is Beverly Riley, B-e-v-e-r-l-y, Riley, R-i-l-e-y. I'm a licensed massage therapist in Omaha, Nebraska. I'm speaking on behalf of American Massage Therapy Association. I want to thank you all for allowing me the time to share my concerns about altering the education requirements for massage therapists in Nebraska. Massage therapy has grown into a highly used and respected healthcare service. Massage therapists are utilized in several different settings, some different from what you may have seen in the past. Massage therapy is used in hospitals, rehabilitation facilities, mental healthcare facilities, chiropractic offices, physical therapy offices, and many other settings. Massage therapy is used for more than a relaxation treatment for a majority of the public. Massage therapy is an approved therapy in combating opioid addition. However, if the educational hours were decreased the medical community would be doubtful of our professional abilities due to the lack of skill, lack of understanding of medical issues, and a lack of knowledge of the medical terminology. Physical therapy was founded in 1813, started as a gymnastics manipulation. Today it is the main prescribed nonpharmaceutical tool for reducing pain for nearly all aspects of rehabilitation. Massage is growing in much the same way. Massage started nearly 5,000 years ago and has grown to doctors being taught massage is a treatment for pain in the late 1800s to a multitude of different proven treatment techniques that reduce pain without the use of medication. I currently work at Children's Hospital in Omaha under a grant from Each One Counts. I'm an independent contractor there and do not speak on their behalf, but I am speaking on the behalf of how I'm utilized there. At Children's Hospital I am working with children and their caregivers in palliative care. We are currently involved in a study that is showing massage therapy and the positive results it can produce by helping to decrease pain, anxiety for those children that are medically devastated. One of the pages that...one of the papers I have sent with you is a copy of one of the studies that we have done. The study I've included is one...the first of two studies that

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I'm involved with. The study that is before you is performed on the nursing staff and it shows a dramatic reduction in stress at the workplace at Children's Hospital after receiving just one tenminute massage. The current study that I am involved with, it shows similar results and I can positively give you information to say with certainty that children that I work on in the palliative care unit at Children's Hospital have received a reduction in pain, reduction in anxiety after receiving the massage, along with improved vital signs and improved mood and sleep patterns. The Children's Hospital has been using...utilizing integrative therapies for pain management for the last three years, starting with Healing Touch that is now an in-house service for all of the patients at Children's. Massage therapy is the newest addition to the integrative therapies. If I did not have the educational background in massage therapy, I can assure you I would not be hired at children's. I would not have passed the vetting process with the lack of skills that I gained with the educational requirements at massage school. I am also an independent contractor of Quality Living Institute, which is a rehabilitation center in Omaha that treats clients with spinal cord injuries, brain injuries, as well as their pain management program. I am not speaking on their behalf but I am speaking on how I'm utilized at Quality Living. I have...I work primarily with their brain injury, spinal cord injury, and also their pain management program. I work with these three client-base...these three units for pain management. The majority of the patients that I see at QLI are those weaning off opioid medications. They have been taking these types of pills for pain management for several years due to life-altering injuries. As each patient tapers down from their pain medication, I give them 30- to 60-minute massages two times a week, three times a week, daily, depending on their needs. I focus on the involved areas using several different techniques I learned in massage school. I also use essential oils that I learned about in the massage school to assist in the pain management. Every patient I have been blessed to be able to work with has been successfully weaned off pain medication by using massage therapy as one of their tools in pain management as in they are no longer taking any pain pills once they leave QLI. Many of those patients continue to see massage therapists to this day, after returning to their community, for pain management. The hours of education should remain at 1,000 for best and safe practice for the community. This also allows massage therapy to continue to be a leading integrative therapy profession recognized within the medical community to alleviate pain without the use of opioid medication. I can answer any questions you might have. [LR228]

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SENATOR RIEPE: A quick question I would have is at the care program (inaudible) you're giving massage therapy to some of the children. Are you also...at Children's. Are you doing that to the staff and some of the parents as well or...? [LR228]

BEVERLY RILEY: Staff and parents with the current study as, for example, this week unfortunately at Children's there was a death a day in the PICU, so I took one day and worked on the staff to help them recover and de-stress from the loss of four of our lives there. [LR228]

SENATOR RIEPE: How many lost? [LR228]

BEVERLY RILEY: There was four deaths so far this week... [LR228]

SENATOR RIEPE: Wow. [LR228]

BEVERLY RILEY: ...and one a day since the weekend when I was there on Wednesday, and then we had another code while we were working there. And there's probably going to be a couple more, unfortunately. So I work with the staff for those kinds of measures. I work with the parents of the children to help them with stress and anxiety and even just Wednesday I was blessed to be able to work on a little two-week-old baby girl for her discomfort. [LR228]

SENATOR RIEPE: But you don't do any spinal manipulation or anything like that. [LR228]

BEVERLY RILEY: No. [LR228]

SENATOR RIEPE: Okay. [LR228]

BEVERLY RILEY: No. [LR228]

SENATOR RIEPE: Some chiropractors really want to try to do that on newborns. [LR228]

BEVERLY RILEY: That is out of my realm. [LR228]

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SENATOR RIEPE: Okay. Thank you very much. Are there other questions? [LR228]

BEVERLY RILEY: Thank you. [LR228]

SENATOR RIEPE: Thank you. Thank you very much. Thank you for being here. If you'd be

kind enough... [LR228]

PAULETTE GENTHON: Thank you. [LR228]

SENATOR RIEPE: ...to state your name and spell it. [LR228]

PAULETTE GENTHON: (Exhibits 5 and 6) Thank you. Yes, it's Paulette Genthon. Paulette is Pa-u-l-e-t-t-e, Genthon is G-e-n-t-h-o-n. I just brought some points with me. I had it ready the last time and I thought I'd bring them again. But first I want to talk from my heart. You know, I came to Nebraska in the 1960s. I was an undergraduate student doing my undergraduate studies then at the University of Nebraska in health education, got interested in massage therapy. There were no schools back then in Nebraska. Nebraska said I could do 100 hours distant education back then and study under a massage therapist. So I did an apprenticeship and I studied for two years with Scott Humiston and was able to become a massage therapist. I want to let you know, back then, and I don't want this to happen to Nebraska, going backwards, back in the '60s, when we had very little requirement, there was only a couple of us but the rest of the community was looking at massage in a very negative way. We have kind of a negative history. And what I don't want to do is to go backwards and lower the standards and have to deal with that, with the wrong people pretending to be massage therapists. We worked very hard over those years and through the '80s to get the requirements to where they are right now and many people worked very hard on that issue to get the 1,000 hours. I want to let you know that massage schools in Nebraska must have a physician, a medical consultant, attached to them. That's required. And our medical consultant is Dr. Mark Goodman. He is with CHI. He teaches at Creighton. He's also on the ethics committee with Creighton University. He has told me that he would really hesitate to continue this role, and he's been with us since 1995. I forgot to tell you, I'm with the Universal College of Healing Arts in Omaha, Nebraska. I'm the president of that college. I have also helped start two other massage schools here in Nebraska over the years, but in 1995 we started the Universal

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College and have been with them ever since. Dr. Goodman hesitates that role with us if the hours are reduced. He has knowledge about what we do. He makes many referrals to our student clinic. He lectures to our students and gives me a lot of concern that, you know, we would lose him. I want to let you know, as far as massage reputation in Nebraska, I do go to a lot of national forums with other school directors and we are really respected. I mean they, all the school directors from other states, tell me, oh, if we could just have what you have in Nebraska, we could put out so much better quality therapists. I want to let you know that this is one of the reasons I have stayed in Nebraska, because of the high standards. When we once got that 1,000 hours, I could then feel confident that we had a certain perspective about what massage therapy was. I have a lot of people coming to my school from other states. They've become disillusioned in their home state because of the sexual harassment from clients. And this happens, it just even happened recently, too, where someone came from another state and this what they were telling me. This happens often. We have people that come from Iowa to Nebraska to get massage sessions because they feel that they get a higher skill level of treatment. I want to let you know, too, because there's been some discussion and I'm glad someone had said that someone...people that are coming from other states are usually asking--I think it was Kim--as far as asking the wrong people about what they need to do as far as to get sufficient hours. And I want to let you know our school has been very generous about that. If someone needs like 200 hours, you know, we will give a very minimal charge so they could get that requirement and get working in Nebraska. So we've worked with many, many people over the years for that. I want to let you know, too, that about 40 percent of our enrolled students come from other states or countries. These are adults who spend time in Nebraska. They obtain lodging, eating, they shop here. Our school is in the Florence district in Omaha, north Omaha, and the community businesses tell me they're very thankful of the fact that our students come and they eat at the restaurants, they lodge there, they buy things. [LR228]

SENATOR RIEPE: Okay. Can you tell me, this is Dr. Goodman, is this...you mentioned he was with CHI. [LR228]

PAULETTE GENTHON: Yes. [LR228]

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SENATOR RIEPE: Is his...is this a CHI extension program or is it just coincidental that he happens to be... [LR228]

PAULETTE GENTHON: It's coincidental. [LR228]

SENATOR RIEPE: Okay. [LR228]

PAULETTE GENTHON: Yeah. [LR228]

SENATOR RIEPE: Okay. [LR228]

PAULETTE GENTHON: Yeah, every massage school has to have a physician attached to it.

[LR228]

SENATOR RIEPE: Okay. You just mentioned CHI. I just wondered if there was an affiliation or something going on. [LR228]

PAULETTE GENTHON: No. No. [LR228]

SENATOR RIEPE: Okay. [LR228]

PAULETTE GENTHON: He's just been very generous. You know, his malpractice insurance

goes up and... [LR228]

SENATOR RIEPE: Yeah. [LR228]

PAULETTE GENTHON: ...just the fact that he has that position. But he's been with us for

almost 22 years. [LR228]

SENATOR RIEPE: Okay. Are there other questions from the committee? Seeing none, thank you

very much for being here. [LR228]

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PAULETTE GENTHON: Okay. Thank you. [LR228]

SENATOR RIEPE: If you'd be kind enough, sir, to state your name and spell it out, and then please proceed forward. [LR228]

MITCHELL LOWRY-LEE: (Exhibits 7 and 8) Thank you, Senator Riepe, other distinguished Senators. My name is Mitchell Lowry-Lee, M-i-t-c-h-e-l-l L-o-w-r-y-hyphen-L-e-e. I've been a licensed massage therapist since 2014. I am a massage educator and independent business owner here in Lincoln. I'm also a board member for the AMTA-Nebraska. I'm going to keep my comments brief and I want to address the topic of public safety. Senators, as I'm sure you are aware, a growing public safety issue for Nebraska is human trafficking. Just this past Wednesday the FBI Omaha Child Exploitation Task Force recovered two minors and arrested two traffickers as part of operations based out of the Omaha field office and as part of a large nationwide (?) operation. Human trafficking is not something of the past but, instead, it's one of the fastest growing criminal industries in the world. Unfortunately, the massage therapy profession is being used as a front for trafficking rings. in fact, it's become a primary cover for this illicit industry. In the 2016 National Human Trafficking Hotline report it lists illicit massage business as part of their top three covers for sex trafficking. Furthermore, the 2016 National Human Trafficking Hotline report indicates areas from which fall within the districts of some of the senators on this committee. Given this information and the proposed legislative review for educational requirements for massage, one could see where lowering the standards for massage therapy in Nebraska could have a correlative impact on human trafficking instances in this case. Senators, it is clear to me that support of this legislation could increase the likelihood for an uptick to human trafficking instances in the state. I'd also point out the other handout. This handout provided speaks to public safety and massage. It shows AMTA national statistics from their provider insurance. These claims show the potential of harm even with today's standards. This does not include other insurance providers' info. As you can see, injuries ranging from joint muscular injury to burns and bruising. I would argue the only way to prevent instances like this from happening in the future is making sure students are prepared and educated properly so statistics like this don't go on and go up, basically. So in conclusion, please don't lower the education standards for massage therapists in Nebraska. You can make it easier for criminals or make it easy for public safety issues to arise. I'll welcome any questions. [LR228]

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SENATOR RIEPE: Okay. Are there questions? Seeing none, thank you very much for your testimony. [LR228]

MITCHELL LOWRY-LEE: Thank you. [LR228]

SENATOR RIEPE: If you'd be kind enough to state your name and spell it. [LR228]

REBECCA OHLSON: (Exhibit 9) Sure. My name is Rebecca Ohlson. The handout you're getting is actually from another massage therapist who had to leave. Her name is Denise Mommens, so that's her testimony. That's not from me. [LR228]

SENATOR RIEPE: Okay. [LR228]

REBECCA OHLSON: So I'll begin with mine. So I am a certified athletic trainer, a licensed massage therapist, and I'm also the current president of the Nebraska Chapter of the American Massage Therapy Association. I want to give you more of my personal story as far as how I got to Nebraska, because I'm not a Nebraska native. Born and raised in Kansas, (inaudible) to high school and community college down there. Then I went to Minnesota, got my bachelor's degree. As I was doing athletic training, massage was part of it and that was a point that I that I thought maybe it will be a bigger impact by integrating both of them together. So that's why I wanted to do massage. So, in doing my research, I wanted to find the best massage school and when I was in Minnesota they had no standards. Kansas had none either, so I didn't want to go to those two states. Iowa had some, so it was a possibility. But then Nebraska had the highest standards, so pretty much an easy decision there--go to the one with the higher standards. I'm very proud to be here and I decided to plant my roots in Nebraska and that's where I stayed. So married, employed, two kids, we're all here. So I feel like Nebraska should be standing with pride with all the standards that we do have in place. If students that are interested in massage would do their homework, they would know that they could come here. They could then go wherever they want, so they could go back to their home state or they may just stay here, kind of like what I did. There are other states that are raising their hours. So if they're going to go to another minimum state, they're still going to have to probably increase their hours somewhere. So why not go where it's the highest? Here, current massage therapists...massage therapy students, they're

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getting the most up-to-date education because of the research and the research we can include in curriculum. There are so many research studies out there, they're going to get the more up-todate stuff, they're going to be able to apply it quicker than what we did when we were in school, which when I was in school we couldn't touch people who had cancer. We were taught that it would spread the cells. Now we touch all people with cancer. We don't neglect anyone. So without that research, you know, we're never going to go anywhere, but we are, so knowing that we have more valid research to go on and to learn from and to just be better professionals. So hospitals and physicians are seeing the importance of massage because of all these research studies, starting up their own programs with integrative healthcare. We work alongside them. We use all evidence-based protocols so we are healthcare. So as healthcare practitioners, we do take in the client's chief complaint. We look at science and symptoms. We make observations and measurements. We assess. We make a plan. We make short-term, long-term goals, and we reassess along the way. So if we were to examine the education system that Nebraska has, we're not probably going to find any problems there. There's no wounds, there's no issues that we need to repair. And you've been hearing it already from here from everyone, and I'm sure you're going to have more, but there's really nothing to fix. The one thing that I would say there might be something to fix is the communication process that comes from the state. The Web site is a little bit difficult to navigate, if you've ever gone through it. It's hard to find reciprocity applications. It's not easy. And maybe there needs to be a better culture with communication from DHHS to the schools. I mean that might help to make whatever problem exists gone. So anyway, so we know that you're going to be making all the decisions here. We want to know how you envision our future. Do you see the need to relive our history with less education hours or do you want us to continue to look forward to the future making new innovative and progressive steps? A quote by Mark Cuban from "Shark Tank," he was just recently on, I watched it, "The greatest competitive advantage is knowledge." He was stressing the importance of learning to broaden your knowledge and to know how to make decisions and apply it. So this is exactly why Nebraska has 1,000 hours and we need to keep it. Nebraska has the advantage. So thank you. [LR228]

SENATOR RIEPE: Okay. [LR228]

REBECCA OHLSON: Do you have any questions? [LR228]

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SENATOR RIEPE: Thank you. Are there questions from the committee? Seeing none, thank you. Thank you very much for being here today. [LR228]

REBECCA OHLSON: Thanks. [LR228]

SENATOR RIEPE: Thank you for being here. [LR228]

JEAN THUNKER: Thank you. [LR228]

SENATOR RIEPE: If you'd be kind enough to state your name and spell it and then proceed

forward. [LR228]

JEAN THUNKER: Thank you. Jean Thunker, J-e-a-n T-h-u-n-k-e-r. I am from Paxton, Nebraska. I am a massage therapist. My business is Still Water Massage. I'm here today to speak on a couple issues and I won't be taking up much time because I drove five hours down and I got five hours to go back home. I went to school in '04. This is some of the information I pulled up, so I didn't write a letter like everybody else. When you're dealing with a business and getting ready to go, be gone for five days to do CEU class, you do what you can do. When I went to school back in '04, I'm a...I would be neutral about 600 hours or 1,000 hours. I'm kind of floating because I've got a lot of issues going on out west and it's because when I went to school it was \$9,000 for me to go to school. Well, when I pulled out my bills and started looking at everything, I had to pay for a table, I had to pay for three CEU classes, I had to pay for my own lotion. So it ended up being \$9,000, \$10,000, cost me about \$13,000, \$14,000, \$15,000 by the time I started adding up all my bills. I had to do 91 hours on the clinic floor, which meant I worked 181 hours to get my 91 hours, which meant that about 140 hours is what I actually made because it took me a lot of half hours to work in the evenings. The school was open till 9:00 at night. So I would stay after school. Our classes were from 8:00 to 3:00, 8:30 to 3:00, and I had to...I stayed after school to get my hours in because that was when the public wanted to do it. That was the working class and that's when I got them, and most generally when I came out of my door I would have a person standing at the door, at the "bookkeep" and saying, could you do another one? I'm like, how late are you open? Nine o'clock. Fine. I'll do another half hour. This is the way I did my hours through that school. I have...they weren't afraid to charge me interest on my

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loans and my grants that came in late so I know the school was making money off of us and that's where I'm having a little bit of a conflict. If they want to have their 1,000 hours, that's great. But it needs to benefit the students. If they lowered to 600 hours then I feel like I'm lowering my credentials because right now I have quite a few doctors. I've got some in Omaha, I've got some in Denver that are referring people to me because there's nobody in the western Panhandle that knows how to do lymphedema. I was told in school you couldn't put your hands on any cancer patients. Well, that petrified me. Here I am massaging my husband and find out he's got a lump on him. Takes him to the doctor and finds out he has lymphoma cancer. So I went ahead and I treated him. But I also found out another lady, another class I went to about four years ago, spent four days with them teaching me how to massage people with cancer. And there is schooling and there is education. So I feel that if we're going to keep 1,000 hours they need to add in lymphedema and massage because right now I heard on the radio that one out of two in Nebraska get cancer. Cancer is huge in this state and we need to know how to treat them, what to do. And I have been treating patients from 2 months old, 2 weeks old to 94 years old, and I treat them all. And I've got doctors in Denver and Omaha waiting for me to take my next class as I go next week. I am trying to get certified in craniosacral therapy. I was told from the school that I am attending that I could not even touch two of my patients because I wasn't qualified yet. That's why they told me to get to my class and do it. I've got them waiting. The doctors are waiting for me to get to my class so that I can go ahead and keep treating their patients. I've got children. I can't even touch them till I put another 25 hours in. So there's a lot out there. These schools need to show these kids, hey, these students, there's a lot. You can go in any field you want to go. You know, massage is just a massage but there's a huge field out here that you can pick any direction you want to go to. You just got to find it. And right now western Nebraska, my clients are driving a long distance to come get a massage. I've got them coming two hours away. That's why I would like to eliminate the establish license fee. They've "binded" me. I can't work. These people got to be in the fields. They got to go pick up their kids. Chiropractors don't have establish license. Why do we? You know, maybe it's for my protection if there's prostitutes. I'm a professional. You think I'm going to go that route? I've got people that's wanting me to come to their town to do massages. I've got elderly ones in Julesburg. They can't drive. Their family can't take them. You know, Nebraska, Wyoming is huge, and Colorado. Wyoming, Kansas, Minnesota, Vermont, and Wyoming have no regulations on mobile. If I want to go mobile, I want to be able to go into Toy Hauler. I want to be able to take that and go to a town and work. My

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clients will build. They know I will be there. I can go to another town and set up for two or three days, but they know I'll be there because that way they don't have to worry about driving. I've been working at nursing homes. I just now stopped the one in Julesburg. I was there for a year and a half. I was driving an hour, an hour and a half every day to go to Julesburg and do massages, so I was basically gone two-thirds of a day. I wasn't making much money but I was offering that to the nursing homes. But I also had people there wanting me to do massages but they couldn't come in to the nursing home. So how was I supposed to service them? So I'm just looking over my notes real quick. I paid...I have now paid \$110 for my license every two years. I just now paid \$100, I think it was \$127 for establish license. Where is this money going? What are we doing with it? You know, I'd like to see this used to be able to bring in some quality CEU classes and put them out in Kearney. Kearney is the middle of the state. Offer some good classes, offer something instead of these little classes for five and six and seven hours. I mean there's a lot of good people out there, but Nebraska is not bringing them in. They're utilizing them. And I have to go out of state. I have to spend \$3,000 and \$4,000 just like I'm going to next week just to go educate myself so I can get myself better. But I want to get myself better because I've got doctors asking me all the time. [LR228]

SENATOR RIEPE: Thank you very much. I wanted to give you a little extra time. We very much appreciate and respect the fact that you took five hours to drive here and... [LR228]

JEAN THUNKER: That's okay. [LR228]

SENATOR RIEPE: ...five hours to go back. I mean... [LR228]

JEAN THUNKER: That's okay. [LR228]

SENATOR RIEPE: ...that's commendable, especially when you probably have a lot of work to do in between. [LR228]

JEAN THUNKER: Yes, I do. [LR228]

SENATOR RIEPE: So with that, thank you. Senator Williams. [LR228]

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SENATOR WILLIAMS: One quick question, a follow-up: You heard me ask the question to Kim Johnson over here about your discussion at our... [LR228]

JEAN THUNKER: Roundtable. [LR228]

SENATOR WILLIAMS: ...roundtable about... [LR228]

JEAN THUNKER: Yes. [LR228]

SENATOR WILLIAMS: ...mobile unit. Is it your understanding that that could possibly be done with an establishment license change through regulation rather than legislation, or is that something...? [LR228]

JEAN THUNKER: We could regulate it but we don't need an establish license fee. I don't know why. I mean, because we're professionals. They're training us in school to be professionals. And like they said, there's trafficking, there's prostitutes. It's going to happen no matter what. What about all these mobile units that's coming back to the hospitals? They're doing scans, they're doing x-rays. They're bringing them to these small towns. Why can't we? [LR228]

SENATOR WILLIAMS: I don't think you're getting argument from us. [LR228]

JEAN THUNKER: Yeah. [LR228]

SENATOR WILLIAMS: I think we are trying to figure out how we best do it... [LR228]

JEAN THUNKER: How you best do it, right. [LR228]

SENATOR WILLIAMS: ...to arrive at the change that would not just you but allow others to engage in that activity. [LR228]

JEAN THUNKER: Right. [LR228]

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SENATOR WILLIAMS: Thank you. [LR228]

JEAN THUNKER: Uh-huh. [LR228]

SENATOR RIEPE: Thank you. You talked a little bit about chiropractors and they don't...

[LR228]

JEAN THUNKER: They don't have establish license. [LR228]

SENATOR RIEPE: They don't have what? [LR228]

JEAN THUNKER: Don't have establish license fee. [LR228]

SENATOR RIEPE: Oh, okay. [LR228]

JEAN THUNKER: But they do have to buy one to put a massage therapist in their building. [LR228]

SENATOR RIEPE: Okay. Thank you very much. Are there other questions? This is the Panhandle Senator (inaudible). (Laughter) [LR228]

SENATOR ERDMAN: Thank you, Senator Riepe. Jean, thank you for coming. I appreciate that. You and I have visited about this before. [LR228]

JEAN THUNKER: Yes. [LR228]

SENATOR ERDMAN: Some of the dilemma that you have with your patients I believe you shared with me the fact that because of the ag economy those people that you normally have as customers aren't able to afford doing what they did before. Would that be correct? [LR228]

JEAN THUNKER: Yes. Mine is declined because of the agriculture and it would pick up if I could go to their town to do it. [LR228]

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SENATOR ERDMAN: So consequently it costs them money to travel that far, so if you could set up a satellite operate where they all could come there, be closer for them, would work. And I appreciate that. I appreciate what you do there. But I, more importantly, appreciate the fact you drove five hours to com here. I understand what that means. [LR228]

JEAN THUNKER: Thank you. [LR228]

SENATOR ERDMAN: And for someone to have that kind of commitment, you really have something on your mind to come that far because you didn't come here just to see me. [LR228]

JEAN THUNKER: Yeah, that's right. (Laughter) [LR228]

SENATOR RIEPE: Well, we don't know that. [LR228]

JEAN THUNKER: Thank you, guys. [LR228]

SENATOR RIEPE: Okay. Senator Crawford. [LR228]

SENATOR CRAWFORD: Thank you, Chairman. And thank you for being here. I think your point and the point that we had in the earlier conversation about looking into regulations to make something simpler and work better... [LR228]

JEAN THUNKER: Yes. [LR228]

SENATOR CRAWFORD: ...demonstrates the importance of making sure that we're able to make those changes in regulations in a simple and effective way. [LR228]

JEAN THUNKER: Yes. [LR228]

SENATOR CRAWFORD: And sometimes regulation changes are actually simplifications and... [LR228]

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JEAN THUNKER: Yes. [LR228]

SENATOR CRAWFORD: ...it's important that we're able to do that. [LR228]

JEAN THUNKER: I figured it would be. Just... [LR228]

SENATOR CRAWFORD: And the current freeze has also prevented those kinds of simplifications as well. So hopefully we'll be able to get that done. [LR228]

JEAN THUNKER: Okay. Thank you. [LR228]

SENATOR RIEPE: Again, thank you very much. [LR228]

JEAN THUNKER: You're welcome. [LR228]

SENATOR RIEPE: We appreciate it. We're still talking about massage therapy. Are there other people who want to talk to the subject? Hello. If you would just simply state your name and spell it and then go forward. [LR228]

SUE KOZISEK: Got it. My name is Sue Kozisek, S-u-e, last name is K-o-z-i-s-e-k, and I have been a Nebraska licensed massage therapist for about 30 years. And I want to share with you a little bit more about my background because LB343 is in my wheelhouse. I have been a board member on a national board that was responsible for the licensing exam that we have previously used in Nebraska. I was the chairperson for the National AMTA on the selection of massage therapists for the Olympic Games. Both of those things have given me more of a national perspective. In terms of regulation and law in Nebraska, I served ten years on the Nebraska Board of Massage Therapy. I've also served two terms for the Department of Education in their private postsecondary advisory committee. My graduate work is in...not just in education but also in adult education. I've been teaching massage at Nebraska Wesleyan for 25 years. I also own the Myotherapy Institute, which has been the massage school here in Lincoln for 25 years. We've just recently opened also in Omaha. And I also own the Nebraska College of Massage Therapy. All of that, not to tell you how old I am, but I've been around the block a few times,

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maybe more than a few times. But so many wonderful things I've heard here today and I'm sure that you have a much different perspective of cosmetology and massage therapy as well, but I'd like to kind of narrow that a little bit and go to LB343. My understanding is that the whole idea is about more jobs. One of those vehicles was, as I understood it, said to be was that we needed to create an easier way for people out of state to get jobs in Nebraska relates to massage therapy. I think from the testimony that you've already heard, when 50 percent of the people being licensed in massage therapy in the state are from out of state, it's just kind of a nonissue. It's possible to do it and pretty easily. Lowering the hours I don't think gives us an automatic in fewer hours, quicker, cheaper. I think that fewer hours is not necessarily cheaper and I think Senator Erdman early on, I think I heard you get the idea that, you know, if you're lowering what's coming in, somehow you have to make up for it. So, you know, I don't know of a school--I haven't asked them either--but you know I don't know that tuition will be lowered if there are fewer hours. I don't know that if tuition is lowered the schools are so small that they can make up for that. You know is it...do they have to have...it depends upon where the hours would end up, you know? Would you have to have four new students to make up for that reduction? You know, I just don't know that those numbers are there. I think there are ways then to compromise, maybe an amendment, some things that would help the people from out of state and maybe also the schools have some more flexibility in their curriculum by maybe taking out the specific hours per topic, keeping 1,000 hours but allowing some flexibility there. You know, I...you know, I think we all...Paulette talked about the physician. I think we all use physicians as teaching instruments. That's also in LB343. I don't know that we should be required to. And we do. It's just kind of natural. But I don't know that there's a staff position that needs to be that. So I think there's some language that could be combined in an amendment to meet kind of the needs of everybody, not everyone's, all of their needs, but some compromising going on. And I hope that you will take a look at that. That you will think about that. Perhaps like you, Senator Williams, I have not yet heard anyone in the profession, be it the AMTA, the Nebraska board, individual massage therapist, that wanted a reduction in the 1,000 hours. The only one I hear is the Platte Institute, not licensed, not in massage, not in education. You know, what the heck, we have a good thing going and we're all happy with it. [LR228]

SENATOR RIEPE: Okay. [LR228]

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SUE KOZISEK: And we are the citizens of Nebraska and we are your constituents. [LR228]

SENATOR RIEPE: Okay. Thank you very much. Are there questions from the committee? Senator Williams. [LR228]

SENATOR WILLIAMS: Thank you very much, Chairman Riepe. And, Sue, thank you for being here. I don't know anyone that's worked harder to educate people around this table and around this building on this issue. So thank you for attending all of the things. So that this group knows, if I remember, you have three schools. [LR228]

SUE KOZISEK: Yeah. [LR228]

SENATOR WILLIAMS: How many students do you have roughly in your schools? [LR228]

SUE KOZISEK: Am I in the rec? Yeah. (Laugh) [LR228]

SENATOR WILLIAMS: I didn't that. [LR228]

SUE KOZISEK: (Laugh) Well, the one in Lincoln has been around for 25 years. We have about 30 students. [LR228]

SENATOR WILLIAMS: At a time going through the process. [LR228]

SUE KOZISEK: Yeah. Right now. Omaha, both of the Omaha entities are brand new and I wouldn't even want to venture anything because they haven't been open long enough for me to give something stable. [LR228]

SENATOR WILLIAMS: And roughly again tell us because we've heard so much testimony on different disciplines today, how long is a student in school and what is the cost... [LR228]

SUE KOZISEK: Okay, let me branch from that just a little bit. There are two types of schools, actually, in Nebraska. Those that are licensed just by HHD. Okay? And those that are licensed by

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HHS and also accredited, accredited by the Nebraska Department of Education and also a national accrediting entity. And, Senator Riepe, I'm with you about that placement thing. That's a hard thing to keep intact, but it is a standard accredited have to have...we have to cross out t's and dot our i's. So there are some schools in Nebraska that are nine months and 1,000 hours and those are only licensed by the Department of Health. The other, there are two schools that I can't speak to in terms of length. I think they are 12 months, also referred to as 2 academic years and operate on both a credit-hour system and a clock-hour system because they're answering to different entities. [LR228]

SENATOR WILLIAMS: So once again we are faced with the dilemma of comparing apples and apples when we look at hours to other states. Am I correct in that? [LR228]

SUE KOZISEK: Not with the...not...I think if you go with the basic 1,000 hours that Nebraska currently requires, I think it is pretty much apples and apples if you're looking around the country. [LR228]

SENATOR WILLIAMS: Okay. [LR228]

SUE KOZISEK: The accredited schools like the Institute or like the Universal College are degree-granting institutions and they offer associate degrees and they are yet above and beyond the 1,000 hours. They're usually 1,400-1,500 hours. [LR228]

SENATOR WILLIAMS: Okay. I guess one last question: With your knowledge and expertise, how often did the Platte reach out to you in their discussions before they introduced this legislation? [LR228]

SUE KOZISEK: None. [LR228]

SENATOR WILLIAMS: Did you say none? [LR228]

SUE KOZISEK: Zero. [LR228]

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SENATOR WILLIAMS: Thank you. [LR228]

SENATOR RIEPE: I have a question because I'm a background hospital administrator. We have an option with accreditation as you either had the state or the Joint Commission on Accreditation of Hospitals. [LR228]

SUE KOZISEK: Uh-huh. [LR228]

SENATOR RIEPE: We didn't have both. Do you have both? [LR228]

SUE KOZISEK: If you have national accreditation and are degree granting then you are required to have state accreditation by the Nebraska Department of Education. However, schools can choose not to be accredited. [LR228]

SENATOR RIEPE: Okay. [LR228]

SUE KOZISEK: If you're not accredited, however, you can't offer degrees and you don't...you cannot be a recipient on behalf of students for federal financial aid. [LR228]

SENATOR RIEPE: Well, and we're taught as a society the first question is are you accredited, even if we don't know what that means. [LR228]

SUE KOZISEK: (Laugh) Yes. [LR228]

SENATOR RIEPE: Are you an accredited school, I don't care what it is. [LR228]

SUE KOZISEK: And in full disclosure, we are coming very close now to a...the Institute is coming very close now to a program of a bachelor's degree in massage therapy. [LR228]

SENATOR RIEPE: Okay. Did you say that you taught some at Wesleyan? Are they looking at a bachelor's program? [LR228]

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SUE KOZISEK: I do. I do work at... [LR228]

SENATOR RIEPE: Have they been doing a bachelor's program? [LR228]

SUE KOZISEK: Not in a bachelor's program, just in massage therapy. I'm in the health and wellness department and I've been there for 25 years teaching massage therapy. [LR228]

SENATOR RIEPE: Okay. Okay. Are there other questions? Seeing none, thank you very much. We... [LR228]

SUE KOZISEK: I have one more comment if I might, please? [LR228]

SENATOR RIEPE: You may. Please do. [LR228]

SUE KOZISEK: Some of you were not at the roundtable. I wish we still had these two because they were not there. But I'll say it again for public record. Having worked with this group off and on since the first part of the year, I have found you all to be mindful and respectful and well-meaning, and I think that people in Nebraska need to know that and I think the professions need to know that. And thank you for the opportunity for this forum again. [LR228]

SENATOR RIEPE: Well, you're very kind. It's a very complicated and difficult piece that we've discovered from day one. [LR228]

SUE KOZISEK: Thank you. [LR228]

SENATOR RIEPE: I'm trying to be fair and do the right thing for the state and for the professional people. [LR228]

SUE KOZISEK: And you will. [LR228]

SENATOR RIEPE: So are there other people that want to testify in terms of massage therapy? Do we have more out there that are going to testify as well? One more, okay. [LR228]

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NICOLE FOX: All right. [LR228]

SENATOR RIEPE: Please, go ahead. [LR228]

NICOLE FOX: (Exhibits 10 and 11) Okay. Nicole Fox, N-i-c-o-l-e F-o-x, director of government relations at the Platte Institute. And I would like to start my testimony by saying that LB343 was not the Platte Institute's bill. We did not introduce the bill. We did not write the bill. Our role at this point is we support the reduction in education hours for occupational licensing. We support occupational licensing reform. We supported several bills in the 2017 Session. LB343 was not the only one. And so when people say that the Platte Institute was, you know, helpful in terms of working when this bill was being written, well, it's because we didn't write the bill. We are coming in as a state think tank in support of the bill. We did not have...we did not introduce it. Reducing the current requirement of 1,000 education hours to become licensed as a massage therapist in Nebraska down to 600 hours will make our state more competitive and other state...with other states across the country, which is why we support this. Further, it will lessen the time and the financial burden imposed by our current, excessively high requirements for individuals wanting to enter the work force and to earn an income. The Bureau of Labor Statistics projects a 19 percent growth in the next decade when it comes to the occupation of massage therapy. Similar to prior occupations discussed today, much of the opposition to a reduction in education hours required for one to become licensed as a massage therapist in Nebraska came from the industry's education institutions. Last month a roundtable discussion was held to bring together parties interested in the issue. Major opponents in attendance included school owners as well as both current and former licensing board members. The arguments were the same. Opponents claim that their students walk away more skilled and better educated regarding sanitation and public safety, yet when asked about the national exam, the MBLEx pass rates, this could not be verbalized. Of note, a promotion from a school in South Dakota was quickly able to verbalize his students' national exam pass rate of 100 percent after completing his 600-hour program at a cost of only \$4,500 compared to \$20,000 in Nebraska. He also informed us of a student from Chadron choosing to attend his school due to the lower cost and lower time commitment. If Nebraska does not reduce its hours, this student may leave our state permanently. Also at the roundtable, a potential compromise of 750 hours was mentioned. The Platte Institute does not support this. Per discussion with the Institute for Justice, an organization

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employing national experts on occupational licensing, 750 hours is not a national trend, as claimed by opponents. Yes, there may be states that are trying to increase their hours. There may be states that have introduced legislation but no bills have passed at this time. The only bill as far as occupational licensing that has passed in the past year is the one that was mentioned previously about cosmetologists that was passed in Montana. Let's review the national landscape. Four states do not regulate massage therapy. Two of those are neighboring states, Kansas and Wyoming. Twenty-seven states require 500 hours, including neighboring states South Dakota, Colorado, and Missouri. Iowa requires 600 hours. Nebraska and New York are the highest in the country at 1,000 hours. A reduction to 750 hours still does not make Nebraska competitive. We would still be higher than each of our neighbor states. Seven hundred and fifty hours may seem like a feel-good compromise but it's just a protectionist attempt by schools. After the roundtable I decided to schedule a student massage session at one of Nebraska's schools in hopes of providing some relief for a sports related injury I had incurred. No instructor was present in the room during my session. No one was there to guide the student and prompt them to ask if I had considered seeking medical care for the pain I was having. Nebraska requires 400 additional education hours compared with the majority of the country. I want to talk about these extra hours listed in the school curriculums. They list didactic topics such as how to get a job, how to market your business, financial management, Eastern medicine, nutrition, in addition to the extra amount of clinical or floor work that the schools claim sets Nebraska apart and assures skills and public safety. And I want to just point out that none of this extra stuff really has anything job skills, Eastern medicine, and nutrition have nothing to do with public safety. Let's take a moment to talk real, everyday numbers: 400 extra clock hours, this is 10, 40-hour work weeks or 2.5 months of work. Now do you as state senators really feel that students are mastering these topics in 2.5 months? As sitting state senators, do you feel that you are proficient and have all of the knowledge you needed to serve your constituents 2.5 months after being sworn into office? I'm guessing the answer is no. The intent of occupational licensing is to assure a minimum skill set that keeps the public safe. A majority of states are producing competent professionals that can pass the national exam and enter the work force with only 500 to 600 hours of education without compromising public safety. As these individuals enter the work force and gain professional experience, they can use business relationships, word of mouth, and continuing education to expand their practice and fine tune their skills. We are talking about jobs today. We're talking about helping Nebraskans to obtain the training they need to enter the profession of their

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choosing in the least burdensome manner in terms of time, tuition costs, and income lost while seeking that training. I urge the committee to lower the required education hours to 600. Earning potential, entrepreneurship, and out-migration are at stake. And I'd also like to make a quick comment about human trafficking. Increased hours will not stop this. I serve on an advisory board in Omaha for an antitrafficking group and I will tell you that these, quote unquote, storefronts of massage therapy, they're not massage therapists. So no amount of educational hours is going to stop this. The battling of human trafficking is a law enforcement issue. It is not a government regulation of occupational licensing issue. And with that, I thank you for your time and allowing me to speak so many times today. [LR228]

SENATOR RIEPE: Thank you. I have a question. [LR228]

NICOLE FOX: Yes. [LR228]

SENATOR RIEPE: If...and correct me where I'm wrong here. [LR228]

NICOLE FOX: Okay. [LR228]

SENATOR RIEPE: If we have students that can go to South Dakota... [LR228]

NICOLE FOX: Uh-huh. [LR228]

SENATOR RIEPE: ...and train... [LR228]

NICOLE FOX: Uh-huh. [LR228]

SENATOR RIEPE: ...and say with, was it 4,500 or whatever the (inaudible). [LR228]

NICOLE FOX: For the cost? [LR228]

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SENATOR RIEPE: (Inaudible) less, then can they come back to Nebraska under a reciprocity? Or are they required then to pick up the balance of their hours here in Nebraska so that, yeah. I mean you could... [LR228]

NICOLE FOX: Well, as I understand it, I think it depends on their... [LR228]

SENATOR RIEPE: ...you could reduce the reciprocity provisions,... [LR228]

NICOLE FOX: Uh-huh. [LR228]

SENATOR RIEPE: ...which would then... [LR228]

NICOLE FOX: Reduce. I mean would... [LR228]

SENATOR RIEPE: ...you'd probably see an outflow of students to South Dakota that then come back through a state reciprocity agreement that's a little softer landing for them. [LR228]

NICOLE FOX: But still, as I understand, the reciprocity is partly based on professional experience. So if they went to school in, say, South Dakota and they wanted to come back to Nebraska right away, I think they would still have to have a delay in being able to work because they would still have to pick up more education. [LR228]

SENATOR RIEPE: (Inaudible) change the reciprocity to. [LR228]

NICOLE FOX: Yeah. Well, true. I agree. But why don't you just reduce the hours and it wouldn't be a problem? [LR228]

SENATOR RIEPE: I mean, you know, I mean if you really wanted to make it soft, and I'm not saying that. I'm just saying I'm thinking through how...you know, there's more than one way to skin a cat on the thing if you get ornery about it, know what I mean? I'm not proposing that. It's just we have to be careful, too, that our standards aren't...we don't force people to Colorado, South Dakota, and then come back... [LR228]

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NICOLE FOX: Uh-huh. [LR228]

SENATOR RIEPE: ...simply trying to avoid our extra hours. I know. Are there other questions?

Thank you very much. [LR228]

NICOLE FOX: All right. [LR228]

SENATOR RIEPE: I think we have one more testifier. [LR228]

CAITLIN SMITH: I apologize. I was not here for the beginning of the other session so I didn't realize I was supposed to sign an orange thing. [LR228]

SENATOR RIEPE: Okay. We'll get that. You can complete that at the end. If you would just state your name and spell it and proceed on. [LR228]

CAITLIN SMITH: My name is Caitlin Smith, C-a-i-t-l-i-n, Smith, S-m-i-t-h. I am not...I'm representing myself. I am not associated with any school, never have been, hopefully never will be unless something goes terribly wrong with my life, you know, like I decide I want to learn more? And that's the thing. We learn more as we go. The 1,000 hours gets us started. I am opposed to lowering that. But as a couple of people have said, yes, there is a lot more to learn and you do that on the job and that's important. But you have to know enough that you can learn more on the job. For instance, I do massage, I go to people's places of work and their houses and part of the reason for that is we took...we had a class on business in the school and I went, I don't feel competent to deal with all these extra things that come with having an establishment. I could go and learn more on my own. But you know, I think I would fail if I tried it. And I think that's something...I am not an economist. I couldn't tell you but I have heard that a lot of small businesses fail and it seems like it, and people tend to be overconfident. I think that's something very valuable that I learned in school. I wanted to reiterate that we are not currently the highest level. If you want, that can be a full massage therapist. We have two-thirds of the requirement currently, just under two-thirds of the requirement for Maryland and they are the only one higher than us right now. But...and that's to be able to work in like nursing homes, doctors' offices, hospitals. And having volunteered for a while with Tabitha Hospice, it's incredibly valuable to be

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able to touch people who really need that kind of thing. And in Maryland, because of their twotiered system, you have to have the 1,400 before they feel you're competent for dealing with the various problems that people tend to have at the end of life. So I talked with...this is anecdotal, but I've talked with a couple different medical professionals and they feel like if they reduce...if we reduce the amount of hours, they would be less likely to recommend us. Currently, we can act in a sense like an LPN does to an MD in that we can take care of the things like the repeated the needle injections that the doctor doesn't do because it's not worth their time because they have more things that they've learned a lot more that they need to do. And so I think it's very valuable that you have something cheaper that you can do before going nuclear and seeing the physical therapist. I originally came from Missouri. I am from a state with a 500-hour educational requirement, and I started school there before falling in love and deciding I was moving to Nebraska. And at that point I stopped because this is a 1,000-hour program and I wanted to finish...I wanted to go here where I felt like I'd have better training. And so that's why I went and finished up here rather than trying to do it in Missouri, because I could have. I could have finished there. I could have applied for reciprocity. But I chose to go to school here instead. Speaking of Missouri, I had...I was...there is someone I know and I she mentioned that she was at a party and she had been drinking some and somebody had gotten her to come over and get a massage. And she said, you know, I wasn't drunk beforehand but I sure was after. And I was horrified because that's something...massage will dump (inaudible) blood alcohol...I mean your blood alcohol content will go zoom because it dumps it all in at one. And that's the sort of thing we don't want people to be not concerned about getting 500 hours instead of 1,000. So people have talked about it being...getting rid of burdensome requirements and, obviously, the question is not is more money the problem. It's, is it unnecessary? It's not burdensome if it's expensive and I have to work three jobs if it's necessary. And I think that's all. [LR228]

SENATOR RIEPE: Okay. Thank you very much. Are there questions from the committee? Seeing none, thank you very much for being here. Do we have others that want to speak to massage therapy? Okay, seeing none, Tyler, we have some letters, I know quite a number, which can also...or we might have been here much later. Please. [LR228]

TYLER MAHOOD: (Exhibits 12-56) Okay. So I have a letter signed by Spike Eickholt of the ACLU of Nebraska; Kim Adams Johnson; letter signed by Al Trace, Black Hills School of

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Massage; letter signed by Becky Wells on behalf of herself; Wesley Shockley on behalf of himself; Adele Schmidt on behalf of herself; Amy Garwood of Rheumatology and Osteoporosis Services, P.C.; Chandy Lockman Hoke, Methodist Estabrook Cancer Center; Linda Brewer of Home Instead Senior Care; Jackie Froendt of Home Instead Senior Care; Dr. David Lauer of the Havelock Chiropractic Center; Elizabeth Dunklau of Fremont Health; Jeree Menning of Fremont Therapy and Wellness; Eric Timperley of Mosier/Timperley Chiropractic Center (sic--Clinic); Geoff Buchta of Essential Motion Chiropractic and Rehab; Danielle Kleber, Nebraska State Athletic Trainers' Association; Cherl Mues on behalf of 23rd Family Med; Jason Janssen of Wolf Chiropractic Clinic; Dr. Aaron Dalton of Dalton Chiropractic; Dr. Randy and Dr. MaryLou Camenzind of the Heartland Family Health and Chiropractic Clinic; Taelyr Miller on behalf of herself; Leslie Epstein on behalf of the Healing Journeys Therapy; Alison Feik on behalf of herself; Mark Renner of the Associated Counseling Group; Melissa Sharp of the Associated Counseling Group; Sue Riggins Lessor of S1 Pilates Studio; Vicki Baines of Greater Health Alternatives; Marvin McFarland on behalf of Fremont Health; Suzanne Jouvenat on behalf of Lincoln Counseling Enrichment Associates; Joanne Moliski on behalf of herself; Kim Justus on behalf of herself; Ron Beaman on behalf of Ron Beaman Massage Therapy; Kathleen Westphal on behalf of herself; Remington Siebert on behalf of himself; Tina Mruz on behalf of herself; Ann Ealy on behalf of herself; Jared Meyer of the Foundation for Government Accountability; Shelley Atwell on behalf of herself; Dr. Michael Savers on behalf of the Family Medicine of Lincoln; Cynthia Sayers on behalf of Brian Bariatric Advantage; Rebecca Rose on behalf of herself; Lisa Bradley on behalf of herself; Lora VanEtten of the...on behalf of the Great Escape Day Spa; Dr. Beth Ernst of the Kearney Clinic; and Sue Bace on behalf of herself. [LR228]

SENATOR RIEPE: I think that pretty much covers the 1.9 million people that live in Nebraska. (Laughter) Thank you, Tyler, for that. Thank you all for being here. That does conclude this hearing on the interim study for occupational licensing. We do again thank you for your patience and for giving us a day out of your life. Thank you. [LR228]