



SALON PROFESSIONAL
EDUCATION COMPANY

THE SALON[®]
PROFESSIONAL
ACADEMY

Jill Krahn and Jodi Brown Testimony BILL NO. 1426

Dear Chairman, Senators, and Committee Members,

My name is Jill Krahn I am here along with my partner and sister we are two of the partners of 5 for Salon Professional Education Company, a franchisor of L'Oréal and Redken partnered beauty schools across the country. We are also salon owners and a school owner in Fargo ND. We are members of the AACSB state's relations committee, which gives us the opportunity to see what is happening in the beauty school industry. I am a committee member for Beauty Changes Lives a well. We are Beauty Industry Experts from our Home State of North Dakota. We are Growing Salon Leaders One Student at a Time. We employ in Fargo alone over 100 people. It is our mission to help them to **Learn** more, **Earn** more and **Live** best.

Rationale:

I STRONGLY disagree and want to amend to Kill this bill to NOT allow to deregulate the hair and skin industry for the safety of the public. They refer to themselves as the down under as stated in their first testimony. This would give them the rights to open a business without being licensed therefore they would not be inspected to ensure they are following the guidelines. Also giving someone a 4-hour sanitation course does NOT give a guest any safety for them to be educated on what kinds of glues and products they can use on the guest hair extensions. This is a very dangerous for the guest.

They want to take cash at weddings or formal gathering to style hair and put on lashes. But there is more to this, it would allow them to do install extensions hair, and not be regulated that they are not performing all services with NO regulations or safety protocols or follow up on state guidelines. No one to report to. We see a lot of people operating in a cash only business. By allowing this bill that would only grow.

HB 1426 -Moving on not requiring a license for Hair Styling. As you know if you are examining our industry, "booth rental" usage is up 70% according to PBA economic snapshot, but reported revenue is down. In fact, most of the reported income is coming from the commission salons who are regulated and inspected. If you allow hair styling to not be regulated, how will you monitor providers to ensure that they are not doing regulated services such as hair coloring and cutting as well? If you also allow them to do hair extensions, you should know they have to be cut to fit the head shape and the hair style. You cannot add an extension without cutting it to fit the length of the hair. Do you have the manpower to do so? How can you protect public safety? The state board has no jurisdiction to a certification. Even a well-run business has a person they report to and be held accountable to follow the guidelines. I reported the fact that a lot of booth renters do not report their income to my legislator, Jonathan Casper, a few years ago. This is an issue that has only worsened since then. I hear people brag that they keep their business all cash to avoid reporting both sales and income taxes. The State is losing a lot of money by allowing



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booth renters to have such loose guidelines. As a significant taxpayer in the state, with more than [100] employees, I would think my state would want a degree of control on hair stylists and booth renters so that it can properly regulate it and collect the taxes that legitimate businesses such as mine pay. This bill will open a Pandora's box of horror stories. From the damage that cheap glue can cause to not knowing the protocols required to safely install extensions will lead to loss of hair and lawsuits will follow. I want all of you to understand that the beauty industry is a professional industry. I strongly feel that only an industry expert can really determine the outcome of this bill. A group from "the down under" (their words) would not know the difference, or what the results will look like. Our providers are licensed for a reason, starting with public safety. Our students deserve the best education they can get – one that will give them the best chance to earn a solid middle class living. Deregulation may be a noble goal – one designed to respect the rights of business owners. But in the case of the above-mentioned bills, the proposed deregulation is reckless and short sighted.

I also want to talk about changing the hours of the cosmetology course in North Dakota to 1,500 hrs. It is at 1,800 hrs. now, and it is helping the student learn the business skill sets, and personal development skills sets on how to run a good business and follow the guidelines. If you cut 20 % of their training, you will cut a valuable part that will help them become successful faster. I know the goal is to see the students earn a great living faster but cutting their education will only make them have to try to learn it on their own and that will happen a lot slower. And at their expense.

I implore you NOT to change what is working for North Dakota students and salon owners. We are Growing Future Salon Leaders they earn roughly \$40,000 plus their first year with very little college debt in less than a year. What industry can do this? So why would you want to change that? **If you accept this bill you have destroyed the beauty industry and the professionals that stand up to all the guidelines to give the guest, the best experience.**

Please refrain from allowing any more change in the beauty and skin industry for the safety of the public and the tax ramifications for unlicensed facilities opening. **I find this very upsetting to a guest that may think they are going to a licensed professional to get their services done and find out after the results that that service provider was not trained nor licensed.**

Jill Krahn The Salon Professional Academy Fargo. AACSB States Relations Board and SPEC Franchise Beauty Schools.