

MINUTES  
**HOUSE BUSINESS COMMITTEE**

- DATE:** Thursday, February 21, 2013
- TIME:** 1:30 P.M.
- PLACE:** Room EW41
- MEMBERS:** Chairman Henderson, Vice Chairman Thompson, Representatives Collins, Crane, Palmer, Barbieri, Batt, Agidius, Clow, Hixon, Kauffman, Monks, Morse, Stevenson, Youngblood, Smith, Rusche, Gannon
- ABSENT/  
EXCUSED:** Chairman Henderson, Rep. Youngblood, Rep. Morse
- GUESTS:** Tony Smith, North West Career Colleges Federation; La Dawn Goodfellow, Cosmetology School of Arts and Sciences; Michael Treumpler, Student, Toni and Guy Hair Academy; Johnna Hayter, Student, Toni and Guy Hair Academy; Amber Farmer, Student, Toni and Guy Hair Academy; Lorie Gainor, Student, Toni and Guy Hair Academy; Lisa Bowen, Student, Toni and Guy Hair Academy; Whitney Norton, Student, Toni and Guy Hair Academy; Laurie Rowen, Razzle Dazzle College; Kathy Haplis, Toni and Guy Hair Academy; Ty Walker, Paul Mitchell Rexburg; Kyle Sheldon, Milan Institute; Barb DeHaan, North West Career College Federation; Toni Triano, Student, Toni and Guy Hair Academy; Philip Scott, Owner, Toni and Guy Hair Academies; Loni Stathorn, Cosmo School FA; Natalie Ellston; Lou Starita, Paul Mitchell School; Brook Cornelison, Austin Kade Academy; Jennifer Rodgers, Velvet Touch Academy; George Brunt, Paul Mitchell Academy
- Vice Chairman Thompson** called the meeting to order at 1:32 P.M.
- MOTION:** **Rep. Hixon** made a motion to approve the minutes of February 19, 2013. **Motion carried by voice vote.**
- H 162:** **Kris Ellis**, Northwest Career Colleges, Idaho Cosmetology School Association, presented **H 162** designating licensed schools of cosmetology as post secondary institutions. She said the proposed legislation addresses changes in the United States Department of Education rule requiring all schools who accept federal student aid funding to be designated as post secondary schools. She said there are twenty-seven licensed schools of cosmetology in Idaho who admit students who may be eligible for federal student financial aid. She said 85% - 95% of students at Idaho schools of cosmetology use financial aid to cover an average tuition ranging from \$13,000 - \$15,000. She said financial aid monies contribute roughly 73% of tuition and out of pocket costs for students. She said the default rate for student loans of 5% is lower in Idaho than in other states. She said consultation with the Idaho Department of Insurance indicates this designation would not pull these students into a category where schools of cosmetology must provide health insurance options for students and dependants as other post secondary educational institutions do.
- George Brunt**, Owner Paul Mitchell Hair Academy in Boise and Rexburg, Chairman Idaho State Cosmetology School Association, spoke **in support of H 162**. He said the national average wage for graduates of school of cosmetology is approximately \$32,000 per year. He said cosmetology schools are some of the lowest priced post secondary technical schools in Idaho.
- Rep. Gannon** requested copies of an on-line article published on the website, *The Motley Fool*, titled "Student Loan Crisis Deepens as Debts and Defaults Skyrocket", by Michele Lerner, be distributed to the members of the committee and entered into the record. (See attached.)

**Philip Scott**, Operator of Toni and Guy Hair Academy, Boise and Coeur d' Alene, spoke **in support of H 162**. He said 100% of his graduates in 2012 passed their board of cosmetology examinations. He said trade schools change young people's lives who might not otherwise have opportunities for a career. He said many students qualify for federal Pell Grants which do not have to be paid back.

**Kris Ellis** concluded the presentation. She said the graduation requirements are 2,000 hours of classroom study and practical experience per Idaho statute. She said completion of the 2,000 hours can be accomplished as a full time student or a part time student, which determines the length of time a student will be in school and, in turn, drives the total amount of federal financial aid which may be awarded to each student.

**Amber Parker**, Student at Toni and Guy School of Cosmetology, spoke **in support of H 162**. She said the training offered at cosmetology school gives her and her fellow students the means to support themselves and their families.

**MOTION:** **Rep. Monks** made a motion to send **RS 162** to the floor with a **DO PASS** recommendation. **Motion carried by voice vote.** **Rep. Thompson** will sponsor the bill on the floor.

**ADJOURN:** There being no further business to come before the committee, the meeting was adjourned at 2:10 P.M.

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Representative Thompson  
Vice Chair

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Catherine Costner  
Secretary