

**CALIFORNIA STATE BOARD
OF
BARBERING AND COSMETOLOGY**

LEGISLATIVE AND BUDGET COMMITTEE MEETING

MINUTES OF MARCH 7, 2022

BOARD MEMBERS PRESENT

Megan Ellis
Calimay Pham, Vice President
Reese Isbell

STAFF MEMBERS PRESENT

Kristy Underwood, Executive Officer
Carrie Harris, Deputy Executive Officer
Sabina Knight, Board Legal Representative
Allison Lee, Board Project Manager
Marcene Melliza, Board Analyst

COMMITTEE MEMBERS ABSENT

Derick Matos

1. AGENDA ITEM #1, CALL TO ORDER/ROLL CALL/ESTABLISHMENT OF QUORUM

Kristy Underwood called the meeting to order at approximately 9:00 a.m. and confirmed the presence of a quorum.

2. AGENDA ITEM #2, ELECTION OF COMMITTEE CHAIRPERSON

Members were asked to volunteer or nominate another member to be committee chairperson.

Mr. Isbell volunteered himself as Committee Chairperson. Ms. Pham moved to nominate Mr. Isbell as Committee Chairperson. Ms. Ellis seconded the motion. Motion was opened up for public comment. No public comments were made. Motion carried three yes, 0 no, and 0 abstain, per roll call vote as follows: The following Committee Members voted "Yes": Megan Ellis, Reese Isbell, Calimay Pham.

Mr. Isbell thanked the Committee members for the nomination and took over the meeting as Chair.

3. AGENDA ITEM #3, DISCUSSION AND POSSIBLE RECOMMENDATIONS REGARDING PROPOSED BILLS

Kristy informed the Committee that there are currently several bills that the Board is tracking. Therefore, this agenda will change regularly as bills get amended.

On each bill presented, the Committee may make a recommendation to the Board to either support, oppose, or watch a bill. If a bill requires any changes, the Committee can support it with amendments or oppose it unless amended.

(a) AB 646 (Low) Department of Consumer Affairs: Board: Expunged Convictions

This bill covers all DCA boards, and it is regarding expunged convictions. There is a requirement that certain information must be posted online when a license is revoked. The bill does not have a significant impact to the Board because the Board rarely revokes licenses. It mainly operates on citation and fine methods of discipline. The Board is known for going into prisons to test and license people who are incarcerated and who are close to being paroled so that they can gain employment in the industry quickly.

Chair Isbell moved to recommend a support position on the bill. Ms. Pham seconded. Motion was opened up for public comment. No public comments were made. Motion carried three yes, 0 no, and 0 abstain, per roll call vote as follows: The following Committee Members voted “Yes”: Megan Ellis, Reese Isbell, Calimay Pham.

(b) AB 1604 (Holden) The Upward Mobility Act of 2022: Boards and Commissions: Civil Service: Examinations: Classifications

The bill covers all DCA boards. On or after January 1, 2023, it requires at least one volunteer Board member or commissioner from an underrepresented community. The bill is not significant for the Board as such data is not captured for any records. The Board is also very diverse. The bill might, however, impact other Boards. Ms. Underwood recommended a watch position on the bill. Ms. Pham felt that the bill is unclear about what it's trying to do or what changes it is trying to call for. She was in support of a watch position. Ms. Ellis agreed.

Ms. Pham moved to recommend a watch position on the bill. Ms. Ellis seconded. Motion was opened up for public comment. No public comments were made. Motion carried three yes, 0 no, and 0 abstain, per roll call vote as follows: The following Committee Members voted “Yes”: Megan Ellis, Reese Isbell, Calimay Pham.

(c) AB 1661 (Davies) Human Trafficking: Notice

The bill requires a notice with human trafficking information to be posted by barbering and cosmetology businesses. Chair Isbell asked if it was an inspection requirement that it is posted. Ms. Underwood stated that it is not currently a requirement, and the Board will not be responsible to enforce the bill. It is an amendment to the civil code. Ms. Pham supported the bill since it would not bring significant changes to what was already being done. She asked how licensees would be informed of the requirement to post. Ms. Underwood stated that information would be provided upon someone becoming licensed for the first time or at renewal time.

Ms. Pham moved to recommend a support position on the bill. Ms. Ellis seconded. Motion was opened up for public comment.

- Jamie Schrabec of Precision Nails urged the Board to take a watch position on the bill. She voiced concern that the Board was more concerned about posting than actually doing something about human trafficking. She also felt that the wording of line 14 of the bill was not clear. It was not clear whether it was a matter applying to all licensed establishments or all licensed individuals. She added that other businesses should also be required to post since human trafficking is happening everywhere.

Motion carried three yes, 0 no, and 0 abstain, per roll call vote as follows:

The following Committee Members voted "Yes": Megan Ellis, Reese Isbell, Calimay Pham.

(d) AB 1733 (Quirk) State Bodies: Open Meetings

The bill would change the Open Meeting Act to allow teleconferences. The Board has held virtual meetings the past few years based on the Governor's Executive Orders. Before the pandemic and Governor's Executive Orders, during a teleconference meeting, it was a requirement to post on the agenda every address where a Board member was calling from, which could be someone's home address. The bill will put it into statute that the Board could continue to hold teleconference meetings without posting board members' locations. Ms. Underwood believes that even though the next meeting is scheduled to be in person, this change would be a good amendment that would still allow for teleconference meetings to encourage public participation.

Ms. Pham pointed out that the analysis required at least one public location to be provided. Ms. Underwood explained that the intent is to have a hybrid setting where there is one location set for the in-person meeting while still allowing virtual interaction. Chair Isbell asked if there has been any review by the Governor's office or oversight on access during virtual conferences. Ms. Underwood stated that there'd been none. She added that all Boards had provided a lot of information to the Department of Consumer Affairs on the bill showing the amount of public participation.

Chair Isbell was concerned about the impact on people who cannot get on the web for their various meetings. Ms. Knight stated that the meetings are not only web-based. Anyone can call in even without internet access. Ms. Pham was concerned that having only one physical location would not be convenient for everyone to attend in-person meetings. Ms. Ellis agreed that having one physical location would not favor those who cannot easily commute to the location. She inquired about a projected cost estimate of having one public location. Ms. Underwood stated that the bill does not require that the physical location is in Sacramento and teleconferencing would still be allowed. Ms. Ellis asked about the number of public members that would attend in the case of having one public location. Ms. Underwood stated that the available numbers are based on pre-COVID times, so the numbers would range greatly.

Ms. Knight explained that the bill would allow for meetings to be held in one public location while still being broadcast for those who would not be able to attend. The only challenge was that there's only one place set up with a hearing room that can do the broadcasting from that physical location. Other locations are currently being explored. Ms. Pham asked if DCA is considering having the hearing rooms available for other Boards that would need them. Ms. Knight stated that DCA is looking to have rooms available for all boards in the Department as all would be subject to the same law. Ms. Underwood stated that DCA did not have a position on the bill. She mentioned that DCA does not typically take positions on bills until the end of the process. Ms. Knight informed that the bill was welcomed by other boards due to the flexibility it offered. A quorum would not be affected, and it would remain the same.

Chair Isbell moved to recommend a support position on the bill. Ms. Pham seconded. Motion was opened up for public comment.

- Jamie Schrabek of Precision Nails voiced support for the bill.

Motion carried three yes, 0 no, and 0 abstain, per roll call vote as follows:
The following Committee Members voted "Yes": Megan Ellis, Reese Isbell, Calimay Pham.

(e) AB 2196 (Maienschein) Barbering and Cosmetology: Instructional Hours

This bill changes the educational hours from the current 1000 hours for barbering and cosmetology to 1200 hours for cosmetology. The hours were changed to 1000 hours in last year's sunset bill effective January 1, 2022.

Ms. Pham wondered about the change and asked what the extra 200 hours were trying to capture. Ms. Underwood stated that she had no additional information on the bill apart from what was in the analysis. She had not talked to the author or sponsor(s) of the bill. Ms. Pham suggested that the Committee take a watch position and wait for more information on the rationale behind the bill. Ms. Ellis agreed to a watch position.

Ms. Pham moved to recommend a watch position on the bill. Ms. Ellis seconded. Motion was opened up for public comment.

- Alison Ramey of Bellus Academy stated that the Academy was opposed to the provisions of SB 803 and the reduction of cosmetology hours. Although they were hoping for 1500 hours, she stated that they would compromise on the minimum number of hours provided in preparing students for a successful career.
- Ryan of the Paul Mitchell Schools was in support of the bill. He felt that with the reduction of hours, the students were not getting enough time to practice their skills. Therefore, the students are not prepared enough to enter salons as they do not have enough experience with clients.
- Fred Jones of the Professional Beauty Federation of California supported a watch position to see how the discussions went in the first policy committee and the first house. He added that cosmetology is the master license as it

incorporates not just hair but skin and nail services. As such, it was inappropriate to keep the same number of hours between barbering and cosmetology.

Mr. Jones also noted that since SB 803 indicated a minimum of 1000 hours, the market incentive would be to get the bare minimum. There will be pressure for schools competing for students and the students who only want to get licensed. He appreciated the Committee for keeping a watch position and expressed support for the motion.

- Kenda Woodward of the Paul Mitchell Schools stated that the reduction in the hours from SB 803 put a hindrance on students. The 1200 hours would give a few more hundred hours to have them master cosmetology. She encouraged the Board to look further into the bill.
- Jamie Schrabek of Precision Nails stated that were it not for SB 803, the Board would not be in existence. There was no way to know how the bill would affect schools yet except for their bottom line. There is incentive for schools to keep students in school to receive compensation from clients.
- Peggy Lee Cao of Paul Mitchell Schools stated that she manages two schools, one in New York and one in California. She indicated that they do 1000 hours in New York and it feels like they are rushing through. She believes that 1200 hours is a good compromise. Ms. Peggy was in support of the bill.

Motion carried three yes, 0 no, and 0 abstain, per roll call vote as follows:

The following Committee Members voted "Yes": Megan Ellis, Reese Isbell, Calimay Pham.

4. AGENDA ITEM#4, REVIEW AND DISCUSSION OF CURRENT BUDGET FY21/22, AND POSSIBLE RECOMMENDATIONS TO THE BOARD

The budget looked the same as it did in the recent Board meeting because it is still being worked on. No current projections are available. The budget relies on many other entities through the State of California. Therefore, systems have to be updated to get the current projections regularly. For the systems to be updated, every Board must complete its fiscal process on time. There are no issues with the budget. It is a healthy budget, making it the last to be looked at by the budget office. The Board relies heavily on the consumer affairs budget analyst who works on monthly projections, setting the annual budget through the Department of Finance, and legislative fiscal impacts from passed bills. The Board also has its own budget analyst who works with the DCA analyst on monitoring our spending and making sure we are in line. The fund condition is printed in the Governor's budget. Currently, the projections are not aligned and are always showing red on the printed material. The Board is working on the alignment to get it better adjusted. A better alignment will indicate an accurate measure of allocating for what is spent regularly. Most of the spending is standard as approximately the same amount is spent on printing and postage every year.

Since there are no practical exams, Ms. Pham asked what the facility expenses are expected to be. Ms. Underwood stated that the difference in expenses is significant without the practical exam. The cost averaged around \$1.5 million a year for the practical exam portion. As a result of that, a fee study will be done to determine if the

fees should be reduced as there are no more practical exams and facilities. This will be discussed in the strategic plan.

The Department has historically answered all calls. The Department currently uses the 800 number in its call center. Unfortunately, that call center hasn't been able to assist callers over the last few years because they only have limited access to the database. Therefore, the Board is looking at the possibility of having additional staffing in the office to answer the calls. Callers are usually given the option of emailing the office, but that puts an extra workload on the staff in responding to the emails. The budget change proposal process is coming up beginning of this year. Determination of the required staffing levels is ongoing. The available money will enable the allocation of additional staffing without asking for money from the fund condition. Changes happened on January 1, halfway through the fiscal year. They will be apparent when the fiscal year is closing out.

No public comments were made.

5. AGENDA ITEM #5, PUBLIC COMMENT ON ITEMS NOT ON THE AGENDA

No public comments were made.

6. AGENDA ITEM #6, AGENDA ITEMS FOR THE NEXT MEETING

- Ms. Underwood recommended monthly meetings. She also stated that in the past the Board only took positions on bills that directly impact the Board. She asked if the Committee would consider looking at bills that have department-wide impacts in the future. Chair Isbell agreed that the purview question should be part of the agenda for the next meeting. He also recommended having monthly Committee meetings. Ms. Pham suggested having the meetings scheduled relatively close to the Board meetings, so the information is ready to share on the Board meeting agenda. Ms. Ellis pointed out that this time of year has a lot of bills either being reviewed, amended, or edited. She proposed having regular meetings during this time of year and then moving to less frequent schedules when things slow down. Chair Isbell agreed with Ms. Underwood's and Ms. Ellis's recommendations.
- Jamie Schrabek of Precision Nails urged the Committee to have more frequent meetings earlier in the process. Ms. Schrabek also suggested keeping an eye on what's happening with the Bureau of Private Post-Secondary Education and the California Massage Therapy Council. She stated that even though massage therapy is not part of licensure, it happens in many of the same establishments that the Board licenses. Ms. Schrabek further urged the Board to add AB 1818 to its list and support it strongly because it would align manicurists with all the other licensed types and exempting them from AB 5. She stated that AB 1561 went the entire course without being brought up with the Board, and that extended the industry's sunset from AB 5 until 2025. If no action is taken, licensed manicurists would not be able to be independent contractors as of the end of 2024.

- Ms. Ellis proposed a discussion to determine whether to review all DCA policies or just those pertinent to the Board of Barbering and Cosmetology.
- Chair Isbell asked if the Committee has ever made recommendations or resolutions generally that are not explicitly related to a current bill.
- Ms. Underwood answered that it had not happened in the past. Chair Isbell added it to the next agenda items.

7. AGENDA ITEM #7, ADJOURNMENT

There being no further business to discuss, the meeting adjourned at approximately 10:28 a.m.