



Phagans' Beauty College (Phagans' Cosmetology Colleges)  
Phagans' Central Oregon Beauty College (Phagans' Cosmetology Colleges)  
Phagans' Grants Pass College of Beauty (Phagans' Cosmetology Colleges)  
Phagans' Medford Beauty School (Phagans' Cosmetology Colleges)  
Phagans' School of Beauty (Phagans' Cosmetology Colleges)

April 6, 2019

Written Testimony for the House Committee on Education Bill HB-2976 (opposition)

To: Chair Representative Margaret Doherty and Members of the House Committee on Education

Chair Doherty thank you for reviewing our testimony. Our names are Karen Dieckman and Kristie Davis. We own and operate Phagans' Cosmetology Colleges in Bend, Medford, Grants Pass, Salem and Bend, Oregon that range in size from approximately 30 to 90 students. We have the privilege of working along beside over forty amazing team members who dedicate themselves to educating future professional cosmetologists.

We have been serving these communities of Oregon for decades, by not only offering cosmetology programs within them, but also providing an experiential learning model in which the public needs are met as well. For example, we offer discounted services to senior citizens, \$1 haircuts to any member of the military, free haircuts to several of our communities most unfortunate citizens, and free haircuts to any school aged child who cannot otherwise afford one. We feel it is extremely necessary to show our students the benefits of giving back, as well as the life skills necessary to be good stewards of service within our local communities.

As you might imagine, we are very small private vocational career schools. And, even though we are small, we fundamentally believe we play a vital role in the 40-40-20 Oregon initiative. The Higher Educating Coordinating Commission of Oregon has presented data that supports the importance of private career schools within the state, and it is for this reason we are writing to you, in hopes you reconsider pushing forward with HB 2976.

A majority of our students are women, often of adult age and several are already parents, many whom are single parents. Most of them do not come from privileged backgrounds and therefore rely on some form of financial aid in order to complete their schooling with us. We are extremely concerned about the unintended consequences a bill such as HB 2976 will have upon students such as ours.

We have very few students who receive veterans aid, and those that do, are generally very good students who complete and go on to become placed. Our students do not receive state aid. Most of our students qualify for federal Title IV aid via Pell Grants, Loans or both. This federal aid helps them not only pay for schooling costs, but for living expenses during their enrollment. If we are forced to only enroll students who could afford to pay for 20% of the costs themselves, or only enroll up to 80% of students that can receive aid, we would undoubtedly be forced to close off enrollment opportunities to some of those that seek to better themselves, in order to meet this arbitrary and capricious metric

outlined in HB 2976. This seems it would lead to the exact opposite of what the 40-40-20 plan is attempting to achieve. In addition, it would harm the economically disadvantaged from pursuing a career that may be their top choice simply because it is offered a private career school.

Our prospective students come to us. They seek us out because they are passionate about pursuing a career in the cosmetology arts and sciences. They want to become Hair Designers, Nail Technologists, Estheticians and Barbers. It is troubling to know that HB 2976 would be detrimental to our potential students being able to pursue their dreams because of their financial status and/or inability to self-fund their schooling.

We are already extremely well regulated. We are licensed by the Higher Education Coordinating Commission, and accredited by the National Accrediting Commission of Arts and Sciences. We are required by both of these oversight bodies to report student outcome, as well as financial data annually. In addition, we are required to submit audited financial statements and independent financial aid audits to the US Department of Education annually. We are also required to submit documentation on a regular basis to the Veterans Department concerning our small number of VA students.

The standards for private career schools in Oregon set forth in HB 2976 are most likely well intended. However, the “large predatory bad actors” the bill was designed for are no longer operating in Oregon to our knowledge. The remaining schools – including ours – are for the most part relatively small and have been serving the communities in which they operate for several years, if not decades. Please do not let this bill move forward.

This bill is influenced by outsiders and will not benefit Oregon taxpayers nor protect students. To the contrary, it will harm small private career schools, like ours, led by woman who dedicate themselves to providing educational opportunities for other women and men. Please do not close off higher education opportunities for Oregonians by adding yet another layer of haphazard regulations that do nothing to advance our state’s education achievement goals.

Thank you for taking the time to consider our written testimony.

Sincerely,

Karen Dieckman  
President & CEO  
Co-Owner

Kristie Davis  
Vice President & CFO  
Co-Owner