
OHIO STATE BOARD OF COSMETOLOGY

1929 Gateway Circle

Grove City, Ohio 43123

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OFFICIAL BOARD MEETING MINUTES OF June 14, 2016

REGULAR BUSINESS MEETING

TRANSCRIPTION NOTE (Exhibit A):

Anderson Reporting Service, 3242 West Henderson Road, Suite A, Columbus, OH 43220 was the transcription service for this meeting. Transcript is attached as Exhibit A.

MEMBERS IN ATTENDANCE (Exhibit B):

Clara Osterhage, Vice Chairman

Steven Thompson

Luke Hanks

Charles Penzone

Tasha Sheipline

Valerie Benfer

Staff in attendance:

Christopher H. Logsdon, Executive Director

Lori Pearson, Deputy Director

Lori Flanery, Program Administrator 1

Assistant Attorney General in attendance:

Daniel Murry, Assistant Attorney General

Others in Attendance:

Sue Moore, SSG

Elizabeth Murch, OSA

Emily Harrison, Kenneth's

Melinda Williams, Madison Adult Career Center

Jasmine Lawrence, Madison Adult Career Center

Addison Mcloughlin, Madison Adult Career Center

Laura Williams

LaDashea Oakley

Matt Wells, ODE

Heather Ward, Madison Adult Career Center

Michelle Yost

Janaye Lindsay, Madison Adult Career Center

Jaylya Hall, Madison Adult Career Center

Agenda item #1: CALL MEETING TO ORDER

Ms. Osterhage called the meeting to order at 1:02 p.m.

Agenda item 1a: Roll Call

Ms. Flanery took roll call and six members were present. Having noted a majority of members were present, Ms. Osterhage proceeded to conduct business. Tommy Taneff and Dr. Shalini Gupta were not present for the meeting.

Agenda item 1b: Pledge of Allegiance to the Flag of the United States of America

Following the roll call, Ms. Osterhage asked members to stand and recite the Pledge of Allegiance to the Flag of the United States of America. Members and audience rose and recited the Pledge of Allegiance.

Agenda item 1c: Approval of Meeting Agenda (Exhibit C)

Motion #1: Ms. Shepline moved to approve the meeting agenda for the June 14, 2016 Board meeting. Mr. Thompson seconded the motion. Discussion: None. Roll call vote taken - carried: 6 – 0.

Agenda item #2: APPROVAL OF PREVIOUS MEETING MINUTES (Exhibit D)

Agenda item 2a: Approval of Previous Meeting Minutes (Exhibit D)

Motion #2: Ms. Shepline moved to approve the May 10, 2016 meeting minutes. Ms. Benfer seconded the motion. Discussion: None. Roll call vote taken - motion carried: 6– Yes.

Agenda item #3: OFFICER AND STAFF REPORTS (Exhibit E)

Agenda item 3a: Chairperson's Report

Ms. Osterhage had no report.

Agenda item 3b: Executive Director's Report (Exhibit E)

Mr. Logsdon filed a written report. Mr. Logsdon reported on the fiscal analysis for the fiscal year 2016, stating the year was going to finish within budget. Mr. Logsdon reviewed Fiscal Year 2017 allotments.

Next, Mr. Logsdon reported that Sub. S.B. 213 was enacted on June 13, 2016.

Mr. Logsdon reported that the Board received 57 applications for the open Attorney position and a tentative offer was made and accepted by one candidate. Mr. Logsdon included a resolution for board consideration.

Next, Mr. Logsdon reported that the staff has begun work on the Board FY 2016 annual report. Mr. Logsdon stated the report would be a comprehensive review and should be available for Board consideration in August.

Last, Mr. Logsdon provided a brief review of the violations issued during FY 2016.

Motion #3: Mr. Hanks moved to approve the following resolution:

WHEREAS, The Board is authorized under O.R.C. 4713.06 to employ staff as necessary to administer Chapter 4713 of the Revised Code, and

WHEREAS, pursuant to approved policy 2 – III, Appointment of Executive Director and Delegated Duties, the Board has authorized the Executive Director to employ office staff as necessary to carry out the Board's responsibilities under Chapter 4713 of the Revised Code, and

WHEREAS, the Executive Director has identified a need to fill an open Attorney 4 position,

BE IT RESOLVED, that the Board affirms the tentative employment offer for Charley Yaniko for the position of Attorney 4.

Mr. Penzone seconded the motion. Discussion: None. Roll call vote taken - motion carried: 6– Yes.

Motion #4: Ms. Shepline moved to approve the Executive Director's Report. Mr. Hanks seconded the motion. Discussion: None. Roll call vote taken - motion carried: 6– Yes.

Agenda item #4: COMMITTEE REPORTS

Agenda item 4a: Administrative Action Committee Report (Exhibit F)

Ms. Osterhage asked Mr. Logsdon to present the Administrative Review Committee (ARC) report. Mr. Logsdon reported that the ARC met on June 9, 2016. Mr. Logsdon then reviewed each case listed in the ARC report. Discussion: None.

**Names and identifying information was redacted from the Administrative Review Report. For the purpose of discussion, matters were referred to only by case number and referenced by case number verbally. Identifying information based upon the correlating case number was added during the writing of the minutes where specific reference or motion is entered upon the board's journal.*

Motion #5: Mr. Thompson moved to confirm the Administrative Review Committee (ARC) report, as referenced hereto by attachment to the minutes of the Board. Ms. Sheipline seconded the motion. Discussion: None. No further discussion. Roll call vote taken - motion carried: 6 – Yes.

Agenda item #5: PUBLIC TESTIMONY

None.

Agenda item #6 UNFINISHED BUSINESS

None.

Agenda item #7: OLD BUSINESS

None.

Agenda item #8: NEW BUSINESS

Agenda item 8a: Sub. S. B. 213 – Implementation Plan (Exhibit G)

Ms. Osterhage advised members that the review of the implementation plan could take extra time. Mr. Logsdon was asked to present the plan.

Mr. Logsdon stated that the act represented a fairly substantial change from our current law. He stated there were a number of changes in Senate Bill 213 that would require significant time and effort on behalf of the staff, on behalf of the Board and on behalf of the number of stakeholders, ranging from salons, educators, and educational participants to advance implementing the provisions in a timely manner. Mr. Logsdon stated the proposed plan is designed to address those challenges. Mr. Logsdon asked members to turn to page 10 to begin the review.

Mr. Logsdon stated the plan considers the difference between major components and lesser components of the Act. Mr. Logsdon characterized a major change or a major issue contained in the act as one that would consume a larger amount of resources to implement or significantly changes the functionality, policies, or the procedures of the Board. A lesser component, Mr. Logsdon described as going into effect with less change in agency functionality. Most of the lesser issues, he stated were addressed in the closing of the proposed plan. Certain aspects of Substitute Senate Bill 213, he stated, provide up to two years to implement; however, in some instances, Mr. Logsdon stated the implementation schedule recommends advancing implementation to "as soon as possible" to get the requirement done. Some aspects of the proposed plan, he stated, might need to be modified, and that modification could be due to our process of learning; understanding the full scope of the new provisions; in some cases, legal analysis so that a better understanding is gained. Mr. Logsdon described discovery as a big part of the implementation. Rule drafting, he stated would be a big part of the

implementation and that new things might be discovered as the staff proceed through rule review and updating, which could alter the implementation schedule.

Mr. Logsdon then proceeded to discuss the five major aspects of the Act. The first he reviewed was Boutique Salon licensing. Mr. Logsdon stated the e-licensing configuration to accept the new credential should be straightforward, but risk management would be a primary concern. Mr. Logsdon stated that he would be recommending that the Board configure the current licensing system and the future licensing system simultaneously to reduce the risk that the new system would not be ready due to addition implementation delay. Mr. Logsdon stated that communicating the licensing requirement to the industry could be a challenge, because the Board doesn't track this aspect of the industry.

Next, Mr. Logsdon addressed the implementation plan for "Advanced Practice" licensing. Mr. Logsdon described advanced licensing as a complete policy and procedure shift for the agency and that taken in isolation, the amendment would represent a sizeable implementation. Implementation for this aspect of the plan, he stated, represented a challenge that needs to be carefully managed to ensure a timely transition and deployment. Mr. Logsdon stated that stakeholder involvement was necessary for implementation. Communicating the effect of the change to schools, he stated, would be very important, as well as reaching effective resolutions with students currently enrolled in courses or curriculums related to the manager's license. Following, the Board will need to work with the industry and schools to develop curriculums designed to meet the market needs to train and test individuals at an advanced level. Testing design and development, Mr. Logsdon stated, should come from the designed curriculums. Mr. Logsdon recommended moving up the two year transition from current manager licenses to advanced practice licenses, proposing the transition should be completed by the soonest date possible, if not September 11, 2016. Mr. Logsdon cited the requirements for an Instructor license as one reason for moving up the transition. Mr. Logsdon advised the Board that IT configuration should be able to be done quickly and communicated quickly. Mr. Logsdon recommended that development of communications, licensing templates, and e-license configuration should begin immediately. Following this, Mr. Logsdon stated the rules should be reviewed for compliance with the Act and re-drafted. Mr. Logsdon stressed again the need to base curriculum design on market needs. Mr. Logsdon stated that subject to legal review he believed the Board should consider rules that address gap education issues, especially persons currently enrolled in manager training that will not complete the training and examine before September 11, 2016 or persons that will complete the training before September 11, 2016, but cannot examine. Mr. Logsdon stated that he believes it would be prudent for the Board to ask if there is recognition of current educational processes or the completion of current education that can be carried over to the advanced practice. Mr. Logsdon stated his perspective that the Board should not disenfranchise persons that have invested time, money, and effort in the current system, which will end as a result of the Act. Mr. Logsdon advised the Board to look into whether a transition could be done.

Regarding Instructor examinations Mr. Logsdon reported that the Board's legal counsel needs to determine if all provisions go into effect on the effective date of the Bill. Mr. Logsdon stated that if they do not, then the current provisions would remain in effect until the new curriculum and examination are completed, which must be completed within two years.

Mr. Logsdon reported that disciplinary action and fine amendment contained in the Act will represent a lot of work. Mr. Logsdon stated the new provisions in the Act require the Board to identify violations that are related to safety, licensing and sanitation. Mr. Logsdon stated that all other violations, from his review of the Act, appeared move through Section 4713.99 of the Revised Code. Mr. Logsdon stated the breakdown along the new categories will change the Board's violation guidance matrix and the focus of field inspections. Disciplinary fines, Mr. Logsdon reported, have been changed in the Act. The Act, he stated, requires the Board to extend payment deadlines, add penalties, and interest if fines or fees are not paid. Mr. Logsdon stated that the Board will need to consider issues like how much interest, what type of interest, and in what manner shall it be applied.

Last, Mr. Logsdon noted that the Act will treat independent contractors as salons for the purpose of inspection.

Discussion: Mr. Penzone inquired if the Bill passed the House and Senate unanimously. Mr. Logsdon responded that he believed it did.

Motion #6: Mr. Penzone moved to approve the Sub. S.B. 213 tentative implementation plan Ms. Shepline seconded the motion. Discussion: None. Roll call vote taken - motion carried: 6 – Yes.

Agenda item 8b: E- License 3.0 Update

Mr. Logsdon was asked to review the matter. Mr. Logsdon informed the Board that the Cosmetology Board was intended to be the first full-scope design for the new licensing system, which was supposed to be rolled-out in January 2016. The date, he reported, was delayed due to data conversion issues and design changes. The Board, Mr. Logsdon stated, was moved out to “Release 3.0,” which was scheduled to be rolled out in July 2016; however, due to conversion issues the Board has been advised the date will be moved again. Mr. Logsdon stated the Sub. S.B. 213 now presents additional requirements and that he met with the Department of Administrative Services (DAS) on June 13, 2016 to discuss changes contained in Sub. S.B. 213. Mr. Logsdon informed the Board that another meeting is scheduled for June 16, 2016 and DAS is looking forward to receiving a copy of the implementation plan. Mr. Logsdon reported that he provided DAS with a line-by-line analysis of the bill and each changes impact on the elicense system and Board rules. These changes, Mr. Logsdon reported, will further delay the rollout date. Mr. Logsdon also added that the current license renewal process that begins this fall represents additional concern, because licensees would need to be able log on to the new system. Mr. Logsdon emphasized that his primary focus moving forward is not just implementing changes in Sub. S.B. 213, but also reaching a successful end point on licensing system changes. This process, he continued, requires re-educating staff on how people are licensed and how the system works. To that extent, Mr. Logsdon stated, he is looking at system contingencies so that the agency does not miss a beat and licensees are able to renew on time and not be dissatisfied with service.

Discussion: Ms. Osterhage inquired if the renewal period was in rule or law. Mr. Logsdon responded that he believed it was law. Ms. Osterhage inquired if notification could be delayed. Mr. Logsdon responded that renewal notifications are sent out in September or October to get licensees their information in time and to make licensees aware of the continuing education requirements. Additionally, early mailing, he stated, gives the staff time to deal with the flow of nearly 130,000 salons and individuals. Mr. Logsdon stated that the process could be delayed, but it would compress the schedule. Mr. Logsdon stated that if he was not confident in the new system release date, he would need to make a decision on remaining on the current licensing system soon. Ms. Osterhage asked if the renewal date could be delayed. Mr. Logsdon responded that it could not. Mr. Penzone asked why renewal was every two years. Mr. Logsdon responded it was statutory. Mr. Penzone inquired about a four-year cycle. Mr. Logsdon responded that a two year cycle is the normal for most boards and it’s based on the biennial budget. Mr. Penzone asked if it would take a legislative change. Mr. Logsdon stated that it would. Mr. Penzone stated four-year renewal would be easier for the agency and its constituents. Mr. Logsdon stated the challenge would be the funding. Mr. Logsdon stated agencies, like the Board, are required to generate sufficient revenue to meets its expenses and that should be within the fiscal year.

No further discussion.

Agenda item 8c: Hearing Officer Report and Recommendations (Exhibits H and I)

R&R – 1: In the matter of Graffiti’s Salon, COSS.140241, Case #2016-111 (Exhibit H)

Motion #7: Ms. Shepline moved to approve the hearing examiner’s findings of fact in the matter of Graffiti’s Salon, COSS.140241, Case #2016-111. Mr. Thompson seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 6 – Yes.

Motion #8: Ms. Shepline moved to approve the hearing examiner’s conclusions of law in the matter of Graffiti’s Salon, COSS.140241, Case #2016-111. Ms. Benfer seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 6 – Yes.

Motion #9: Ms. Sheipline moved to approve the hearing examiner's recommended Order of the Board in the matter of Graffitti's Salon, COSS.140241, Case #2016-111 to impose a \$500.00 fine. Ms. Benfer seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 6 – Yes.

The Order will be entered upon the Board's journal and attached hereto as an exhibit to the proceedings.

SO ORDERED

The language contained therein will be incorporated by reference into the Board's journal in this case and attached as an exhibit to the minutes.

R&R – 2: In the matter of Windsor House at Champions, OTH.150668, Case #2015-533 (Exhibit I)

Motion #10: Ms. Sheipline moved to approve the hearing examiner's findings of fact in the matter of Windsor House at Champions, OTH.150668, Case #2015-533. Ms. Benfer seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 6 – Yes.

Motion #11: Ms. Sheipline moved to approve the hearing examiner's conclusions of law in the matter of Windsor House at Champions, OTH.150668, Case #2015-533. Ms. Benfer seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 6 – Yes.

Motion #12: Ms. Sheipline moved to approve the hearing examiner's recommended Order of the Board in the matter of Windsor House at Champions, OTH.150668, Case #2015-533 to impose a \$500.00 fine. Ms. Benfer seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 6 – Yes.

The Order will be entered upon the Board's journal and attached hereto as an exhibit to the proceedings.

SO ORDERED

The language contained therein will be incorporated by reference into the Board's journal in this case and attached as an exhibit to the minutes.

Agenda item 8d: Correction to Previously Approved Orders of the Board

None.

Agenda item 8e: Board Orders to Enforce Notices of Opportunity for Hearing (Items #1 - #14) – (Exhibit J collective)

Motion #13: Mr. Penzone moved to approve Orders of the Board as listed on "COS – Issue Report NOV Business + Credential" dated 5/24/2015 to 5/24/2016 as items #1 through item #14 and the Orders to be journalized and attached hereto as an exhibit entered upon the Board's journal. Ms. Sheipline seconded the motion. Discussion: None. Roll call vote taken - Motion carried: 6 - Yes

The Orders of the Board shall become effective upon the date of mailing of the Orders.

SO ORDERED

The language contained therein will be incorporated by reference into the Board's journal in this case and attached as an exhibit to the minutes.

Agenda item 8f: Board Orders to Approve Settlement Agreements (Items #15- #59)
(Exhibit K collective)

Motion #14: Mr. Penzone moved to approve the Settlement Agreement Orders of the Board as listed on the "COS – Issue Report NOV Business + Credential" dated 5/24/2015 to 5/24/2016 as items #15 through item #59 and the Orders to be attached hereto as an exhibit entered upon the Board's journal as Orders of the Board. Ms. Benfer seconded the motion. Discussion: None. Roll call vote taken - Motion carried: 6 - Yes.

The Orders of the Board shall become effective upon the date of mailing of the Order.

SO ORDERED

The language contained therein will be incorporated by reference into the Board's journal in this case and attached as an exhibit to the minutes.

Agenda item #9 EXECUTIVE SESSION

None.

Agenda item #10 ADJOURNMENT

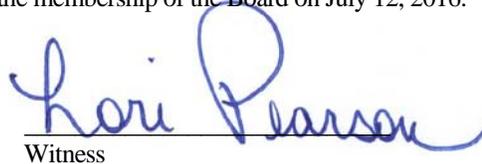
Motion #15: Mr. Penzone moved to adjourn. Mr. Thompson seconded the motion. Discussion: None. Roll call vote taken. Motion carried: 6- Yes.

The meeting adjourned at 1:58 p.m.

Executive Director's Certification: These are a true account of the proceedings in accordance with Section 121.11 of the Ohio Revised Code, approved by a majority of a quorum of the membership of the Board on July 12, 2016.



Christopher H. Logsdon, Executive Director



Witness