

ASSEMBLY HIGHER EDUCATION COMMITTEE

STATEMENT TO

ASSEMBLY, No. 4680

with committee amendments

STATE OF NEW JERSEY

DATED: OCTOBER 13, 2022

The Assembly Higher Education Committee reports favorably Assembly Bill No. 4680, with committee amendments.

As amended, this bill clarifies that the provisions of current law concerning requirements for the closure of private career schools that operate in the State also apply to certain schools licensed by the New Jersey State Board of Cosmetology and Hairstyling and requires the New Jersey State Board of Cosmetology and Hairstyling to develop a model teach-out plan.

The bill clarifies that privately owned and privately operated postsecondary schools, other than institutions of higher education or proprietary institutions licensed to offer academic degrees, licensed by the New Jersey State Board of Cosmetology and Hairstyling for the purpose of teaching cosmetology and hairstyling, beauty culture, barbering, manicuring, hair braiding or skin care specialty to registered students, must file teach-out plans that address potential school closures with the Commissioner of Labor and Workforce Development.

The bill requires the New Jersey State Board of Cosmetology and Hairstyling to develop a model teach-out plan for use by a private career school licensed by the board in submitting the teach-out plan to the commissioner as required pursuant to current law. The model teach-out plan is required to be available by September 1, 2023.

This bill is meant to address the abrupt closure of Capri Institute, a school licensed by the New Jersey State Board of Cosmetology and Hairstyling with several locations in the State, as well as similar closures that could occur in the future. When Capri Institute closed, many students were left with institutional debt and no way to access their transcripts. If the school had entered into a teach-out agreement, as required by the private career school law, Capri Institute would have been required to arrange for transfer of the students to an eligible transfer institute approved by the commissioner and provide students with a complete academic record and official transcripts.

This bill clarifies that the private career school law's teach-out agreement requirement applies to schools licensed by the New Jersey State Board of Cosmetology and Hairstyling. The bill's effective date

is retroactive to September 1, 2021, the effective date of that law, P.L.2021, c.27.

COMMITTEE AMENDMENTS:

The committee amended the bill to require the New Jersey State Board of Cosmetology and Hairstyling to develop a model teach-out plan for use by private career schools licensed by the board in submitting the teach-out plan to the Commissioner of Labor and Workforce Development, as required pursuant to current law. The model teach-out plan is required to be available by September 1, 2023.