

LEGISLATIVE FISCAL ESTIMATE

[First Reprint]

ASSEMBLY, No. 3414 STATE OF NEW JERSEY 221st LEGISLATURE

DATED: JANUARY 15, 2025

SUMMARY

- Synopsis:** Modifies regulation of student permits by NJ State Board of Cosmetology and Hairstyling and establishes oversight of individuals seeking employment as shampoo technicians.
- Type of Impact:** Annual State revenue and expenditure increases.
- Agencies Affected:** Department of Law and Public Safety.

Office of Legislative Services Estimate

| Annual Fiscal Impact | |
|------------------------|---------------|
| State Cost Increase | Indeterminate |
| State Revenue Increase | Indeterminate |

- The Office of Legislative Services (OLS) notes that the bill's expansion to allow employment opportunities for certain individuals to shampoo and rinse hair will result in annual increases in State revenue collections from examination and certification fees, fines, and penalties by indeterminate amounts.
- The OLS does not have information on the number of new students that will apply for the shampoo permit or the marginal regulatory cost per new permit holder or the number of individuals who will apply to be shampoo technicians with which to arrive at a cost estimate. The magnitude of the cost increase will also depend on operating decisions made by the New Jersey State Board of Cosmetology and Hairstyling.

BILL DESCRIPTION

This bill authorizes the performance of services involving shampooing and rinsing hair for various individuals. Under the bill, a registered student in a program from cosmetology and hairstyling, beauty culture, or barbering with at least 60 hours of course instruction in cosmetology and hairstyling completed may receive a shampoo permit. The student may be a junior student,

with less than half of coursework and training completed, or a senior student, with at least half of required coursework and training completed.

An individual who is not a registered student, but seeks employment to shampoo and rinse hair can obtain employment as a shampoo technician through the bill. To do so, the individual is to complete 60 hours of training: (1) offered by a school licensed by the New Jersey State Board of Cosmetology and Hairstyling or a public school vocational program approved by the State Board of Education; or (2) provided by a licensed shop, for a reasonable fee.

FISCAL ANALYSIS

EXECUTIVE BRANCH

None received.

OFFICE OF LEGISLATIVE SERVICES

The OLS notes that the bill's establishment of a shampoo permit for certain students and a certification as shampoo technician for individuals not enrolled in a school or program will result in annual increases in State revenue collections from permit and certification fees, fines, and penalties by indeterminate amounts. In the absence of information regarding demand for the expanded student permit and for certification as a shampoo technician, the OLS cannot project the magnitude of the associated annual State revenue gain. The student permit fee is currently \$5 per applicant.

The OLS anticipates that the expanded student permit would increase the recurring administrative expenditures of the New Jersey State Board of Cosmetology and Hairstyling to issue new permits and regulate the new junior students. The New Jersey State Board of Cosmetology and Hairstyling oversees an estimated 89,000 licenses annually. The OLS, however, does not have information on the number of new students that will apply for the shampoo permit, the marginal regulatory cost per new permit holder, or the number of individuals who will apply to be shampoo technicians with which to arrive at a cost estimate. The magnitude of the cost increase will also depend on operating decisions made by the New Jersey State Board of Cosmetology and Hairstyling.

Section: Law and Public Safety

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This legislative fiscal estimate has been produced by the Office of Legislative Services due to the failure of the Executive Branch to respond to our request for a fiscal note

This fiscal estimate has been prepared pursuant to P.L.1980, c.67 (C.52:13B-6 et seq.).