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FISCAL IMPACT REPORT

		LAST UPDATED	<u>03/14/2025</u>
SPONSOR	<u>Sen. Trujillo/Rep. Borrego</u>	ORIGINAL DATE	<u>03/01/2025</u>
	<u>Movie Exemption from Barber & Cosmetic</u>	BILL	<u>Senate Bill</u>
SHORT TITLE	<u>Act</u>	NUMBER	<u>127/aSTBTC</u>
		ANALYST	<u>Gygi</u>

REVENUE* (dollars in thousands)

Type	FY25	FY26	FY27	FY28	FY29	Recurring or Nonrecurring	Fund Affected
License Fees	Indeterminate but minimal loss	Indeterminate but minimal loss	Indeterminate but minimal loss	Indeterminate but minimal loss	Indeterminate but minimal loss	Recurring	Barbers and Cosmetologists Fund

Parentheses () indicate revenue decreases.

*Amounts reflect most recent analysis of this legislation.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
RLD	No fiscal impact	No fiscal impact	No fiscal impact	No fiscal impact		

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From

Economic Development Department (EDD)

Regulation and Licensing Department (RLD)

SUMMARY

Synopsis of STBTC Amendment to Senate Bill 127

The Senate Tax, Business and Transportation Committee (STBTC) amendment to Senate Bill 127 replaces the phrase “motion picture” with “theatrical or cinematic” before productions. The amendment also adds “airforce” to the commissioned officers exempt from state licensing requirements under the Barbers and Cosmetologists Act.

Synopsis of Senate Bill 127

Senate Bill 127 (SB127) would amend the Barbers and Cosmetologists Act (Section 61-17A-1 to 25 NMSA 1978) to provide exemptions for make-up artists and hairstylists who are employed in motion picture productions from the licensing provisions of the act.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

There is no impact on the operating costs of the Regulation and Licensing Department (RLD). RLD reports that SB127 will likely cause a loss of revenue for the Board of Barbers and Cosmetologists as makeup artists and hairstylists working in movie productions are currently required to be licensed in New Mexico. However, there is no available data on how many licenses were issued specifically for the purpose of motion picture productions. Therefore, this fiscal impact report indicates an indeterminate but minimal recurring loss in revenue to the barbers and cosmetologists fund.

RLD notes that, “SB127 may also impact the revenue of instructors and schools of cosmetology as there will be less demand for such specialized education if practitioners are able to practice without a license.”

SIGNIFICANT ISSUES

Currently, there are no specific licensing requirements for make-up artists and hairstylists in the film industry. According to RLD, in New Mexico:

Hairstylists are required to complete training, work under supervision, and the establishments where they work are subject to inspection. SB127 could create an exemption allowing hair services to be furnished at movie production sets without licensing or oversight that is currently required for licensure and ensured through inspections.

The Board of Barbers and Cosmetologists, while being generally in favor of SB127, raised the following concern regarding hairstylist licensing:

When consulted about this bill prior to its filing, the board was made only aware of the provision to exempt make-up artists. Make-up artists working on motion picture productions are exempt from licensure requirements in other states, but not hairstylists. [Hairstylists] are not exempt from the licensure requirements. [Emphasis added.]

According to the Economic Development Department (EDD), the proposed exemption in SB127 acknowledges the unique needs of the film and television industry and supports New Mexico’s position as a film-friendly state. EDD reports that the film and television industry has contributed over \$7.3 billion to New Mexico’s economy, creating jobs and opportunities statewide. EDD also notes that if SB127 is not enacted, “Productions may favor states with clearer policies that understand the film industry, potentially reducing New Mexico’s competitive edge.”

EDD suggests the current licensing requirement might result in lost revenues and lost jobs. However, the current licensing requirement might also prompt productions to hire New Mexicans who hold the required licenses.

TECHNICAL ISSUES

The STBTC amendment to SB127 replaces the term “motion picture” with “theatrical or cinematic” but does not provide a definition for either term. RLD asserts that, “The term ‘motion picture production’ needs to be clearly defined so that no one can claim to be an ‘artist to the stars’ or some other self-title and then assume that they can practice under the motion picture production exemption.”

OTHER SUBSTANTIVE ISSUES

RLD raises concerns that SB127 might encourage requests for exemptions from other licensing requirements for barbers, cosmetologists, manicurists/pedicurists, and estheticians related to hygiene and infection control. “Current health and safety regulations put in place by the Board might be violated without oversight via inspection, and there would be [no] recourse to address such violations.”

ALTERNATIVES

RLD suggests that, “A permit for event motion picture productions allowing unlicensed makeup artists to practice under that special event permit could be enacted.”

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Movie productions will continue to utilize makeup artists and hair stylists licensed in New Mexico for their productions.

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