HB246 ENROLLED



- 1 RBATYM-3
- 2 By Representatives Paschal, Hassell
- 3 RFD: Boards, Agencies and Commissions
- 4 First Read: 04-Apr-23
- 5 2023 Regular Session



1 Enrolled, An Act,

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4 Relating to the licensed practice of cosmetology; to 5 provide and adopt the Cosmetology Licensure Compact to allow licensed cosmetologists to practice pursuant to a multistate 6 7 license among compact states in a limited manner; to provide eligibility requirements for licensed cosmetologists to 8 9 practice cosmetology pursuant to the compact; to provide for a coordinated licensure information system, joint 10 11 investigations, and disciplinary actions; to establish the 12 Cosmetology Licensure Compact Commission; to provide for the 13 membership, powers, duties, and rulemaking functions of the 14 commission; and to provide for oversight of the compact, 15 enforcement of the compact, default procedures, dispute 16 resolution, withdrawal of compact states, and amendments to the compact. 17

18 BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:

19 Section 1. Purpose.

(a) The purpose of this compact is to facilitate the interstate practice and regulation of cosmetology with the goal of improving public access to, and the safety of, cosmetology services and reducing unnecessary burdens related to cosmetology licensure. Through this compact, the member states seek to establish a regulatory framework which provides for a new multistate licensing program. Through this new licensing program, the member states seek to provide increased value and mobility to licensed cosmetologists in the member



- states, while ensuring the provision of safe, effective, and reliable services to the public.
- 31 (b) This compact is designed to achieve the following 32 objectives, and the member states ratify the same intentions, 33 by subscribing to all of the following:
- 34 (1) Provide opportunities for interstate practice by 35 cosmetologists who meet uniform requirements for multistate 36 licensure.
- 37 (2) Enhance the abilities of member states to protect 38 public health and safety, and prevent fraud and unlicensed 39 activity within the profession.
- 40 (3) Ensure and encourage cooperation between member 41 states in the licensure and regulation of the practice of 42 cosmetology.
- 43 (4) Support relocating military members and their spouses.
- 45 (5) Facilitate the exchange of information between
 46 member states related to the licensure, investigation, and
 47 discipline of the practice of cosmetology.
- 48 (6) Provide for the licensure and mobility of the
 49 workforce in the profession, while addressing the shortage of
 50 workers and lessening the associated burdens on the member
 51 states.
- 52 Section 2. Definitions.
- As used in this compact, and except as otherwise provided, the following definitions shall govern the terms herein:
- 56 (1) ACTIVE DUTY MILITARY MEMBER. Any individual in



- 57 full-time duty status in the active unformed service Armed
- 58 Forces of the United States including members of the National
- 59 Guard and Reserve.
- 60 (2) ADVERSE ACTION. Any administrative, civil,
- 61 equitable, or criminal action permitted by a member state's
- laws which is imposed by a state licensing authority or other
- regulatory body against a cosmetologist, including actions
- against an individual's license or authorization to practice,
- such as revocation, suspension, probation, monitoring of the
- licensee, limitation of the licensee's practice, or any other
- 67 encumbrance on a license affecting an individual's ability to
- 68 participate in the cosmetology industry, including the
- 69 issuance of a cease and desist order.
- 70 (3) ALTERNATIVE PROGRAM. A non-disciplinary monitoring
- or prosecutorial diversion program approved by a member
- 72 state's state licensing authority.
- 73 (4) AUTHORIZATION TO PRACTICE. A legal authorization
- 74 associated with a multistate license permitting the practice
- of cosmetology in that remote state, which shall be subject to
- 76 the enforcement jurisdiction of the state licensing authority
- 77 in that remote state.
- 78 (5) BACKGROUND CHECK. The submission of information for
- an applicant for the purpose of obtaining that applicant's
- 80 criminal history record information, as further defined in 28
- 81 C.F.R. § 20.33, from the Federal Bureau of Investigation and
- 82 the agency responsible for retaining state criminal or
- 83 disciplinary history in the applicant's home state.
- 84 (6) CHARTER MEMBER STATE. Member states that have



- 85 enacted legislation to adopt this compact where the
- 86 legislation predates the effective date of this compact as
- 87 defined in Section 13.
- 88 (7) COMMISSION. The government agency whose membership
- 89 consists of all states that have enacted this compact, which
- 90 is known as the Cosmetology Licensure Compact Commission, as
- 91 defined in Section 9, and which shall operate as an
- 92 instrumentality of the member states.
- 93 (8) COSMETOLOGIST. An individual licensed in his or her
- 94 home state to practice cosmetology.
- 95 (9) COSMETOLOGY, COSMETOLOGY SERVICES, and the PRACTICE
- 96 OF COSMETOLOGY. The care and services provided by a
- 97 cosmetologist as set forth in the member state's statutes and
- 98 rules in the state where the services are being provided.
- 99 (10) CURRENT SIGNIFICANT INVESTIGATIVE INFORMATION:
- 100 Either of the following:
- 101 a. Investigative information that a state licensing
- 102 authority, after an inquiry or investigation that complies
- 103 with a member state's due process requirements, has reason to
- 104 believe is not groundless and, if proved true, would indicate
- 105 a violation of that state's laws regarding fraud or the
- 106 practice of cosmetology.
- b. Investigative information that indicates that a
- 108 licensee has engaged in fraud or represents an immediate
- 109 threat to public health and safety, regardless of whether the
- licensee has been notified and had an opportunity to respond.
- 111 (11) DATA SYSTEM. A repository of information about
- licensees including, but not limited to, license status,



- investigative information, and adverse actions.
- 114 (12) DISQUALIFYING EVENT. Any event which shall
- 115 disqualify an individual from holding a multistate license
- 116 under this compact, which the commission may by rule or order
- 117 specify.
- 118 (13) ENCUMBRANCE. A revocation or suspension of, or any
- 119 limitation on, the full and unrestricted practice of
- 120 cosmetology by a state licensing authority.
- 121 (14) EXECUTIVE COMMITTEE. A group of delegates elected
- or appointed to act on behalf of, and within the powers
- 123 granted to them by, the commission.
- 124 (15) HOME STATE. The member state which is a licensee's
- 125 primary state of residence, and where that licensee holds an
- 126 active and unencumbered license to practice cosmetology.
- 127 (16) INVESTIGATIVE INFORMATION. Information, records,
- or documents received or generated by a state licensing
- 129 authority pursuant to an investigation or other inquiry.
- 130 (17) JURSIPRUDENCE REQUIREMENT. The assessment of an
- individual's knowledge of the laws and rules governing the
- 132 practice of cosmetology in a state.
- 133 (18) LICENSEE. An individual who currently holds a
- 134 license from a member state to practice as a cosmetologist.
- 135 (19) MEMBER STATE. Any state that has adopted this
- 136 compact.
- 137 (20) MULTISTATE LICENSE. A license issued by and
- 138 subject to the enforcement jurisdiction of the state licensing
- 139 authority in a licensee's home state, which authorizes the
- 140 practice of cosmetology in member states and includes



- 141 authorizations to practice cosmetology in all remote states
- 142 pursuant to this compact.
- 143 (21) REMOTE STATE. Any member state, other than the
- 144 licensee's home state.
- 145 (22) RULE. Any rule or regulation adopted by the
- 146 commission under this compact which has the force of law.
- 147 (23) SINGLE-STATE LICENSE. A cosmetology license issued
- by a member state that authorizes practice of cosmetology only
- 149 within the issuing state and does not include any
- 150 authorization outside of the issuing state.
- 151 (24) STATE. A state, territory, or possession of the
- 152 United States and the District of Columbia.
- 153 (25) STATE LICENSING AUTHORITY. A member state's
- 154 regulatory body responsible for issuing cosmetology licenses
- or otherwise overseeing the practice of cosmetology in that
- 156 state.
- 157 Section 3. Member state requirements.
- 158 (a) To be eligible to join this compact, and to
- maintain eligibility as a member state, a state must do all of
- 160 the following:
- 161 (1) License and regulate cosmetology.
- 162 (2) Have a mechanism or entity in place to receive and
- 163 investigate complaints about licensees practicing in that
- 164 state.
- 165 (3) Require that licensees within the state pass a
- 166 cosmetology competency examination prior to being licensed to
- 167 provide cosmetology services to the public in that state.
- 168 (4) Require that licensees satisfy educational or



training requirements in cosmetology prior to being licensed to provide cosmetology services to the public in that state.

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- (5) Implement procedures for considering one or more of the following categories of information from applicants for licensure: Criminal history; disciplinary history; or background check. The procedures may include the submission of information by applicants for the purpose of obtaining an applicant's background check.
- 177 (6) Participate in the data system, including through 178 the use of unique identifying numbers.
 - (7) Share information related to adverse actions with the commission and other member states, both through the data system and otherwise.
 - (8) Notify the commission and other member states, in compliance with the terms of the compact and rules of the commission, of the existence of investigative information or current significant investigative information in the state's possession regarding a licensee practicing in that state.
- 187 (9) Comply with rules adopted by the commission to administer the compact.
- 189 (10) Accept licensees from other member states as
 190 established herein.
- 191 (b) Member states may charge a fee for granting a 192 license to practice cosmetology.
- 193 (c) Individuals not residing in a member state shall
 194 continue to be able to apply for a member state's single-state
 195 license as provided under the laws of each member state.
- 196 However, the single-state license granted to these individuals



- shall not be recognized as granting a multistate license to provide services in any other member state.
- 199 (d) Nothing in this compact shall affect the
 200 requirements established by a member state for the issuance of
 201 a single-state license.
- 202 (e) A multistate license issued to a licensee by a home 203 state to a resident of that state shall be recognized by each 204 member state as authorizing a licensee to practice cosmetology 205 in each member state.
- 206 (f) At no point shall the commission have the power to
 207 define the educational or professional requirements for a
 208 license to practice cosmetology. The member states shall
 209 retain sole jurisdiction over the provision of these
 210 requirements.
- 211 Section 4. Multistate license.
- 212 (a) To be eligible to apply to his or her home state's
 213 state licensing authority for an initial multistate license
 214 under this compact, a licensee must hold an active and
 215 unencumbered single-state license to practice cosmetology in
 216 his or her home state.
- 217 (b) Upon the receipt of an application for a multistate
 218 license, according to the rules of the commission, a member
 219 state's state licensing authority shall ascertain whether the
 220 applicant meets the requirements for a multistate license
 221 under this compact.
- (c) If an applicant meets the requirements for a
 multistate license under this compact and any applicable rules
 of the commission, the state licensing authority in receipt of



- the application, within a reasonable time, shall grant a multistate license to that applicant, and inform all member states of the grant of the multistate license.
- 228 (d) A multistate license to practice cosmetology issued
 229 by a member state's state licensing authority shall be
 230 recognized by each member state as authorizing the practice
 231 thereof as though that licensee held a single-state license to
 232 do so in each member state, subject to the restrictions
 233 herein.
- (e) A multistate license granted pursuant to this compact may be effective for a definite period of time, concurrent with the licensure renewal period in the home state.
- 238 (f) To maintain a multistate license under this 239 compact, a licensee shall do all of the following:
- 240 (1) Agree to abide by the rules of the state licensing 241 authority, and the state scope of practice laws governing the 242 practice of cosmetology, of any member state in which the 243 licensee provides services.
- 244 (2) Pay all required fees related to the application 245 and process, and any other fees which the commission may by 246 rule require.
- 247 (3) Comply with any and all other requirements
 248 regarding multistate licenses which the commission may by rule
 249 provide.
- 250 (g) A licensee practicing in a member state is subject 251 to all scope of practice laws governing cosmetology services 252 in that state.



- 253 (h) The practice of cosmetology under a multistate
 254 license granted pursuant to this compact shall subject the
 255 licensee to the jurisdiction of the state licensing authority,
 256 the courts, and the laws of the member state in which the
 257 cosmetology services are provided.
- Section 5. Reissuance of a multistate license by a new home state.
- 260 (a) A licensee may hold a multistate license, issued by
 261 his or her home state, in only one member state at any given
 262 time.
- 263 (b) If a licensee changes his or her home state by moving between two member states:
- 265 (1) The licensee shall immediately apply for the
 266 reissuance of his or her multistate license in his or her new
 267 home state. The licensee shall pay all applicable fees and
 268 notify the prior home state in accordance with the rules of
 269 the commission.
- 270 (2) Upon receipt of an application to reissue a 271 multistate license, the new home state shall verify that the 272 multistate license is active, unencumbered, and eligible for 273 reissuance under the terms of the compact and the rules of the 274 commission. The multistate license issued by the prior home 275 state shall be deactivated and all member states notified in 276 accordance with the applicable rules adopted by the 277 commission.
- 278 (3) If required for initial licensure, the new home 279 state may require a background check as specified in the laws 280 of that state, or the compliance with any jurisprudence



281 requirements of the new home state.

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- 282 (4) Notwithstanding any other provision of this
 283 compact, if a licensee does not meet the requirements set
 284 forth in this compact for the reissuance of a multistate
 285 license by the new home state, then the licensee shall be
 286 subject to the new home state requirements for the issuance of
 287 a single-state license in that state.
 - (c) If a licensee changes his or her primary state of residence by moving from a member state to a non-member state, or from a non-member state to a member state, then the licensee shall be subject to the state requirements for the issuance of a single-state license in the new home state.
- 293 (d) Nothing in this compact shall interfere with a
 294 licensee's ability to hold a single-state license in multiple
 295 states; however, for the purposes of this compact, a licensee
 296 shall have only one home state, and only one multistate
 297 license.
 - (e) Nothing in this compact shall interfere with the requirements established by a member state for the issuance of a single-state license.
- 301 Section 6. Authority of the compact commission and 302 member state licensing authorities.
- 303 (a) Nothing in this compact, nor any rule of the
 304 commission, shall be construed to limit, restrict, or in any
 305 way reduce the ability of a member state to enact and enforce
 306 laws, regulations, or other rules related to the practice of
 307 cosmetology in that state, where those laws, regulations, or
 308 other rules are not inconsistent with this compact.



- 309 (b) Insofar as practical, a member state's state
 310 licensing authority shall cooperate with the commission and
 311 with each entity exercising independent regulatory authority
 312 over the practice of cosmetology according to this compact.
- 313 (c) Discipline shall be the sole responsibility of the 314 state in which cosmetology services are provided. Accordingly, 315 each member state's state licensing authority shall be 316 responsible for receiving complaints about individuals 317 practicing cosmetology in that state, and for communicating all relevant investigative information about any adverse 318 319 action to the other member states through the data system in 320 addition to any other methods the commission may by rule 321 require.
- 322 Section 7. Adverse actions.
- 323 (a) A licensee's home state shall have exclusive power 324 to impose an adverse action against a licensee's multistate 325 license issued by the home state.
- 326 (b) A home state may take adverse action on a
 327 multistate license based on the investigative information,
 328 current significant investigative information, or adverse
 329 action of a remote state.
- 330 (c) In addition to the powers conferred by state law, 331 each remote state's state licensing authority shall have the 332 power to do all of the following:
- 333 (1) Take adverse action against a licensee's
 334 authorization to practice cosmetology through the multistate
 335 license in that member state, provided that:
- a. Only the licensee's home state shall have the power



- to take adverse action against the multistate license issued by the home state; and
- 339 b. For the purposes of taking adverse action, the home 340 state's state licensing authority shall give the same priority 341 and effect to reported conduct received from a remote state as 342 it would if the conduct had occurred within the home state. In 343 so doing, the home state shall apply its own state laws to 344 determine the appropriate action.
 - (2) Issue cease and desist orders or impose an encumbrance on a licensee's authorization to practice within that member state.

- (3) Complete any pending investigations of a licensee who changes his or her primary state of residence during the course of an investigation. The state licensing authority shall also be empowered to report the results of an investigation to the commission through the data system as described herein.
- (4) Issue subpoenas for both hearings and investigations that require the attendance and testimony of witnesses, as well as the production of evidence. Subpoenas issued by a state licensing authority in a member state for the attendance and testimony of witnesses or the production of evidence from another member state shall be enforced in the latter state by any court of competent jurisdiction, according to the practice and procedure of that court applicable to subpoenas issued in proceedings before the court. The issuing state licensing authority shall pay any witness fees, travel expenses, mileage, and other fees required by the service



365 statutes of the state in which the witnesses or evidence are located.

- (5) If otherwise permitted by state law, recover from the affected licensee the costs of investigations and disposition of cases resulting from any adverse action taken against that licensee.
- (6) Take adverse action against the licensee's authorization to practice in that state based on the factual findings of another remote state.
 - (d) A licensee's home state shall complete any pending investigation of a cosmetologist who changes his or her primary state of residence during the course of the investigation. The home state shall also have the authority to take appropriate action and shall promptly report the conclusions of the investigations to the data system.
 - (e) If an adverse action is taken by the home state against a licensee's multistate license, the licensee's authorization to practice in all other member states shall be deactivated until all encumbrances have been removed from the home state license. All home state disciplinary orders that impose an adverse action against a licensee's multistate license shall include a statement that the cosmetologist's authorization to practice is deactivated in all member states during the pendency of the order.
- (f) Nothing in this compact shall override a member state's authority to accept a licensee's participation in an alternative program in lieu of adverse action. A licensee's multistate license shall be suspended for the duration of the



- 393 licensee's participation in any alternative program.
- 394 (g) Joint investigations.

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- 395 (1) In addition to the authority granted to a member 396 state by its respective scope of practice laws or other 397 applicable state law, a member state may participate with 398 other member states in joint investigations of licensees.
- (2) Member states shall share any investigative,
 litigation, or compliance materials in furtherance of any
 joint or individual investigation initiated under the compact.
- Section 8. Active duty military members and their spouses.

Active duty military personnel military members, or
their spouses, shall designate a home state where the
individual has a current license to practice cosmetology in
good standing. The individual may retain his or her home state
designation during any period of service when that individual
or his or her spouse is on active duty assignment.

Section 9. Establishment and operation of the Cosmetology Licensure Compact Commission.

- establish a joint government agency whose membership consists of all member states that have enacted the compact known as the Cosmetology Licensure Compact Commission. The commission is an instrumentality of the compact member states acting jointly and not an instrumentality of any one state. The commission shall come into existence on or after the effective date of the compact as set forth in Section 13.
 - (b) Membership, voting, and meetings.



- 421 (1) Each member state shall have and be limited to one 422 delegate selected by that member state's state licensing 423 authority.
- 424 (2) The delegate shall be an administrator of the state 425 licensing authority of the member state or his or her 426 designee.
- 427 (3) The commission shall by rule or bylaw establish a
 428 term of office for delegates and may by rule or bylaw
 429 establish term limits.
- 430 (4) The commission may recommend removal or suspension 431 of any delegate from office.
- 432 (5) A member state's state licensing authority shall 433 fill any vacancy of its delegate occurring on the commission 434 within 60 days of the vacancy.
- 435 (6) Each delegate shall be entitled to one vote on all 436 matters that are voted on by the commission.
- 437 (7) The commission shall meet at least once during each
 438 calendar year. Additional meetings may be held as set forth in
 439 the bylaws. The commission may meet by telecommunication,
 440 video conference or other similar electronic means.
- 441 (c) The commission shall do all of the following:
- 442 (1) Establish the fiscal year of the commission.
- 443 (2) Establish code of conduct and conflict of interest policies.
- 445 (3) Adopt rules and bylaws.
- 446 (4) Maintain its financial records in accordance with 447 the bylaws.
- 448 (5) Meet and take actions consistent with this compact,



- 449 the commission's rules, and the bylaws.
- 450 (6) Initiate and conclude legal proceedings or actions 451 in the name of the commission; provided that the standing of 452 any state licensing authority to sue or be sued under
- 453 applicable law shall not be affected.

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- 454 (7) Maintain and certify records and information 455 provided to a member state as the authenticated business 456 records of the commission, and designate an agent to do so on 457 the commission's behalf.
 - (8) Purchase and maintain insurance and bonds.
- 459 (9) Borrow, accept, or contract for services of 460 personnel including, but not limited to, employees of a member 461 state.
- 462 (10) Conduct an annual financial review.
 - (11) Hire employees, elect or appoint officers, fix compensation, define duties, grant individuals appropriate authority to carry out the purposes of the compact, and establish the commission's personnel policies and programs relating to conflicts of interest, qualifications of personnel, and other related personnel matters.
- 469 (12) As set forth in the commission rules, charge a fee 470 to a licensee for the grant of a multistate license and 471 thereafter, as may be established by commission rule, charge 472 the licensee a multistate license renewal fee for each renewal 473 period. Nothing herein shall be construed to prevent a home 474 state from charging a licensee a fee for a multistate license or renewals of a multistate license, or a fee for the 475 476 jurisprudence requirement if the member state imposes a



- 477 requirement for the grant of a multistate license.
- 478 (13) Assess and collect fees.
- 479 (14) Accept any and all appropriate gifts, donations,
- 480 grants of money, other sources of revenue, equipment,
- 481 supplies, materials, and services, and receive, utilize, and
- dispose of the same; provided that the commission shall avoid
- 483 any appearance of impropriety or conflict of interest.
- 484 (15) Lease, purchase, retain, own, hold, improve, or
- 485 use any property, real, personal, or mixed, or any undivided
- 486 interest therein.
- 487 (16) Sell, convey, mortgage, pledge, lease, exchange,
- 488 abandon, or otherwise dispose of any property real, personal,
- 489 or mixed.
- 490 (17) Establish a budget and make expenditures.
- 491 (18) Borrow money.
- 492 (19) Appoint committees, including standing committees,
- 493 composed of members, state regulators, state legislators or
- 494 their representatives, and consumer representatives, and other
- 495 interested individuals as may be designated in this compact
- 496 and the bylaws.
- 497 (20) Provide and receive information from, and
- 498 cooperate with, law enforcement agencies.
- 499 (21) Elect a chair, vice chair, secretary, treasurer,
- and other officers of the commission as provided in the
- 501 commission's bylaws.
- 502 (22) Establish and elect an executive committee,
- 503 including a chair and a vice chair.
- 504 (23) Adopt and provide to the participating member



505 states an annual report.

- 506 (24) Determine whether a state's adopted language is
 507 materially different from the model compact language such that
 508 the state would not qualify for participation in the compact.
- 509 (25) Perform other functions as may be necessary or 510 appropriate to achieve the purposes of this compact.
- 511 (d) The executive committee.
- on behalf of the commission according to the terms of this compact. The powers, duties, and responsibilities of the executive committee shall include all of the following:
- a. Overseeing the day-to-day activities of the
 administration of the compact including compliance with the
 compact, the commission's rules and bylaws, and other duties
 as deemed necessary.
- 520 b. Recommending to the commission changes to the rules 521 or bylaws, changes to this compact legislation, fees charged 522 to compact member states, fees charged to licensees, and other 523 fees.
- 524 c. Ensuring compact administration services are 525 appropriately provided, including by contract.
 - d. Preparing and recommending the budget.
- e. Maintaining financial records on behalf of the commission.
- f. Monitoring compact compliance of member states and providing compliance reports to the commission.
- 531 g. Establishing additional committees as necessary.
- h. Exercising the powers and duties of the commission



- during the interim between commission meetings, except for adopting or amending rules, adopting or amending bylaws, and exercising any other powers and duties expressly reserved to the commission by rule or bylaw.
- 537 i. Other duties as provided in the rules or bylaws of the commission.
- 539 (2) The executive committee shall be composed of up to seven voting members:

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- a. The chair and vice chair of the commission and any other members of the commission who serve on the executive committee shall be voting members of the executive committee.
- b. Other than the chair, vice chair, secretary, and treasurer, the commission shall elect three voting members from the current membership of the commission.
- c. The commission may elect ex officio, nonvoting members from a recognized national cosmetology professional association as approved by the commission. The commission's bylaws shall identify qualifying organizations and the manner of appointment if the number of organizations seeking to appoint an ex officio member exceeds the number of members specified in this section.
- 554 (3) The commission may remove any member of the 555 executive committee as provided in the commission's bylaws.
- 556 (4) The executive committee shall meet at least 557 annually.
- a. Annual executive committee meetings, as well as any executive committee meeting at which the executive committee does not take or intend to take formal action on a matter for



- which a commission vote would otherwise be required, shall be open to the public, except that the executive committee may
- meet in a closed, non-public session of a public meeting when
- dealing with any of the matters covered under subdivision (4)
- of subsection (f).
- b. The executive committee shall give five business
- 567 days' advance notice of its public meetings, posted on its
- 568 website and as determined to provide notice to individuals
- with an interest in the public matters the executive committee
- intends to address at those meetings.
- 571 (5) The executive committee may hold an emergency
- 572 meeting when acting for the commission to do any of the
- 573 following:
- a. Meet an imminent threat to public health, safety, or
- 575 welfare.
- 576 b. Prevent a loss of commission or participating member
- 577 state funds.
- 578 c. Protect public health and safety.
- (e) The commission shall adopt and provide to the
- member states an annual report.
- (f) Meetings of the commission.
- 582 (1) All meetings of the commission that are not closed
- pursuant to subdivision (4) shall be open to the public.
- Notice of public meetings shall be posted on the commission's
- 585 website at least 30 days prior to the public meeting.
- 586 (2) Notwithstanding subdivision (1), the commission may
- 587 convene an emergency public meeting by providing at least 24
- hours' prior notice on the commission's website, and any other



- means as provided in the commission's rules, for any of the reasons it may dispense with notice of proposed rulemaking under subsection (1) of Section 11. The commission's legal counsel shall certify that one of the reasons justifying an
- (3) Notice of all commission meetings shall provide the time, date, and location of the meeting, and if the meeting is to be held or accessible via telecommunication, video conference, or other electronic means, the notice shall include the mechanism for access to the meeting.
- 599 (4) The commission may convene in a closed, non-public 600 meeting for the commission to discuss any of the following:
- a. Non-compliance of a member state with its obligations under the compact.

emergency public meeting has been met.

- b. The employment, compensation, discipline, or other matters, practices, or procedures related to specific employees or other matters related to the commission's internal personnel practices and procedures.
- 607 c. Current or threatened discipline of a licensee by 608 the commission or by a member state's licensing authority.
- d. Current, threatened, or reasonably anticipated litigation.
- e. Negotiation of contracts for the purchase, lease, or sale of goods, services, or real estate.
- f. Accusing any individual of a crime or formally censuring any individual.
- g. Trade secrets or commercial or financial information that is privileged or confidential.



- h. Information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy.
- i. Investigative records compiled for law enforcement purposes.
- j. Information related to any investigative reports
 prepared by or on behalf of or for use of the commission or
 other committee charged with responsibility of investigation
 or determination of compliance issues pursuant to the compact.
 - k. Legal advice.

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- 1. Matters specifically exempted from disclosure to the public by federal or member state law.
- m. Other matters as adopted by the commission by rule.
- (5) If a meeting, or portion of a meeting, is closed, the presiding officer shall state that the meeting will be closed and reference each relevant exempting provision, and the reference shall be recorded in the minutes.
- 634 (6) The commission shall keep minutes that fully and 635 clearly describe all matters discussed in a meeting and shall 636 provide a full and accurate summary of actions taken, and the 637 reasons therefore, including a description of the views 638 expressed. All documents considered in connection with an action shall be identified in the minutes. All minutes and 639 640 documents of a closed meeting shall remain under seal, subject 641 to release only by a majority vote of the commission or order 642 of a court of competent jurisdiction.
 - (g) Financing of the commission.
 - (1) The commission shall pay, or provide for the



payment of, the reasonable expenses of its establishment, organization, and ongoing activities.

- (2) The commission may accept any and all appropriate sources of revenue, donations, and grants of money, equipment, supplies, materials, and services.
- assessment from each member state and impose fees on licensees of member states to whom it grants a multistate license to cover the cost of the operations and activities of the commission and its staff, which shall be in a total amount sufficient to cover its annual budget as approved each year for which revenue is not provided by other sources. The aggregate annual assessment amount for member states shall be allocated based upon a formula that the commission shall adopt by rule.
 - (4) The commission shall not incur obligations of any kind prior to securing the funds adequate to meet the same; nor shall the commission pledge the credit of any member states, except by and with the authority of the member state.
 - (5) The commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the commission shall be subject to the financial review and accounting procedures established under its bylaws. All receipts and disbursements of funds handled by the commission shall be subject to an annual financial review by a certified or licensed public accountant, and the report of the financial review shall be included in and become part of the annual report of the commission.



- (h) Qualified immunity, defense, and indemnification.
- 674 (1) The members, officers, executive director, 675 employees, and representatives of the commission shall be 676 immune from suit and liability, both personally and in their 677 official capacity, for any claim for damage to or loss of 678 property or personal injury or other civil liability caused by 679 or arising out of any actual or alleged act, error, or 680 omission that occurred, or that the individual against whom the claim is made had a reasonable basis for believing 681 occurred within the scope of commission employment, duties, or 682 683 responsibilities; provided that nothing in this subdivision shall be construed to protect any individual from suit or 684 685 liability for any damage, loss, injury, or liability caused by 686 the intentional or willful or wanton misconduct of that 687 individual. The procurement of insurance of any type by the 688 commission shall not in any way compromise or limit the 689 immunity granted hereunder.
- 690 (2) The commission shall defend any member, officer, 691 executive director, employee, and representative of the 692 commission in any civil action seeking to impose liability 693 arising out of any actual or alleged act, error, or omission 694 that occurred within the scope of commission employment, 695 duties, or responsibilities, or as determined by the 696 commission that the individual against whom the claim is made 697 had a reasonable basis for believing occurred within the scope 698 of commission employment, duties, or responsibilities; provided that nothing herein shall be construed to prohibit 699 700 that individual from retaining his or her own counsel at his



- or her own expense; and provided further, that the actual or alleged act, error, or omission did not result from that individual's intentional or willful or wanton misconduct.
- 704 (3) The commission shall indemnify and hold harmless 705 any member, officer, executive director, employee, and 706 representative of the commission for the amount of any 707 settlement or judgment obtained against that individual 708 arising out of any actual or alleged act, error, or omission 709 that occurred within the scope of commission employment, duties, or responsibilities, or that the individual had a 710 711 reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities, provided 712 713 that the actual or alleged act, error, or omission did not 714 result from the intentional or willful or wanton misconduct of 715 that individual.
- 716 (4) Nothing herein shall be construed as a limitation 717 on the liability of any licensee for professional malpractice 718 or misconduct, which shall be governed solely by any other 719 applicable state laws.
 - (5) Nothing in this compact shall be interpreted to waive or otherwise abrogate a member state's state action immunity or state action affirmative defense with respect to antitrust claims under the Sherman Act, Clayton Act, or any other state or federal antitrust or anticompetitive law or regulation.

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726 (6) Nothing in this compact shall be construed to be a
727 waiver of sovereign immunity by the member states or by the
728 commission.



- 729 Section 10. Data system.
- 730 (a) The commission shall provide for the development,
- 731 maintenance, operation, and utilization of a coordinated
- 732 database and reporting system.
- 733 (b) The commission shall assign each applicant for a
- 734 multistate license a unique identifier, as determined by the
- 735 rules of the commission.
- 736 (c) Notwithstanding any other provision of state law to
- 737 the contrary, a member state shall submit a uniform data set
- 738 to the data system on all individuals to whom this compact is
- 739 applicable as required by the rules of the commission,
- 740 including:
- 741 (1) Identifying information.
- 742 (2) Licensure data.
- 743 (3) Adverse actions against a license and information
- 744 related thereto.
- 745 (4) Non-confidential information related to alternative
- 746 program participation, the beginning and ending dates of
- 747 participation, and other information related to participation.
- 748 (5) Any denial of application for licensure, and the
- 749 reasons for the denial, excluding the reporting of any
- 750 criminal history record information where prohibited by law.
- 751 (6) The existence of investigative information.
- 752 (7) The existence of current significant investigative
- 753 information.
- 754 (8) Other information that may facilitate the
- 755 administration of this compact or the protection of the
- 756 public, as determined by the rules of the commission.



- 757 (d) The records and information provided to a member 758 state pursuant to this compact or through the data system, 759 when certified by the commission or an agent thereof, shall 760 constitute the authenticated business records of the 761 commission, and shall be entitled to any associated hearsay 762 exception in any relevant judicial, quasi-judicial, or 763 administrative proceedings in a member state.
 - (e) The existence of current significant investigative information and the existence of investigative information pertaining to a licensee in any member state shall only be available to other member states.
- (f) It is the responsibility of the member states to
 monitor the database to determine whether adverse action has
 been taken against a licensee or license applicant. Adverse
 action information pertaining to a licensee or license
 applicant in any member state shall be available to any other
 member state.
 - (g) Member states contributing information to the data system may designate information that may not be shared with the public without the express permission of the contributing state.
- 778 (h) Any information submitted to the data system that
 779 is subsequently expunged pursuant to federal law or the laws
 780 of the member state contributing the information shall be
 781 removed from the data system.
- 782 Section 11. Rulemaking.

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783 (a) The commission shall adopt reasonable rules in 784 order to effectively and efficiently implement and administer



the purposes and provisions of this compact. A rule shall be invalid and have no force or effect only if a court of competent jurisdiction holds that the rule is invalid because the commission exercised its rulemaking authority in a manner that is beyond the scope and purposes of the compact, or the powers granted hereunder, or based upon another applicable standard of review.

- (b) The rules of the commission shall have the force of law in each member state. Where the rules of the commission conflict with the laws of the member state that establish the member state's scope of practice laws governing the practice of cosmetology as held by a court of competent jurisdiction, the rules of the commission shall be ineffective in that state to the extent of the conflict.
- 799 (c) The commission shall exercise its rulemaking powers
 800 pursuant to the criteria set forth in this section and the
 801 rules adopted thereunder. Rules shall become binding as of the
 802 date specified by the commission for each rule.
 - (d) If a majority of the legislatures of the member states rejects a rule or portion of a rule, by enactment of a statute or resolution in the same manner used to adopt the compact within four years of the date of adoption of the rule, then the rule shall have no further force and effect in any member state or to any state applying to participate in the compact.
- 810 (e) Rules shall be adopted at a regular or special 811 meeting of the commission.
 - (f) Prior to adoption of a proposed rule, the



- commission shall hold a public hearing and allow individuals to provide oral and written comments, data, facts, opinions, and arguments.
- g) Prior to adoption of a proposed rule by the commission, and at least 30 days in advance of the meeting at which the commission shall hold a public hearing on the proposed rule, the commission shall provide a notice of proposed rulemaking to all of the following:
- 821 (1) On the website of the commission or other publicly accessible platform.
- 823 (2) To individuals who have requested notice of the 824 commission's notices of proposed rulemaking.
- 825 (3) In other ways as the commission may by rule specify.
- 827 (h) The notice of proposed rulemaking shall include all 828 of the following:
- (1) The time, date, and location of the public hearing at which the commission will hear public comments on the proposed rule and, if different, the time, date, and location of the meeting where the commission will consider and vote on the proposed rule.
- (2) If the hearing is held via telecommunication, video conference, or other electronic means, the commission shall include the mechanism for access to the hearing in the notice of proposed rulemaking.
- 838 (3) The text of the proposed rule and the reason therefor.
- 840 (4) A request for comments on the proposed rule from



841 any interested individual.

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- 842 (5) The manner in which interested individuals may 843 submit written comments.
- 844 (i) All hearings shall be recorded. A copy of the 845 recording and all written comments and documents received by 846 the commission in response to the proposed rule shall be 847 available to the public.
- 848 (j) Nothing in this section shall be construed as 849 requiring a separate hearing on each rule. Rules may be grouped for the convenience of the commission at hearings 850 851 required by this section.
- 852 (k) The commission, by majority vote of all members, 853 shall take final action on the proposed rule based on the 854 rulemaking record and the full text of the rule.
- (1) The commission may adopt changes to the proposed rule provided the changes do not enlarge the original purpose 857 of the proposed rule.
 - (2) The commission shall provide an explanation of the reasons for substantive changes made to the proposed rule as well as reasons for substantive changes not made that were recommended by commenters.
- 862 (3) The commission shall determine a reasonable 863 effective date for the rule. Except for an emergency as 864 provided in subsection (1), the effective date of the rule 865 shall be no sooner than 45 days after the commission issuing 866 the notice that it adopted or amended the rule.
 - (1) Upon determination that an emergency exists, the commission may consider and adopt an emergency rule with five



days' notice, with opportunity to comment, provided that the
usual rulemaking procedures provided in this compact and in
this section shall be retroactively applied to the rule as
soon as reasonably possible, in no event later than 90 days
after the effective date of the rule. For the purposes of this
subsection, an emergency rule is one that shall be adopted
immediately to do any of the following:

- 876 (1) Meet an imminent threat to public health, safety, or welfare.
 - (2) Prevent a loss of commission or member state funds.
- 879 (3) Meet a deadline for the adoption of a rule that is 880 established by federal law or rule.
- 881 (4) Protect public health and safety.

- (m) The commission or an authorized committee of the commission may direct revisions to a previously adopted rule for purposes of correcting typographical errors, errors in format, errors in consistency, or grammatical errors. Public notice of any revisions shall be posted on the website of the commission. The revision shall be subject to challenge by any individual for a period of 30 days after posting. The revision may be challenged only on grounds that the revision results in a material change to a rule. A challenge shall be made in writing and delivered to the commission prior to the end of the notice period. If no challenge is made, the revision shall take effect without further action. If the revision is challenged, the revision may not take effect without the approval of the commission.
 - (n) No member state's rulemaking requirements shall



- 897 apply under this compact.
- Section 12. Oversight, dispute resolution, and enforcement.
- 900 (a) Oversight.

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- 901 (1) The executive and judicial branches of state 902 government in each member state shall enforce this compact and 903 take all actions necessary and appropriate to implement this 904 compact.
- 905 (2) Venue is proper and judicial proceedings by or 906 against the commission shall be brought solely and exclusively in a court of competent jurisdiction where the principal 907 office of the commission is located. The commission may waive 908 909 venue and jurisdictional defenses to the extent it adopts or 910 consents to participate in alternative dispute resolution 911 proceedings. Nothing herein shall affect or limit the 912 selection or propriety of venue in any action against a 913 licensee for professional malpractice, misconduct or any 914 similar matter.
 - (3) The commission may receive service of process in any proceeding regarding the enforcement or interpretation of the compact and shall have standing to intervene in any proceeding for all purposes. Failure to provide the commission service of process shall render a judgment or order void as to the commission, this compact, or adopted rules.
- 921 (b) Default, technical assistance, and termination.
- 922 (1) If the commission determines that a member state 923 has defaulted in the performance of its obligations or 924 responsibilities under this compact or the adopted rules, the



commission shall provide written notice to the defaulting state. The notice of default shall describe the default, the proposed means of curing the default, and any other action that the commission may take, and shall offer training and specific technical assistance regarding the default.

- (2) The commission shall provide a copy of the notice of default to the other member states.
- (3) If a state in default fails to cure the default, the defaulting state may be terminated from the compact upon an affirmative vote of a majority of the delegates of the member states, and all rights, privileges and benefits conferred on that state by this compact may be terminated on the effective date of termination. A cure of the default does not relieve the offending state of obligations or liabilities incurred during the period of default.
- (4) Termination of membership in the compact shall be imposed only after all other means of securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given by the commission to the governor, the majority and minority leaders of the defaulting state's legislature, the defaulting state's state licensing authority and each of the member states' state licensing authority.
- (5) A state that has been terminated is responsible for all assessments, obligations, and liabilities incurred through the effective date of termination, including obligations that extend beyond the effective date of termination.
- (6) Upon the termination of a state's membership from this compact, that state shall immediately provide notice to



- all licensees who hold a multistate license within that state of the termination. The terminated state shall continue to recognize all licenses granted pursuant to this compact for a minimum of 180 days after the date of the notice of
- 958 (7) The commission shall not bear any costs related to 959 a state that is found to be in default or that has been 960 terminated from the compact, unless agreed upon in writing 961 between the commission and the defaulting state.
- 962 (8) The defaulting state may appeal the action of the
 963 commission by petitioning the United States District Court for
 964 the District of Columbia or the federal district where the
 965 commission has its principal offices. The prevailing party
 966 shall be awarded all costs of the litigation, including
 967 reasonable attorney's fees.
- 968 (c) Dispute resolution.

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termination.

- 969 (1) Upon request by a member state, the commission 970 shall attempt to resolve disputes related to the compact that 971 arise among member states and between member and non-member 972 states.
- 973 (2) The commission shall adopt a rule providing for 974 both mediation and binding dispute resolution for disputes as 975 appropriate.
- 976 (d) Enforcement.
- 977 (1) The commission, in the reasonable exercise of its 978 discretion, shall enforce this compact and the commission's 979 rules.
- 980 (2) By majority vote as provided by commission rule,



981 the commission may initiate legal action against a member 982 state in default in the United States District Court for the 983 District of Columbia or the federal district where the 984 commission has its principal office to enforce compliance with 985 this compact and its adopted rules. The relief sought may 986 include both injunctive relief and damages. In the event 987 judicial enforcement is necessary, the prevailing party shall 988 be awarded all costs of the litigation, including reasonable 989 attorney's fees. The remedies herein shall not be the exclusive remedies of the commission. The commission may 990 991 pursue any other remedies available under federal or the 992 defaulting member state's law.

- 993 (3) A member state may initiate legal action against 994 the commission in the United States District Court for the 995 District of Columbia or the federal district where the 996 commission has its principal office to enforce compliance with 997 this compact and its adopted rules. The relief sought may 998 include both injunctive relief and damages. In the event 999 judicial enforcement is necessary, the prevailing party shall 1000 be awarded all costs of the litigation, including reasonable 1001 attorney's fees.
- 1002 (4) No individual or entity other than a member state 1003 may enforce this compact against the commission.

- Section 13. Effective date, withdrawal, and amendment.
- 1005 (a) The compact shall come into effect on the date on
 1006 which the compact statute is enacted into law in the seventh
 1007 member state.
- 1008 (1) On or after the effective date of the compact, the



commission shall convene and review the enactment of each of the charter member states to determine if the statute enacted by each charter member state is materially different than the model compact statute.

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- a. A charter member state whose enactment is found to be materially different from the model compact statute shall be entitled to the default process set forth in Section 12.
- b. If any member state is later found to be in default, or is terminated or withdraws from the compact, the commission shall remain in existence and the compact shall remain in effect even if the number of member states should be less than seven.
- 1021 (2) Member states enacting the compact subsequent to
 1022 the charter member states shall be subject to the process set
 1023 forth in subdivision (c)(24) of Section 9 to determine if
 1024 their enactments are materially different from the model
 1025 compact statute and whether they qualify for participation in
 1026 the compact.
 - (3) All actions taken for the benefit of the commission or in furtherance of the purposes of the administration of the compact prior to the effective date of the compact or the commission coming into existence shall be considered to be actions of the commission unless specifically repudiated by the commission.
- 1033 (4) Any state that joins the compact shall be subject
 1034 to the commission's rules and bylaws as they exist on the date
 1035 on which the compact becomes law in that state. Any rule that
 1036 has been previously adopted by the commission shall have the



- full force and effect of law on the day the compact becomes law in that state.
- 1039 (b) Any member state may withdraw from this compact by
 1040 enacting a statute repealing that state's enactment of the
 1041 compact.
- 1042 (1) A member state's withdrawal shall not take effect 1043 until 180 days after enactment of the repealing statute.
- 1044 (2) Withdrawal shall not affect the continuing
 1045 requirement of the withdrawing state's state licensing
 1046 authority to comply with the investigative and adverse action
 1047 reporting requirements of this compact prior to the effective
 1048 date of withdrawal.
- 1049 (3) Upon the enactment of a statute withdrawing from
 1050 this compact, a state shall immediately provide notice of the
 1051 withdrawal to all licensees within that state. Notwithstanding
 1052 any subsequent statutory enactment to the contrary, the
 1053 withdrawing state shall continue to recognize all licenses
 1054 granted pursuant to this compact for a minimum of 180 days
 1055 after the date of notice of withdrawal.
 - (c) Nothing contained in this compact shall be construed to invalidate or prevent any licensure agreement or other cooperative arrangement between a member state and a non-member state that does not conflict with this compact.
- 1060 (d) This compact may be amended by the member states.

 1061 No amendment to this compact shall become effective and

 1062 binding upon any member state until it is enacted into the

 1063 laws of all member states.
- 1064 Section 14. Construction and severability.

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- 1065 (a) This compact and the commission's rulemaking

 1066 authority shall be liberally construed so as to effectuate the

 1067 purposes, and the implementation and administration of the

 1068 compact. Provisions of the compact expressly authorizing or

 1069 requiring the adoption of rules shall not be construed to

 1070 limit the commission's rulemaking authority solely for those

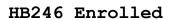
 1071 purposes.
- 1072 (b) The provisions of this compact shall be severable 1073 and if any phrase, clause, sentence, or provision of this compact is held by a court of competent jurisdiction to be 1074 1075 contrary to the constitution of any member state, a state seeking participation in the compact, or of the United States, 1076 1077 or the applicability thereof to any government, agency, 1078 individual, or circumstance is held to be unconstitutional by 1079 a court of competent jurisdiction, the validity of the 1080 remainder of this compact and the applicability thereof to any 1081 other government, agency, individual, or circumstance shall 1082 not be affected thereby.
- 1083 (c) Notwithstanding subsection (b), the commission may 1084 deny a state's participation in the compact or, in accordance 1085 with the requirements of Section 12, terminate a member 1086 state's participation in the compact, if it determines that a 1087 constitutional requirement of a member state is a material 1088 departure from the compact. Otherwise, if this compact shall 1089 be held to be contrary to the constitution of any member 1090 state, the compact shall remain in full force and effect as to the remaining member states and in full force and effect as to 1091 1092 the member state affected as to all severable matters.





1093		Section	15.	Consistent	effect	and	conflict	with	other
1094	state :	laws.							

- 1095 (a) Nothing herein shall prevent or inhibit the
 1096 enforcement of any other law of a member state that is not
 1097 inconsistent with this compact.
- 1098 (b) Any laws, statutes, regulations, or other legal
 1099 requirements in a member state in conflict with this compact
 1100 are superseded to the extent of the conflict.
- 1101 (c) All permissible agreements between the commission 1102 and the member states are binding in accordance with their 1103 terms.
- Section 16. This act shall become effective on the first day of the third month following its passage and approval by the Governor, or its otherwise becoming law.





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1113		Speaker of the House of Reg	presentatives
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1123		I hereby certify that the withi:	n Act originated in and
1124	was pas	sed by the House 25-May-23, as	amended.
1125			
1126		John	Treadwell
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1135	Senate	06-Jun-23	Passed