ZZO5WW-1 01/31/2023 KMS (L) KMS 2023-211

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5	A BILL
6	TO BE ENTITLED
7	AN ACT
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9	Relating to the licensed practice of cosmetology; to
10	provide and adopt the Cosmetology Licensure Compact to allow
11	licensed cosmetologists to practice pursuant to a multistate
12	license among compact states in a limited manner; to provide
13	eligibility requirements for licensed cosmetologists to
14	practice cosmetology pursuant to the compact; to provide for a
15	coordinated licensure information system, joint
16	investigations, and disciplinary actions; to establish the
17	Cosmetology Licensure Compact Commission; to provide for the
18	membership, powers, duties, and rulemaking functions of the
19	commission; and to provide for oversight of the compact,
20	enforcement of the compact, default procedures, dispute
21	resolution, withdrawal of compact states, and amendments to
22	the compact.
23	BE IT ENACTED BY THE LEGISLATURE OF ALABAMA:
24	Section 1. Purpose.
25	(a) The purpose of this compact is to facilitate the
26	interstate practice and regulation of cosmetology with the
27	goal of improving public access to, and the safety of,
28	cosmetology services and reducing unnecessary burdens related



- 29 to cosmetology licensure. Through this compact, the member
- 30 states seek to establish a regulatory framework which provides
- 31 for a new multistate licensing program. Through this new
- 32 licensing program, the member states seek to provide increased
- value and mobility to licensed cosmetologists in the member
- 34 states, while ensuring the provision of safe, effective, and
- 35 reliable services to the public.
- 36 (b) This compact is designed to achieve the following
- objectives, and the member states ratify the same intentions,
- 38 by subscribing to all of the following:
- 39 (1) Provide opportunities for interstate practice by
- 40 cosmetologists who meet uniform requirements for multistate
- 41 licensure.
- 42 (2) Enhance the abilities of member states to protect
- 43 public health and safety, and prevent fraud and unlicensed
- 44 activity within the profession.
- 45 (3) Ensure and encourage cooperation between member
- 46 states in the licensure and regulation of the practice of
- 47 cosmetology.
- 48 (4) Support relocating military members and their
- 49 spouses.
- 50 (5) Facilitate the exchange of information between
- 51 member states related to the licensure, investigation, and
- 52 discipline of the practice of cosmetology.
- 53 (6) Provide for the licensure and mobility of the
- 54 workforce in the profession, while addressing the shortage of
- 55 workers and lessening the associated burdens on the member
- 56 states.



57 Section 2. Definitions.

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As used in this compact, and except as otherwise 58 provided, the following definitions shall govern the terms 59 60 herein:

- (1) ACTIVE DUTY MILITARY MEMBER. Any individual in 61 62 full-time duty status in the active unformed service Armed 63 Forces of the United States including members of the National 64 Guard and Reserve.
- (2) ADVERSE ACTION. Any administrative, civil, 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 encumbrance on a license affecting an individual's ability to 73 participate in the cosmetology industry, including the 74 issuance of a cease and desist order.
- 75 (3) ALTERNATIVE PROGRAM. A non-disciplinary monitoring 76 or prosecutorial diversion program approved by a member 77 state's state licensing authority.
- 78 (4) AUTHORIZATION TO PRACTICE. A legal authorization 79 associated with a multistate license permitting the practice 80 of cosmetology in that remote state, which shall be subject to 81 the enforcement jurisdiction of the state licensing authority 82 in that remote state.
- (5) BACKGROUND CHECK. The submission of information for 83 84 an applicant for the purpose of obtaining that applicant's



- 85 criminal history record information, as further defined in 28
- 86 C.F.R. § 20.33, from the Federal Bureau of Investigation and
- 87 the agency responsible for retaining state criminal or
- 88 disciplinary history in the applicant's home state.
- 89 (6) CHARTER MEMBER STATE. Member states that have
- 90 enacted legislation to adopt this compact where the
- 91 legislation predates the effective date of this compact as
- 92 defined in Section 13.
- 93 (7) COMMISSION. The government agency whose membership
- 94 consists of all states that have enacted this compact, which
- 95 is known as the Cosmetology Licensure Compact Commission, as
- 96 defined in Section 9, and which shall operate as an
- 97 instrumentality of the member states.
- 98 (8) COSMETOLOGIST. An individual licensed in his or her
- 99 home state to practice cosmetology.
- 100 (9) COSMETOLOGY, COSMETOLOGY SERVICES, and the PRACTICE
- 101 OF COSMETOLOGY. The care and services provided by a
- 102 cosmetologist as set forth in the member state's statutes and
- 103 rules in the state where the services are being provided.
- 104 (10) CURRENT SIGNIFICANT INVESTIGATIVE INFORMATION:
- 105 Either of the following:
- 106 a. Investigative information that a state licensing
- 107 authority, after an inquiry or investigation that complies
- 108 with a member state's due process requirements, has reason to
- 109 believe is not groundless and, if proved true, would indicate
- 110 a violation of that state's laws regarding fraud or the
- 111 practice of cosmetology.
- b. Investigative information that indicates that a



- licensee has engaged in fraud or represents an immediate
 threat to public health and safety, regardless of whether the
 licensee has been notified and had an opportunity to respond.
- 116 (11) DATA SYSTEM. A repository of information about
 117 licensees including, but not limited to, license status,
 118 investigative information, and adverse actions.
- 119 (12) DISQUALIFYING EVENT. Any event which shall
 120 disqualify an individual from holding a multistate license
 121 under this compact, which the commission may by rule or order
 122 specify.
- 123 (13) ENCUMBRANCE. A revocation or suspension of, or any
 124 limitation on, the full and unrestricted practice of
 125 cosmetology by a state licensing authority.
- 126 (14) EXECUTIVE COMMITTEE. A group of delegates elected 127 or appointed to act on behalf of, and within the powers 128 granted to them by, the commission.
- 129 (15) HOME STATE. The member state which is a licensee's
 130 primary state of residence, and where that licensee holds an
 131 active and unencumbered license to practice cosmetology.
- 132 (16) INVESTIGATIVE INFORMATION. Information, records,
 133 or documents received or generated by a state licensing
 134 authority pursuant to an investigation or other inquiry.
- 135 (17) JURSIPRUDENCE REQUIREMENT. The assessment of an individual's knowledge of the laws and rules governing the practice of cosmetology in a state.
- 138 (18) LICENSEE. An individual who currently holds a
 139 license from a member state to practice as a cosmetologist.
- 140 (19) MEMBER STATE. Any state that has adopted this



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



169 state.

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- 170 (3) Require that licensees within the state pass a
 171 cosmetology competency examination prior to being licensed to
 172 provide cosmetology services to the public in that state.
 - (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.
- 176 (5) Implement procedures for considering one or more of
 177 the following categories of information from applicants for
 178 licensure: Criminal history; disciplinary history; or
 179 background check. The procedures may include the submission of
 180 information by applicants for the purpose of obtaining an
 181 applicant's background check.
- 182 (6) Participate in the data system, including through
 183 the use of unique identifying numbers.
- 184 (7) Share information related to adverse actions with 185 the commission and other member states, both through the data 186 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.
- 192 (9) Comply with rules adopted by the commission to 193 administer the compact.
- 194 (10) Accept licensees from other member states as
 195 established herein.
- 196 (b) Member states may charge a fee for granting a



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



- 225 applicant meets the requirements for a multistate license 226 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.
- 233 (d) A multistate license to practice cosmetology issued
 234 by a member state's state licensing authority shall be
 235 recognized by each member state as authorizing the practice
 236 thereof as though that licensee held a single-state license to
 237 do so in each member state, subject to the restrictions
 238 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.
- 243 (f) To maintain a multistate license under this compact, a licensee shall do all of the following:
- 245 (1) Agree to abide by the rules of the state licensing 246 authority, and the state scope of practice laws governing the 247 practice of cosmetology, of any member state in which the 248 licensee provides services.
- 249 (2) Pay all required fees related to the application 250 and process, and any other fees which the commission may by 251 rule require.
- 252 (3) Comply with any and all other requirements



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



accordance with the applicable rules adopted by the commission.

- 283 (3) If required for initial licensure, the new home 284 state may require a background check as specified in the laws 285 of that state, or the compliance with any jurisprudence 286 requirements of the new home state.
- (4) Notwithstanding any other provision of this
 compact, if a licensee does not meet the requirements set
 forth in this compact for the reissuance of a multistate
 license by the new home state, then the licensee shall be
 subject to the new home state requirements for the issuance of
 a single-state license in that state.
- 293 (c) If a licensee changes his or her primary state of
 294 residence by moving from a member state to a non-member state,
 295 or from a non-member state to a member state, then the
 296 licensee shall be subject to the state requirements for the
 297 issuance of a single-state license in the new home state.

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- (d) Nothing in this compact shall interfere with a licensee's ability to hold a single-state license in multiple states; however, for the purposes of this compact, a licensee shall have only one home state, and only one multistate license.
- 303 (e) Nothing in this compact shall interfere with the 304 requirements established by a member state for the issuance of 305 a single-state license.
- 306 Section 6. Authority of the compact commission and 307 member state licensing authorities.
- 308 (a) Nothing in this compact, nor any rule of the



commission, shall be construed to limit, restrict, or in any way reduce the ability of a member state to enact and enforce laws, regulations, or other rules related to the practice of cosmetology in that state, where those laws, regulations, or other rules are not inconsistent with this compact.

- (b) Insofar as practical, a member state's state licensing authority shall cooperate with the commission and with each entity exercising independent regulatory authority over the practice of cosmetology according to this compact.
- (c) Discipline shall be the sole responsibility of the 318 319 state in which cosmetology services are provided. Accordingly, 320 each member state's state licensing authority shall be responsible for receiving complaints about individuals 321 322 practicing cosmetology in that state, and for communicating 323 all relevant investigative information about any adverse 324 action to the other member states through the data system in 325 addition to any other methods the commission may by rule 326 require.

327 Section 7. Adverse actions.

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- 328 (a) A licensee's home state shall have exclusive power 329 to impose an adverse action against a licensee's multistate 330 license issued by the home state.
- 331 (b) A home state may take adverse action on a

 332 multistate license based on the investigative information,

 333 current significant investigative information, or adverse

 334 action of a remote state.
- 335 (c) In addition to the powers conferred by state law, 336 each remote state's state licensing authority shall have the



337 power to do all of the following:

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- 338 (1) Take adverse action against a licensee's
 339 authorization to practice cosmetology through the multistate
 340 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
 - b. For the purposes of taking adverse action, the home state's state licensing authority shall give the same priority and effect to reported conduct received from a remote state as it would if the conduct had occurred within the home state. In so doing, the home state shall apply its own state laws to determine the appropriate action.
- 350 (2) Issue cease and desist orders or impose an
 351 encumbrance on a licensee's authorization to practice within
 352 that member state.
- 353 (3) Complete any pending investigations of a licensee 354 who changes his or her primary state of residence during the 355 course of an investigation. The state licensing authority 356 shall also be empowered to report the results of an 357 investigation to the commission through the data system as 358 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 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



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- (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 licensee's participation in any alternative program.
 - (g) Joint investigations.
- (1) In addition to the authority granted to a member state by its respective scope of practice laws or other applicable state law, a member state may participate with other member states in joint investigations of licensees.
- 404 (2) Member states shall share any investigative,
 405 litigation, or compliance materials in furtherance of any
 406 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.
- 417 (a) The compact member states hereby create and
 418 establish a joint government agency whose membership consists
 419 of all member states that have enacted the compact known as
 420 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
- 423 commission shall come into existence on or after the effective
- date of the compact as set forth in Section 13.
- 425 (b) Membership, voting, and meetings.
- 426 (1) Each member state shall have and be limited to one 427 delegate selected by that member state's state licensing 428 authority.
- 429 (2) The delegate shall be an administrator of the state 430 licensing authority of the member state or his or her 431 designee.
- 432 (3) The commission shall by rule or bylaw establish a 433 term of office for delegates and may by rule or bylaw 434 establish term limits.
- 435 (4) The commission may recommend removal or suspension 436 of any delegate from office.
- 437 (5) A member state's state licensing authority shall
 438 fill any vacancy of its delegate occurring on the commission
 439 within 60 days of the vacancy.
- 440 (6) Each delegate shall be entitled to one vote on all matters that are voted on by the commission.
- 442 (7) The commission shall meet at least once during each 443 calendar year. Additional meetings may be held as set forth in 444 the bylaws. The commission may meet by telecommunication, 445 video conference or other similar electronic means.
- 446 (c) The commission shall do all of the following:
- 447 (1) Establish the fiscal year of the commission.
- 448 (2) Establish code of conduct and conflict of interest



- 449 policies.
- 450 (3) Adopt rules and bylaws.
- 451 (4) Maintain its financial records in accordance with
- 452 the bylaws.
- 453 (5) Meet and take actions consistent with this compact,
- 454 the commission's rules, and the bylaws.
- 455 (6) Initiate and conclude legal proceedings or actions
- 456 in the name of the commission; provided that the standing of
- 457 any state licensing authority to sue or be sued under
- 458 applicable law shall not be affected.
- 459 (7) Maintain and certify records and information
- 460 provided to a member state as the authenticated business
- 461 records of the commission, and designate an agent to do so on
- the commission's behalf.
- 463 (8) Purchase and maintain insurance and bonds.
- 464 (9) Borrow, accept, or contract for services of
- personnel including, but not limited to, employees of a member
- 466 state.
- 467 (10) Conduct an annual financial review.
- 468 (11) Hire employees, elect or appoint officers, fix
- 469 compensation, define duties, grant individuals appropriate
- 470 authority to carry out the purposes of the compact, and
- 471 establish the commission's personnel policies and programs
- 472 relating to conflicts of interest, qualifications of
- 473 personnel, and other related personnel matters.
- 474 (12) As set forth in the commission rules, charge a fee
- 475 to a licensee for the grant of a multistate license and
- 476 thereafter, as may be established by commission rule, charge



the licensee a multistate license renewal fee for each renewal period. Nothing herein shall be construed to prevent a home state from charging a licensee a fee for a multistate license or renewals of a multistate license, or a fee for the jurisprudence requirement if the member state imposes a

requirement for the grant of a multistate license.

483 (13) Assess and collect fees.

- 484 (14) Accept any and all appropriate gifts, donations,
 485 grants of money, other sources of revenue, equipment,
 486 supplies, materials, and services, and receive, utilize, and
 487 dispose of the same; provided that the commission shall avoid
 488 any appearance of impropriety or conflict of interest.
- 489 (15) Lease, purchase, retain, own, hold, improve, or
 490 use any property, real, personal, or mixed, or any undivided
 491 interest therein.
- 492 (16) Sell, convey, mortgage, pledge, lease, exchange, 493 abandon, or otherwise dispose of any property real, personal, 494 or mixed.
- 495 (17) Establish a budget and make expenditures.
- 496 (18) Borrow money.
- (19) Appoint committees, including standing committees,
 composed of members, state regulators, state legislators or
 their representatives, and consumer representatives, and other
 interested individuals as may be designated in this compact
 and the bylaws.
- 502 (20) Provide and receive information from, and 503 cooperate with, law enforcement agencies.
- 504 (21) Elect a chair, vice chair, secretary, treasurer,



- 505 and other officers of the commission as provided in the 506 commission's bylaws.
- 507 (22) Establish and elect an executive committee, 508 including a chair and a vice chair.
- 509 (23) Adopt and provide to the participating member 510 states an annual report.
- 511 (24) Determine whether a state's adopted language is 512 materially different from the model compact language such that the state would not qualify for participation in the compact. 513
- 514 (25) Perform other functions as may be necessary or 515 appropriate to achieve the purposes of this compact.
- (d) The executive committee. 516

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- 517 (1) The executive committee shall have the power to act 518 on behalf of the commission according to the terms of this 519 compact. The powers, duties, and responsibilities of the executive committee shall include all of the following: 520
- a. Overseeing the day-to-day activities of the 522 administration of the compact including compliance with the compact, the commission's rules and bylaws, and other duties as deemed necessary.
- 525 b. Recommending to the commission changes to the rules 526 or bylaws, changes to this compact legislation, fees charged 527 to compact member states, fees charged to licensees, and other 528 fees.
- 529 c. Ensuring compact administration services are appropriately provided, including by contract. 530
- d. Preparing and recommending the budget. 531
- 532 e. Maintaining financial records on behalf of the



533 commission.

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- f. Monitoring compact compliance of member states and providing compliance reports to the commission.
 - 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.
- 542 i. Other duties as provided in the rules or bylaws of the commission.
- 544 (2) The executive committee shall be composed of up to seven voting members:
 - 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.
- 552 c. The commission may elect ex officio, nonvoting
 553 members from a recognized national cosmetology professional
 554 association as approved by the commission. The commission's
 555 bylaws shall identify qualifying organizations and the manner
 556 of appointment if the number of organizations seeking to
 557 appoint an ex officio member exceeds the number of members
 558 specified in this section.
- 559 (3) The commission may remove any member of the 560 executive committee as provided in the commission's bylaws.



- 561 (4) The executive committee shall meet at least 562 annually.
- 563 a. Annual executive committee meetings, as well as any 564 executive committee meeting at which the executive committee 565 does not take or intend to take formal action on a matter for 566 which a commission vote would otherwise be required, shall be 567 open to the public, except that the executive committee may 568 meet in a closed, non-public session of a public meeting when 569 dealing with any of the matters covered under subdivision (4) of subsection (f). 570
- 571 b. The executive committee shall give five business
 572 days' advance notice of its public meetings, posted on its
 573 website and as determined to provide notice to individuals
 574 with an interest in the public matters the executive committee
 575 intends to address at those meetings.
- 576 (5) The executive committee may hold an emergency 577 meeting when acting for the commission to do any of the 578 following:
- a. Meet an imminent threat to public health, safety, or welfare.
- 581 b. Prevent a loss of commission or participating member
 582 state funds.
- c. Protect public health and safety.
- 584 (e) The commission shall adopt and provide to the 585 member states an annual report.
- (f) Meetings of the commission.
- 587 (1) All meetings of the commission that are not closed 588 pursuant to subdivision (4) shall be open to the public.



Notice of public meetings shall be posted on the commission's website at least 30 days prior to the public meeting.

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- (2) Notwithstanding subdivision (1), the commission may 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 emergency public meeting has been met.
- (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.
- 604 (4) The commission may convene in a closed, non-public 605 meeting for the commission to discuss any of the following:
 - a. Non-compliance of a member state with its obligations under the compact.
- 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.
- 612 c. Current or threatened discipline of a licensee by 613 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



- 617 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.
- 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.
- (6) The commission shall keep minutes that fully and clearly describe all matters discussed in a meeting and shall provide a full and accurate summary of actions taken, and the reasons therefore, including a description of the views expressed. All documents considered in connection with an action shall be identified in the minutes. All minutes and



- documents of a closed meeting shall remain under seal, subject to release only by a majority vote of the commission or order of a court of competent jurisdiction.
 - (g) Financing of the commission.

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- (1) The commission shall pay, or provide for the payment of, the reasonable expenses of its establishment, organization, and ongoing activities.
- 652 (2) The commission may accept any and all appropriate 653 sources of revenue, donations, and grants of money, equipment, 654 supplies, materials, and services.
- 655 (3) The commission may levy on and collect an annual 656 assessment from each member state and impose fees on licensees 657 of member states to whom it grants a multistate license to 658 cover the cost of the operations and activities of the 659 commission and its staff, which shall be in a total amount 660 sufficient to cover its annual budget as approved each year 661 for which revenue is not provided by other sources. The 662 aggregate annual assessment amount for member states shall be 663 allocated based upon a formula that the commission shall adopt 664 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.

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



commission that the individual against whom the claim is made had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities; provided that nothing herein shall be construed to prohibit 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.

- any member, officer, executive director, employee, and representative of the commission for the amount of any settlement or judgment obtained against that individual arising out of any actual or alleged act, error, or omission that occurred within the scope of commission employment, duties, or responsibilities, or that the individual had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from the intentional or willful or wanton misconduct of that individual.
- (4) Nothing herein shall be construed as a limitation on the liability of any licensee for professional malpractice or misconduct, which shall be governed solely by any other 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.
- 731 (6) Nothing in this compact shall be construed to be a
 732 waiver of sovereign immunity by the member states or by the
 733 commission.
- 734 Section 10. Data system.
- 735 (a) The commission shall provide for the development,
 736 maintenance, operation, and utilization of a coordinated
 737 database and reporting system.
- 738 (b) The commission shall assign each applicant for a
 739 multistate license a unique identifier, as determined by the
 740 rules of the commission.
- 741 (c) Notwithstanding any other provision of state law to
 742 the contrary, a member state shall submit a uniform data set
 743 to the data system on all individuals to whom this compact is
 744 applicable as required by the rules of the commission,
 745 including:
- 746 (1) Identifying information.
- 747 (2) Licensure data.
- 748 (3) Adverse actions against a license and information 749 related thereto.
- 750 (4) Non-confidential information related to alternative 751 program participation, the beginning and ending dates of 752 participation, and other information related to participation.
- 753 (5) Any denial of application for licensure, and the 754 reasons for the denial, excluding the reporting of any 755 criminal history record information where prohibited by law.
- 756 (6) The existence of investigative information.



- 757 (7) The existence of current significant investigative 758 information.
 - (8) Other information that may facilitate the administration of this compact or the protection of the public, as determined by the rules of the commission.

- (d) The records and information provided to a member state pursuant to this compact or through the data system, when certified by the commission or an agent thereof, shall constitute the authenticated business records of the commission, and shall be entitled to any associated hearsay exception in any relevant judicial, quasi-judicial, or 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.
- 779 (g) Member states contributing information to the data 780 system may designate information that may not be shared with 781 the public without the express permission of the contributing 782 state.
- 783 (h) Any information submitted to the data system that
 784 is subsequently expunged pursuant to federal law or the laws



785 of the member state contributing the information shall be 786 removed from the data system.

787 Section 11. Rulemaking.

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- (a) The commission shall adopt reasonable rules in 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.
 - (c) The commission shall exercise its rulemaking powers pursuant to the criteria set forth in this section and the rules adopted thereunder. Rules shall become binding as of the 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 810 statute or resolution in the same manner used to adopt the compact within four years of the date of adoption of the rule, 811 812 then the rule shall have no further force and effect in any



- 813 member state or to any state applying to participate in the 814 compact.
- 815 (e) Rules shall be adopted at a regular or special 816 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:
- 826 (1) On the website of the commission or other publicly 827 accessible platform.
- 828 (2) To individuals who have requested notice of the 829 commission's notices of proposed rulemaking.
- 830 (3) In other ways as the commission may by rule specify.
- 832 (h) The notice of proposed rulemaking shall include all 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.
- 839 (2) If the hearing is held via telecommunication, video 840 conference, or other electronic means, the commission shall



- include the mechanism for access to the hearing in the notice of proposed rulemaking.
- 843 (3) The text of the proposed rule and the reason therefor.
- 845 (4) A request for comments on the proposed rule from 846 any interested individual.
- 847 (5) The manner in which interested individuals may 848 submit written comments.
- (i) All hearings shall be recorded. A copy of the recording and all written comments and documents received by the commission in response to the proposed rule shall be available to the public.
- (j) Nothing in this section shall be construed as requiring a separate hearing on each rule. Rules may be grouped for the convenience of the commission at hearings required by this section.
- (k) The commission, by majority vote of all members, shall take final action on the proposed rule based on the 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 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.
- 867 (3) The commission shall determine a reasonable 868 effective date for the rule. Except for an emergency as



provided in subsection (1), the effective date of the rule shall be no sooner than 45 days after the commission issuing the notice that it adopted or amended the rule.

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- (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:
- 881 (1) Meet an imminent threat to public health, safety, or welfare.
 - (2) Prevent a loss of commission or member state funds.
 - (3) Meet a deadline for the adoption of a rule that is established by federal law or rule.
 - (4) Protect public health and safety.
- 887 (m) The commission or an authorized committee of the 888 commission may direct revisions to a previously adopted rule 889 for purposes of correcting typographical errors, errors in 890 format, errors in consistency, or grammatical errors. Public 891 notice of any revisions shall be posted on the website of the 892 commission. The revision shall be subject to challenge by any 893 individual for a period of 30 days after posting. The revision 894 may be challenged only on grounds that the revision results in a material change to a rule. A challenge shall be made in 895 896 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.
- 901 (n) No member state's rulemaking requirements shall 902 apply under this compact.
- 903 Section 12. Oversight, dispute resolution, and enforcement.
- 905 (a) Oversight.

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- 906 (1) The executive and judicial branches of state
 907 government in each member state shall enforce this compact and
 908 take all actions necessary and appropriate to implement this
 909 compact.
- 910 (2) Venue is proper and judicial proceedings by or 911 against the commission shall be brought solely and exclusively 912 in a court of competent jurisdiction where the principal 913 office of the commission is located. The commission may waive 914 venue and jurisdictional defenses to the extent it adopts or 915 consents to participate in alternative dispute resolution 916 proceedings. Nothing herein shall affect or limit the 917 selection or propriety of venue in any action against a 918 licensee for professional malpractice, misconduct or any 919 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



925 the commission, this compact, or adopted rules.

- 926 (b) Default, technical assistance, and termination.
 - (1) If the commission determines that a member state has defaulted in the performance of its obligations or 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 termination.
 - (7) The commission shall not bear any costs related to a state that is found to be in default or that has been terminated from the compact, unless agreed upon in writing between the commission and the defaulting state.
 - (8) The defaulting state may appeal the action of the commission by petitioning the United States District Court for the District of Columbia or the federal district where the commission has its principal offices. The prevailing party shall be awarded all costs of the litigation, including reasonable attorney's fees.
 - (c) Dispute resolution.

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- 974 (1) Upon request by a member state, the commission 975 shall attempt to resolve disputes related to the compact that 976 arise among member states and between member and non-member 977 states.
- 978 (2) The commission shall adopt a rule providing for 979 both mediation and binding dispute resolution for disputes as 980 appropriate.



(d) Enforcement.

- 982 (1) The commission, in the reasonable exercise of its 983 discretion, shall enforce this compact and the commission's 984 rules.
- 985 (2) By majority vote as provided by commission rule, 986 the commission may initiate legal action against a member 987 state in default in the United States District Court for the 988 District of Columbia or the federal district where the 989 commission has its principal office to enforce compliance with this compact and its adopted rules. The relief sought may 990 991 include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing party shall 992 993 be awarded all costs of the litigation, including reasonable 994 attorney's fees. The remedies herein shall not be the 995 exclusive remedies of the commission. The commission may pursue any other remedies available under federal or the 996 997 defaulting member state's law.
- 998 (3) A member state may initiate legal action against 999 the commission in the United States District Court for the 1000 District of Columbia or the federal district where the 1001 commission has its principal office to enforce compliance with 1002 this compact and its adopted rules. The relief sought may 1003 include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing party shall 1004 1005 be awarded all costs of the litigation, including reasonable 1006 attorney's fees.
- 1007 (4) No individual or entity other than a member state 1008 may enforce this compact against the commission.



1009 Section 13. Effective date, withdrawal, and amendment.

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- (a) The compact shall come into effect on the date on which the compact statute is enacted into law in the seventh member state.
- (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.
- 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.
- 1026 (2) Member states enacting the compact subsequent to
 1027 the charter member states shall be subject to the process set
 1028 forth in subdivision (c)(24) of Section 9 to determine if
 1029 their enactments are materially different from the model
 1030 compact statute and whether they qualify for participation in
 1031 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



1037 the commission.

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- 1038 (4) Any state that joins the compact shall be subject
 1039 to the commission's rules and bylaws as they exist on the date
 1040 on which the compact becomes law in that state. Any rule that
 1041 has been previously adopted by the commission shall have the
 1042 full force and effect of law on the day the compact becomes
 1043 law in that state.
- 1044 (b) Any member state may withdraw from this compact by
 1045 enacting a statute repealing that state's enactment of the
 1046 compact.
 - (1) A member state's withdrawal shall not take effect until 180 days after enactment of the repealing statute.
- 1049 (2) Withdrawal shall not affect the continuing
 1050 requirement of the withdrawing state's state licensing
 1051 authority to comply with the investigative and adverse action
 1052 reporting requirements of this compact prior to the effective
 1053 date of withdrawal.
- 1054 (3) Upon the enactment of a statute withdrawing from
 1055 this compact, a state shall immediately provide notice of the
 1056 withdrawal to all licensees within that state. Notwithstanding
 1057 any subsequent statutory enactment to the contrary, the
 1058 withdrawing state shall continue to recognize all licenses
 1059 granted pursuant to this compact for a minimum of 180 days
 1060 after the date of notice of withdrawal.
- 1061 (c) Nothing contained in this compact shall be
 1062 construed to invalidate or prevent any licensure agreement or
 1063 other cooperative arrangement between a member state and a
 1064 non-member state that does not conflict with this compact.



1065 (d) This compact may be amended by the member states.

1066 No amendment to this compact shall become effective and

1067 binding upon any member state until it is enacted into the

1068 laws of all member states.

Section 14. Construction and severability.

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- (a) This compact and the commission's rulemaking authority shall be liberally construed so as to effectuate the purposes, and the implementation and administration of the compact. Provisions of the compact expressly authorizing or requiring the adoption of rules shall not be construed to limit the commission's rulemaking authority solely for those purposes.
- 1077 (b) The provisions of this compact shall be severable 1078 and if any phrase, clause, sentence, or provision of this 1079 compact is held by a court of competent jurisdiction to be 1080 contrary to the constitution of any member state, a state 1081 seeking participation in the compact, or of the United States, 1082 or the applicability thereof to any government, agency, 1083 individual, or circumstance is held to be unconstitutional by 1084 a court of competent jurisdiction, the validity of the 1085 remainder of this compact and the applicability thereof to any 1086 other government, agency, individual, or circumstance shall 1087 not be affected thereby.
- (c) Notwithstanding subsection (b), the commission may deny a state's participation in the compact or, in accordance with the requirements of Section 12, terminate a member state's participation in the compact, if it determines that a constitutional requirement of a member state is a material



- departure from the compact. Otherwise, if this compact shall
 be held to be contrary to the constitution of any member
 state, the compact shall remain in full force and effect as to
 the remaining member states and in full force and effect as to
 the member state affected as to all severable matters.
- Section 15. Consistent effect and conflict with other state laws.
- 1100 (a) Nothing herein shall prevent or inhibit the
 1101 enforcement of any other law of a member state that is not
 1102 inconsistent with this compact.
- 1103 (b) Any laws, statutes, regulations, or other legal
 1104 requirements in a member state in conflict with this compact
 1105 are superseded to the extent of the conflict.
- 1106 (c) All permissible agreements between the commission 1107 and the member states are binding in accordance with their 1108 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.