

1-1 By: Wilson (Senate Sponsor - Zaffirini) H.B. No. 705
 1-2 (In the Senate - Received from the House May 5, 2025;
 1-3 May 5, 2025, read first time and referred to Committee on Business
 1-4 & Commerce; May 25, 2025, reported favorably by the following vote:
 1-5 Yeas 11, Nays 0; May 25, 2025, sent to printer.)

1-6 COMMITTEE VOTE

| | Yea | Nay | Absent | PNV |
|------|-----|-----|--------|-----|
| 1-7 | | | | |
| 1-8 | X | | | |
| 1-9 | X | | | |
| 1-10 | X | | | |
| 1-11 | X | | | |
| 1-12 | X | | | |
| 1-13 | X | | | |
| 1-14 | X | | | |
| 1-15 | X | | | |
| 1-16 | X | | | |
| 1-17 | X | | | |
| 1-18 | X | | | |

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to the Cosmetology Licensure Compact; authorizing fees.
 1-22 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
 1-23 SECTION 1. Title 9, Occupations Code, is amended by adding
 1-24 Chapter 1604 to read as follows:

1-25 CHAPTER 1604. COSMETOLOGY LICENSURE COMPACT
 1-26 Sec. 1604.001. COSMETOLOGY LICENSURE COMPACT. The
 1-27 Cosmetology Licensure Compact is enacted and entered into with all
 1-28 other jurisdictions that legally join the compact, which reads as
 1-29 follows:

1-30 COSMETOLOGY LICENSURE COMPACT

1-31 ARTICLE 1- PURPOSE

1-32 The purpose of this Compact is to facilitate the interstate
 1-33 practice and regulation of Cosmetology with the goal of improving
 1-34 public access to, and the safety of, Cosmetology Services and
 1-35 reducing unnecessary burdens related to Cosmetology licensure.
 1-36 Through this Compact, the Member States seek to establish a
 1-37 regulatory framework which provides for a new multistate licensing
 1-38 program. Through this new licensing program, the Member States
 1-39 seek to provide increased value and mobility to licensed
 1-40 Cosmetologists in the Member States, while ensuring the provision
 1-41 of safe, effective, and reliable services to the public.

1-42 This Compact is designed to achieve the following objectives, and
 1-43 the Member States hereby ratify the same intentions by subscribing
 1-44 hereto:

1-45 A. Provide opportunities for interstate practice by Cosmetologists
 1-46 who meet uniform requirements for multistate licensure;

1-47 B. Enhance the abilities of Member States to protect public health
 1-48 and safety, and prevent fraud and unlicensed activity within the
 1-49 profession;

1-50 C. Ensure and encourage cooperation between Member States in the
 1-51 licensure and regulation of the Practice of Cosmetology;

1-52 D. Support relocating military members and their spouses;

1-53 E. Facilitate the exchange of information between Member States
 1-54 related to the licensure, investigation, and discipline of the
 1-55 Practice of Cosmetology;

1-56 F. Provide for the licensure and mobility of the workforce in the
 1-57 profession, while addressing the shortage of workers and
 1-58 lessening the associated burdens on the Member States.

1-59 ARTICLE 2- DEFINITIONS

1-60 As used in this Compact, and except as otherwise provided, the
 1-61 following definitions shall govern the terms herein:

- 2-1 A. "Active Military Member" means any person with full-time duty
 2-2 status in the armed forces of the United States, including
 2-3 members of the National Guard and Reserve.
- 2-4 B. "Adverse Action" means any administrative, civil, equitable, or
 2-5 criminal action permitted by a Member State's laws which is
 2-6 imposed by a State Licensing Authority or other regulatory body
 2-7 against a Cosmetologist, including actions against an
 2-8 individual's license or Authorization to Practice such as
 2-9 revocation, suspension, probation, monitoring of the Licensee,
 2-10 limitation of the Licensee's practice, or any other Encumbrance
 2-11 on a license affecting an individual's ability to participate in
 2-12 the Cosmetology industry, including the issuance of a cease and
 2-13 desist order.
- 2-14 C. "Authorization to Practice" means a legal authorization
 2-15 associated with a Multistate License permitting the Practice of
 2-16 Cosmetology in that Remote State, which shall be subject to the
 2-17 enforcement jurisdiction of the State Licensing Authority in
 2-18 that Remote State.
- 2-19 D. "Alternative Program" means a non-disciplinary monitoring or
 2-20 prosecutorial diversion program approved by a Member State's
 2-21 State Licensing Authority.
- 2-22 E. "Background Check" means the submission of information for an
 2-23 applicant for the purpose of obtaining that applicant's criminal
 2-24 history record information, as further defined in 28 C.F.R. §
 2-25 20.3(d), from the Federal Bureau of Investigation and the agency
 2-26 responsible for retaining State criminal or disciplinary history
 2-27 in the applicant's Home State.
- 2-28 F. "Charter Member State" means Member States who have enacted
 2-29 legislation to adopt this Compact where such legislation
 2-30 predates the effective date of this Compact as defined in Article
 2-31 13.
- 2-32 G. "Commission" means the government agency whose membership
 2-33 consists of all States that have enacted this Compact, which is
 2-34 known as the Cosmetology Licensure Compact Commission, as
 2-35 defined in Article 9, and which shall operate as an
 2-36 instrumentality of the Member States.
- 2-37 H. "Cosmetologist" means an individual licensed in their Home State
 2-38 to practice Cosmetology.
- 2-39 I. "Cosmetology", "Cosmetology Services", and the "Practice of
 2-40 Cosmetology" mean the care and services provided by a
 2-41 Cosmetologist as set forth in the Member State's statutes and
 2-42 regulations in the State where the services are being provided.
- 2-43 J. "Current Significant Investigative Information" means:
 2-44 1. Investigative Information that a State Licensing
 2-45 Authority, after an inquiry or investigation that
 2-46 complies with a Member State's due process
 2-47 requirements, has reason to believe is not groundless
 2-48 and, if proved true, would indicate a violation of that
 2-49 State's laws regarding fraud or the Practice of
 2-50 Cosmetology; or
 2-51 2. Investigative Information that indicates that a
 2-52 Licensee has engaged in fraud or represents an
 2-53 immediate threat to public health and safety,
 2-54 regardless of whether the Licensee has been notified
 2-55 and had an opportunity to respond.
- 2-56 K. "Data System" means a repository of information about Licensees,
 2-57 including, but not limited to, license status, Investigative
 2-58 Information, and Adverse Actions.
- 2-59 L. "Disqualifying Event" means any event which shall disqualify an
 2-60 individual from holding a Multistate License under this Compact,
 2-61 which the Commission may by Rule or order specify.
- 2-62 M. "Encumbered License" means a license in which an Adverse Action
 2-63 restricts the Practice of Cosmetology by a Licensee, or where
 2-64 said Adverse Action has been reported to the Commission.
- 2-65 N. "Encumbrance" means a revocation or suspension of, or any
 2-66 limitation on, the full and unrestricted Practice of Cosmetology
 2-67 by a State Licensing Authority.
- 2-68 O. "Executive Committee" means a group of delegates elected or
 2-69 appointed to act on behalf of, and within the powers granted to

- 3-1 them by, the Commission.
- 3-2 P. "Home State" means the Member State which is a Licensee's
 3-3 primary State of residence, and where that Licensee holds an
 3-4 active and unencumbered license to practice Cosmetology.
- 3-5 Q. "Investigative Information" means information, records, or
 3-6 documents received or generated by a State Licensing Authority
 3-7 pursuant to an investigation or other inquiry.
- 3-8 R. "Jurisprudence Requirement" means the assessment of an
 3-9 individual's knowledge of the laws and rules governing the
 3-10 Practice of Cosmetology in a State.
- 3-11 S. "Licensee" means an individual who currently holds a license
 3-12 from a Member State to practice as a Cosmetologist.
- 3-13 T. "Member State" means any State that has adopted this Compact.
- 3-14 U. "Multistate License" means a license issued by and subject to
 3-15 the enforcement jurisdiction of the State Licensing Authority in
 3-16 a Licensee's Home State, which authorizes the Practice of
 3-17 Cosmetology in Member States and includes Authorizations to
 3-18 Practice Cosmetology in all Remote States pursuant to this
 3-19 Compact.
- 3-20 V. "Remote State" means any Member State, other than the Licensee's
 3-21 Home State.
- 3-22 W. "Rule" means any rule or regulation promulgated by the
 3-23 Commission under this Compact which has the force of law.
- 3-24 X. "Single-State License" means a Cosmetology license issued by a
 3-25 Member State that authorizes practice of Cosmetology only within
 3-26 the issuing State and does not include any authorization outside
 3-27 of the issuing State.
- 3-28 Y. "State" means a State, territory, or possession of the United
 3-29 States and the District of Columbia.
- 3-30 Z. "State Licensing Authority" means a Member State's regulatory
 3-31 body responsible for issuing Cosmetology licenses or otherwise
 3-32 overseeing the Practice of Cosmetology in that State.
- 3-33 ARTICLE 3- MEMBER STATE REQUIREMENTS
- 3-34 A. To be eligible to join this Compact, and to maintain eligibility
 3-35 as a Member State, a State must:
- 3-36 1. License and regulate Cosmetology;
 - 3-37 2. Have a mechanism or entity in place to receive and
 3-38 investigate complaints about Licensees practicing in
 3-39 that State;
 - 3-40 3. Require that Licensees within the State pass a
 3-41 Cosmetology competency examination prior to being
 3-42 licensed to provide Cosmetology Services to the public
 3-43 in that State;
 - 3-44 4. Require that Licensees satisfy educational or training
 3-45 requirements in Cosmetology prior to being licensed to
 3-46 provide Cosmetology Services to the public in that
 3-47 State;
 - 3-48 5. Implement procedures for considering one or more of the
 3-49 following categories of information from applicants for
 3-50 licensure: criminal history; disciplinary history; or
 3-51 Background Check. Such procedures may include the
 3-52 submission of information by applicants for the purpose
 3-53 of obtaining an applicant's Background Check as defined
 3-54 herein;
 - 3-55 6. Participate in the Data System, including through the
 3-56 use of unique identifying numbers;
 - 3-57 7. Share information related to Adverse Actions with the
 3-58 Commission and other Member States, both through the
 3-59 Data System and otherwise;
 - 3-60 8. Notify the Commission and other Member States, in
 3-61 compliance with the terms of the Compact and Rules of
 3-62 the Commission, of the existence of Investigative
 3-63 Information or Current Significant Investigative
 3-64 Information in the State's possession regarding a
 3-65 Licensee practicing in that State;
 - 3-66 9. Comply with such Rules as may be enacted by the
 3-67 Commission to administer the Compact; and
 - 3-68 10. Accept Licensees from other Member States as
 3-69 established herein.

- 4-1 B. Member States may charge a fee for granting a license to practice
 4-2 Cosmetology.
- 4-3 C. Individuals not residing in a Member State shall continue to be
 4-4 able to apply for a Member State's Single-State License as
 4-5 provided under the laws of each Member State. However, the
 4-6 Single-State License granted to these individuals shall not be
 4-7 recognized as granting a Multistate License to provide services
 4-8 in any other Member State.
- 4-9 D. Nothing in this Compact shall affect the requirements
 4-10 established by a Member State for the issuance of a Single-State
 4-11 License.
- 4-12 E. A Multistate License issued to a Licensee by a Home State to a
 4-13 resident of that State shall be recognized by each Member State
 4-14 as authorizing a Licensee to practice Cosmetology in each Member
 4-15 State.
- 4-16 F. At no point shall the Commission have the power to define the
 4-17 educational or professional requirements for a license to
 4-18 practice Cosmetology. The Member States shall retain sole
 4-19 jurisdiction over the provision of these requirements.
- 4-20 ARTICLE 4- MULTISTATE LICENSE
- 4-21 A. To be eligible to apply to their Home State's State Licensing
 4-22 Authority for an initial Multistate License under this Compact,
 4-23 a Licensee must hold an active and unencumbered Single-State
 4-24 License to practice Cosmetology in their Home State.
- 4-25 B. Upon the receipt of an application for a Multistate License,
 4-26 according to the Rules of the Commission, a Member State's State
 4-27 Licensing Authority shall ascertain whether the applicant meets
 4-28 the requirements for a Multistate License under this Compact.
- 4-29 C. If an applicant meets the requirements for a Multistate License
 4-30 under this Compact and any applicable Rules of the Commission,
 4-31 the State Licensing Authority in receipt of the application
 4-32 shall, within a reasonable time, grant a Multistate License to
 4-33 that applicant, and inform all Member States of the grant of said
 4-34 Multistate License.
- 4-35 D. A Multistate License to practice Cosmetology issued by a Member
 4-36 State's State Licensing Authority shall be recognized by each
 4-37 Member State as authorizing the practice thereof as though that
 4-38 Licensee held a Single-State License to do so in each Member
 4-39 State, subject to the restrictions herein.
- 4-40 E. A Multistate License granted pursuant to this Compact may be
 4-41 effective for a definite period of time, concurrent with the
 4-42 licensure renewal period in the Home State.
- 4-43 F. To maintain a Multistate License under this Compact, a Licensee
 4-44 must:
- 4-45 1. Agree to abide by the rules of the State Licensing
 4-46 Authority, and the State scope of practice laws
 4-47 governing the Practice of Cosmetology, of any Member
 4-48 State in which the Licensee provides services;
 - 4-49 2. Pay all required fees related to the application and
 4-50 process, and any other fees which the Commission may by
 4-51 Rule require; and
 - 4-52 3. Comply with any and all other requirements regarding
 4-53 Multistate Licenses which the Commission may by Rule
 4-54 provide.
- 4-55 G. A Licensee practicing in a Member State is subject to all scope
 4-56 of practice laws governing Cosmetology Services in that State.
- 4-57 H. The Practice of Cosmetology under a Multistate License granted
 4-58 pursuant to this Compact will subject the Licensee to the
 4-59 jurisdiction of the State Licensing Authority, the courts, and
 4-60 the laws of the Member State in which the Cosmetology Services
 4-61 are provided.
- 4-62 ARTICLE 5- REISSUANCE OF A MULTISTATE LICENSE BY A NEW HOME STATE
- 4-63 A. A Licensee may hold a Multistate License, issued by their Home
 4-64 State, in only one Member State at any given time.
- 4-65 B. If a Licensee changes their Home State by moving between two
 4-66 Member States:
- 4-67 1. The Licensee shall immediately apply for the reissuance
 4-68 of their Multistate License in their new Home State. The
 4-69 Licensee shall pay all applicable fees and notify the

- 5-1 prior Home State in accordance with the Rules of the
 5-2 Commission.
- 5-3 2. Upon receipt of an application to reissue a Multistate
 5-4 License, the new Home State shall verify that the
 5-5 Multistate License is active, unencumbered and eligible
 5-6 for reissuance under the terms of the Compact and the
 5-7 Rules of the Commission. The Multistate License issued
 5-8 by the prior Home State will be deactivated and all
 5-9 Member States notified in accordance with the
 5-10 applicable Rules adopted by the Commission.
- 5-11 3. If required for initial licensure, the new Home State
 5-12 may require a Background Check as specified in the laws
 5-13 of that State, or the compliance with any Jurisprudence
 5-14 Requirements of the new Home State.
- 5-15 4. Notwithstanding any other provision of this Compact, if
 5-16 a Licensee does not meet the requirements set forth in
 5-17 this Compact for the reissuance of a Multistate License
 5-18 by the new Home State, then the Licensee shall be
 5-19 subject to the new Home State requirements for the
 5-20 issuance of a Single-State License in that State.
- 5-21 C. If a Licensee changes their primary state of residence by moving
 5-22 from a Member State to a non-Member State, or from a non-Member
 5-23 State to a Member State, then the Licensee shall be subject to
 5-24 the State requirements for the issuance of a Single-State
 5-25 License in the new Home State.
- 5-26 D. Nothing in this Compact shall interfere with a Licensee's
 5-27 ability to hold a Single-State License in multiple States;
 5-28 however, for the purposes of this Compact, a Licensee shall have
 5-29 only one Home State, and only one Multistate License.
- 5-30 E. Nothing in this Compact shall interfere with the requirements
 5-31 established by a Member State for the issuance of a Single-State
 5-32 License.
- 5-33 ARTICLE 6- AUTHORITY OF THE COMPACT COMMISSION AND MEMBER STATE
 5-34 LICENSING AUTHORITIES
- 5-35 A. Nothing in this Compact, nor any Rule or regulation of the
 5-36 Commission, shall be construed to limit, restrict, or in any way
 5-37 reduce the ability of a Member State to enact and enforce laws,
 5-38 regulations, or other rules related to the Practice of
 5-39 Cosmetology in that State, where those laws, regulations, or
 5-40 other rules are not inconsistent with the provisions of this
 5-41 Compact.
- 5-42 B. Insofar as practical, a Member State's State Licensing Authority
 5-43 shall cooperate with the Commission and with each entity
 5-44 exercising independent regulatory authority over the Practice of
 5-45 Cosmetology according to the provisions of this Compact.
- 5-46 C. Discipline shall be the sole responsibility of the State in
 5-47 which Cosmetology Services are provided. Accordingly, each
 5-48 Member State's State Licensing Authority shall be responsible
 5-49 for receiving complaints about individuals practicing
 5-50 Cosmetology in that State, and for communicating all relevant
 5-51 Investigative Information about any such Adverse Action to the
 5-52 other Member States through the Data System in addition to any
 5-53 other methods the Commission may by Rule require.
- 5-54 ARTICLE 7- ADVERSE ACTIONS
- 5-55 A. A Licensee's Home State shall have exclusive power to impose an
 5-56 Adverse Action against a Licensee's Multistate License issued by
 5-57 the Home State.
- 5-58 B. A Home State may take Adverse Action on a Multistate License
 5-59 based on the Investigative Information, Current Significant
 5-60 Investigative Information, or Adverse Action of a Remote State.
- 5-61 C. In addition to the powers conferred by State law, each Remote
 5-62 State's State Licensing Authority shall have the power to:
- 5-63 1. Take Adverse Action against a Licensee's Authorization
 5-64 to Practice Cosmetology through the Multistate License
 5-65 in that Member State, provided that:
- 5-66 a. Only the Licensee's Home State shall have the
 5-67 power to take Adverse Action against the
 5-68 Multistate License issued by the Home State; and
 5-69 b. For the purposes of taking Adverse Action, the

6-1 Home State's State Licensing Authority shall give
 6-2 the same priority and effect to reported conduct
 6-3 received from a Remote State as it would if such
 6-4 conduct had occurred within the Home State. In so
 6-5 doing, the Home State shall apply its own State
 6-6 laws to determine the appropriate action.

6-7 2. Issue cease and desist orders or impose an Encumbrance
 6-8 on a Licensee's Authorization to Practice within that
 6-9 Member State.

6-10 3. Complete any pending investigations of a Licensee who
 6-11 changes their primary state of residence during the
 6-12 course of such an investigation. The State Licensing
 6-13 Authority shall also be empowered to report the results
 6-14 of such an investigation to the Commission through the
 6-15 Data System as described herein.

6-16 4. Issue subpoenas for both hearings and investigations
 6-17 that require the attendance and testimony of witnesses,
 6-18 as well as the production of evidence. Subpoenas issued
 6-19 by a State Licensing Authority in a Member State for the
 6-20 attendance and testimony of witnesses or the production
 6-21 of evidence from another Member State shall be enforced
 6-22 in the latter State by any court of competent
 6-23 jurisdiction, according to the practice and procedure
 6-24 of that court applicable to subpoenas issued in
 6-25 proceedings before it. The issuing State Licensing
 6-26 Authority shall pay any witness fees, travel expenses,
 6-27 mileage, and other fees required by the service
 6-28 statutes of the State in which the witnesses or evidence
 6-29 are located.

6-30 5. If otherwise permitted by State law, recover from the
 6-31 affected Licensee the costs of investigations and
 6-32 disposition of cases resulting from any Adverse Action
 6-33 taken against that Licensee.

6-34 6. Take Adverse Action against the Licensee's
 6-35 Authorization to Practice in that State based on the
 6-36 factual findings of another Remote State.

6-37 D. A Licensee's Home State shall complete any pending
 6-38 investigation(s) of a Cosmetologist who changes their primary
 6-39 state of residence during the course of the investigation(s).
 6-40 The Home State shall also have the authority to take appropriate
 6-41 action(s) and shall promptly report the conclusions of the
 6-42 investigations to the Data System.

6-43 E. If an Adverse Action is taken by the Home State against a
 6-44 Licensee's Multistate License, the Licensee's Authorization to
 6-45 Practice in all other Member States shall be deactivated until
 6-46 all Encumbrances have been removed from the Home State license.
 6-47 All Home State disciplinary orders that impose an Adverse Action
 6-48 against a Licensee's Multistate License shall include a
 6-49 statement that the Cosmetologist's Authorization to Practice is
 6-50 deactivated in all Member States during the pendency of the
 6-51 order.

6-52 F. Nothing in this Compact shall override a Member State's
 6-53 authority to accept a Licensee's participation in an Alternative
 6-54 Program in lieu of Adverse Action. A Licensee's Multistate
 6-55 License shall be suspended for the duration of the Licensee's
 6-56 participation in any Alternative Program.

6-57 G. Joint Investigations

6-58 1. In addition to the authority granted to a Member State
 6-59 by its respective scope of practice laws or other
 6-60 applicable State law, a Member State may participate
 6-61 with other Member States in joint investigations of
 6-62 Licensees.

6-63 2. Member States shall share any investigative,
 6-64 litigation, or compliance materials in furtherance of
 6-65 any joint or individual investigation initiated under
 6-66 the Compact.

6-67 ARTICLE 8- ACTIVE MILITARY MEMBERS AND THEIR SPOUSES

6-68 Active Military Members, or their spouses, shall designate a Home
 6-69 State where the individual has a current license to practice

7-1 Cosmetology in good standing. The individual may retain their Home
 7-2 State designation during any period of service when that individual
 7-3 or their spouse is on active duty assignment.

7-4 ARTICLE 9- ESTABLISHMENT AND OPERATION OF THE COSMETOLOGY LICENSURE
 7-5 COMPACT COMMISSION

7-6 A. The Compact Member States hereby create and establish a joint
 7-7 government agency whose membership consists of all Member States
 7-8 that have enacted the Compact known as the Cosmetology Licensure
 7-9 Compact Commission. The Commission is an instrumentality of the
 7-10 Compact Member States acting jointly and not an instrumentality
 7-11 of any one State. The Commission shall come into existence on or
 7-12 after the effective date of the Compact as set forth in Article
 7-13 13.

7-14 B. Membership, Voting, and Meetings

- 7-15 1. Each Member State shall have and be limited to one (1)
 7-16 delegate selected by that Member State's State
 7-17 Licensing Authority.
- 7-18 2. The delegate shall be an administrator of the State
 7-19 Licensing Authority of the Member State or their
 7-20 designee.
- 7-21 3. The Commission shall by Rule or bylaw establish a term
 7-22 of office for delegates and may by Rule or bylaw
 7-23 establish term limits.
- 7-24 4. The Commission may recommend removal or suspension of
 7-25 any delegate from office.
- 7-26 5. A Member State's State Licensing Authority shall fill
 7-27 any vacancy of its delegate occurring on the Commission
 7-28 within 60 days of the vacancy.
- 7-29 6. Each delegate shall be entitled to one vote on all
 7-30 matters that are voted on by the Commission.
- 7-31 7. The Commission shall meet at least once during each
 7-32 calendar year. Additional meetings may be held as set
 7-33 forth in the bylaws. The Commission may meet by
 7-34 telecommunication, video conference or other similar
 7-35 electronic means.

7-36 C. The Commission shall have the following powers:

- 7-37 1. Establish the fiscal year of the Commission;
- 7-38 2. Establish code of conduct and conflict of interest
 7-39 policies;
- 7-40 3. Adopt Rules and bylaws;
- 7-41 4. Maintain its financial records in accordance with the
 7-42 bylaws;
- 7-43 5. Meet and take such actions as are consistent with the
 7-44 provisions of this Compact, the Commission's Rules, and
 7-45 the bylaws;
- 7-46 6. Initiate and conclude legal proceedings or actions in
 7-47 the name of the Commission, provided that the standing
 7-48 of any State Licensing Authority to sue or be sued under
 7-49 applicable law shall not be affected;
- 7-50 7. Maintain and certify records and information provided
 7-51 to a Member State as the authenticated business records
 7-52 of the Commission, and designate an agent to do so on
 7-53 the Commission's behalf;
- 7-54 8. Purchase and maintain insurance and bonds;
- 7-55 9. Borrow, accept, or contract for services of personnel,
 7-56 including, but not limited to, employees of a Member
 7-57 State;
- 7-58 10. Conduct an annual financial review;
- 7-59 11. Hire employees, elect or appoint officers, fix
 7-60 compensation, define duties, grant such individuals
 7-61 appropriate authority to carry out the purposes of the
 7-62 Compact, and establish the Commission's personnel
 7-63 policies and programs relating to conflicts of
 7-64 interest, qualifications of personnel, and other
 7-65 related personnel matters;
- 7-66 12. As set forth in the Commission Rules, charge a fee to a
 7-67 Licensee for the grant of a Multistate License and
 7-68 thereafter, as may be established by Commission Rule,
 7-69 charge the Licensee a Multistate License renewal fee

8-1 for each renewal period. Nothing herein shall be
 8-2 construed to prevent a Home State from charging a
 8-3 Licensee a fee for a Multistate License or renewals of a
 8-4 Multistate License, or a fee for the jurisprudence
 8-5 requirement if the Member State imposes such a
 8-6 requirement for the grant of a Multistate License;

8-7 13. Assess and collect fees;

8-8 14. Accept any and all appropriate gifts, donations,
 8-9 grants of money, other sources of revenue, equipment,
 8-10 supplies, materials, and services, and receive,
 8-11 utilize, and dispose of the same; provided that at all
 8-12 times the Commission shall avoid any appearance of
 8-13 impropriety or conflict of interest;

8-14 15. Lease, purchase, retain, own, hold, improve, or use any
 8-15 property, real, personal, or mixed, or any undivided
 8-16 interest therein;

8-17 16. Sell, convey, mortgage, pledge, lease, exchange,
 8-18 abandon, or otherwise dispose of any property real,
 8-19 personal, or mixed;

8-20 17. Establish a budget and make expenditures;

8-21 18. Borrow money;

8-22 19. Appoint committees, including standing committees,
 8-23 composed of members, State regulators, State
 8-24 legislators or their representatives, and consumer
 8-25 representatives, and such other interested persons as
 8-26 may be designated in this Compact and the bylaws;

8-27 20. Provide and receive information from, and cooperate
 8-28 with, law enforcement agencies;

8-29 21. Elect a Chair, Vice Chair, Secretary and Treasurer and
 8-30 such other officers of the Commission as provided in the
 8-31 Commission's bylaws;

8-32 22. Establish and elect an Executive Committee, including
 8-33 a chair and a vice chair;

8-34 23. Adopt and provide to the Member States an annual
 8-35 report.

8-36 24. Determine whether a State's adopted language is
 8-37 materially different from the model Compact language
 8-38 such that the State would not qualify for participation
 8-39 in the Compact; and

8-40 25. Perform such other functions as may be necessary or
 8-41 appropriate to achieve the purposes of this Compact.

8-42 D. The Executive Committee

8-43 1. The Executive Committee shall have the power to act on
 8-44 behalf of the Commission according to the terms of this
 8-45 Compact. The powers, duties, and responsibilities of
 8-46 the Executive Committee shall include:

8-47 a. Overseeing the day-to-day activities of the
 8-48 administration of the Compact including
 8-49 compliance with the provisions of the Compact, the
 8-50 Commission's Rules and bylaws, and other such
 8-51 duties as deemed necessary;

8-52 b. Recommending to the Commission changes to the
 8-53 Rules or bylaws, changes to this Compact
 8-54 legislation, fees charged to Compact Member
 8-55 States, fees charged to Licensees, and other fees;

8-56 c. Ensuring Compact administration services are
 8-57 appropriately provided, including by contract;

8-58 d. Preparing and recommending the budget;

8-59 e. Maintaining financial records on behalf of the
 8-60 Commission;

8-61 f. Monitoring Compact compliance of Member States
 8-62 and providing compliance reports to the
 8-63 Commission;

8-64 g. Establishing additional committees as necessary;

8-65 h. Exercising the powers and duties of the
 8-66 Commission during the interim between Commission
 8-67 meetings, except for adopting or amending Rules,
 8-68 adopting or amending bylaws, and exercising any
 8-69 other powers and duties expressly reserved to the

- 9-1 Commission by Rule or bylaw; and
 9-2 i. Other duties as provided in the Rules or bylaws of
 9-3 the Commission.
 9-4 2. The Executive Committee shall be composed of up to
 9-5 seven voting members:
 9-6 a. The chair and vice chair of the Commission and any
 9-7 other members of the Commission who serve on the
 9-8 Executive Committee shall be voting members of the
 9-9 Executive Committee; and
 9-10 b. Other than the chair, vice-chair, secretary and
 9-11 treasurer, the Commission shall elect three
 9-12 voting members from the current membership of the
 9-13 Commission.
 9-14 c. The Commission may elect ex-officio, nonvoting
 9-15 members from a recognized national Cosmetology
 9-16 professional association as approved by the
 9-17 Commission. The Commission's bylaws shall
 9-18 identify qualifying organizations and the manner
 9-19 of appointment if the number of organizations
 9-20 seeking to appoint an ex officio member exceeds
 9-21 the number of members specified in this Article.
 9-22 3. The Commission may remove any member of the Executive
 9-23 Committee as provided in the Commission's bylaws.
 9-24 4. The Executive Committee shall meet at least annually.
 9-25 a. Annual Executive Committee meetings, as well as
 9-26 any Executive Committee meeting at which it does
 9-27 not take or intend to take formal action on a
 9-28 matter for which a Commission vote would otherwise
 9-29 be required, shall be open to the public, except
 9-30 that the Executive Committee may meet in a closed,
 9-31 non-public session of a public meeting when
 9-32 dealing with any of the matters covered under
 9-33 Article 9.F.4.
 9-34 b. The Executive Committee shall give five business
 9-35 days advance notice of its public meetings, posted
 9-36 on its website and as determined to provide notice
 9-37 to persons with an interest in the public matters
 9-38 the Executive Committee intends to address at
 9-39 those meetings.
 9-40 5. The Executive Committee may hold an emergency meeting
 9-41 when acting for the Commission to:
 9-42 a. Meet an imminent threat to public health, safety,
 9-43 or welfare;
 9-44 b. Prevent a loss of Commission or Member State
 9-45 funds; or
 9-46 c. Protect public health and safety.
 9-47 E. The Commission shall adopt and provide to the Member States an
 9-48 annual report.
 9-49 F. Meetings of the Commission
 9-50 1. All meetings of the Commission that are not closed
 9-51 pursuant to Article 9.F.4 shall be open to the public.
 9-52 Notice of public meetings shall be posted on the
 9-53 Commission's website at least thirty (30) days prior to
 9-54 the public meeting.
 9-55 2. Notwithstanding Article 9.F.1, the Commission may
 9-56 convene an emergency public meeting by providing at
 9-57 least twenty-four (24) hours prior notice on the
 9-58 Commission's website, and any other means as provided in
 9-59 the Commission's Rules, for any of the reasons it may
 9-60 dispense with notice of proposed rulemaking under
 9-61 Article 11.L. The Commission's legal counsel shall
 9-62 certify that one of the reasons justifying an emergency
 9-63 public meeting has been met.
 9-64 3. Notice of all Commission meetings shall provide the
 9-65 time, date, and location of the meeting, and if the
 9-66 meeting is to be held or accessible via
 9-67 telecommunication, video conference, or other
 9-68 electronic means, the notice shall include the
 9-69 mechanism for access to the meeting.

- 10-1 4. The Commission may convene in a closed, non-public
 10-2 meeting for the Commission to discuss:
 10-3 a. Non-compliance of a Member State with its
 10-4 obligations under the Compact;
 10-5 b. The employment, compensation, discipline or other
 10-6 matters, practices or procedures related to
 10-7 specific employees or other matters related to the
 10-8 Commission's internal personnel practices and
 10-9 procedures;
 10-10 c. Current or threatened discipline of a Licensee by
 10-11 the Commission or by a Member State's Licensing
 10-12 Authority;
 10-13 d. Current, threatened, or reasonably anticipated
 10-14 litigation;
 10-15 e. Negotiation of contracts for the purchase, lease,
 10-16 or sale of goods, services, or real estate;
 10-17 f. Accusing any person of a crime or formally
 10-18 censuring any person;
 10-19 g. Trade secrets or commercial or financial
 10-20 information that is privileged or confidential;
 10-21 h. Information of a personal nature where disclosure
 10-22 would constitute a clearly unwarranted invasion
 10-23 of personal privacy;
 10-24 i. Investigative records compiled for law
 10-25 enforcement purposes;
 10-26 j. Information related to any investigative reports
 10-27 prepared by or on behalf of or for use of the
 10-28 Commission or other committee charged with
 10-29 responsibility of investigation or determination
 10-30 of compliance issues pursuant to the Compact;
 10-31 k. Legal advice;
 10-32 l. Matters specifically exempted from disclosure to
 10-33 the public by federal or Member State law; or
 10-34 m. Other matters as promulgated by the Commission by
 10-35 Rule.
- 10-36 5. If a meeting, or portion of a meeting, is closed, the
 10-37 presiding officer shall state that the meeting will be
 10-38 closed and reference each relevant exempting provision,
 10-39 and such reference shall be recorded in the minutes.
- 10-40 6. The Commission shall keep minutes that fully and
 10-41 clearly describe all matters discussed in a meeting and
 10-42 shall provide a full and accurate summary of actions
 10-43 taken, and the reasons therefore, including a
 10-44 description of the views expressed. All documents
 10-45 considered in connection with an action shall be
 10-46 identified in such minutes. All minutes and documents
 10-47 of a closed meeting shall remain under seal, subject to
 10-48 release only by a majority vote of the Commission or
 10-49 order of a court of competent jurisdiction.

10-50 G. Financing of the Commission

- 10-51 1. The Commission shall pay, or provide for the payment
 10-52 of, the reasonable expenses of its establishment,
 10-53 organization, and ongoing activities.
- 10-54 2. The Commission may accept any and all appropriate
 10-55 sources of revenue, donations, and grants of money,
 10-56 equipment, supplies, materials, and services.
- 10-57 3. The Commission may levy on and collect an annual
 10-58 assessment from each Member State and impose fees on
 10-59 Licensees of Member States to whom it grants a
 10-60 Multistate License to cover the cost of the operations
 10-61 and activities of the Commission and its staff, which
 10-62 must be in a total amount sufficient to cover its annual
 10-63 budget as approved each year for which revenue is not
 10-64 provided by other sources. The aggregate annual
 10-65 assessment amount for Member States shall be allocated
 10-66 based upon a formula that the Commission shall
 10-67 promulgate by Rule.
- 10-68 4. The Commission shall not incur obligations of any kind
 10-69 prior to securing the funds adequate to meet the same;

11-1 nor shall the Commission pledge the credit of any Member
 11-2 States, except by and with the authority of the Member
 11-3 State.

11-4 5. The Commission shall keep accurate accounts of all
 11-5 receipts and disbursements. The receipts and
 11-6 disbursements of the Commission shall be subject to the
 11-7 financial review and accounting procedures established
 11-8 under its bylaws. All receipts and disbursements of
 11-9 funds handled by the Commission shall be subject to an
 11-10 annual financial review by a certified or licensed
 11-11 public accountant, and the report of the financial
 11-12 review shall be included in and become part of the
 11-13 annual report of the Commission.

11-14 H. Qualified Immunity, Defense, and Indemnification

11-15 1. The members, officers, executive director, employees
 11-16 and representatives of the Commission shall be immune
 11-17 from suit and liability, both personally and in their
 11-18 official capacity, for any claim for damage to or loss
 11-19 of property or personal injury or other civil liability
 11-20 caused by or arising out of any actual or alleged act,
 11-21 error, or omission that occurred, or that the person
 11-22 against whom the claim is made had a reasonable basis
 11-23 for believing occurred within the scope of Commission
 11-24 employment, duties or responsibilities; provided that
 11-25 nothing in this paragraph shall be construed to protect
 11-26 any such person from suit or liability for any damage,
 11-27 loss, injury, or liability caused by the intentional or
 11-28 willful or wanton misconduct of that person. The
 11-29 procurement of insurance of any type by the Commission
 11-30 shall not in any way compromise or limit the immunity
 11-31 granted hereunder.

11-32 2. The Commission shall defend any member, officer,
 11-33 executive director, employee, and representative of the
 11-34 Commission in any civil action seeking to impose
 11-35 liability arising out of any actual or alleged act,
 11-36 error, or omission that occurred within the scope of
 11-37 Commission employment, duties, or responsibilities, or
 11-38 as determined by the Commission that the person against
 11-39 whom the claim is made had a reasonable basis for
 11-40 believing occurred within the scope of Commission
 11-41 employment, duties, or responsibilities; provided that
 11-42 nothing herein shall be construed to prohibit that
 11-43 person from retaining their own counsel at their own
 11-44 expense; and provided further, that the actual or
 11-45 alleged act, error, or omission did not result from that
 11-46 person's intentional or willful or wanton misconduct.

11-47 3. The Commission shall indemnify and hold harmless any
 11-48 member, officer, executive director, employee, and
 11-49 representative of the Commission for the amount of any
 11-50 settlement or judgment obtained against that person
 11-51 arising out of any actual or alleged act, error, or
 11-52 omission that occurred within the scope of Commission
 11-53 employment, duties, or responsibilities, or that such
 11-54 person had a reasonable basis for believing occurred
 11-55 within the scope of Commission employment, duties, or
 11-56 responsibilities, provided that the actual or alleged
 11-57 act, error, or omission did not result from the
 11-58 intentional or willful or wanton misconduct of that
 11-59 person.

11-60 4. Nothing herein shall be construed as a limitation on
 11-61 the liability of any Licensee for professional
 11-62 malpractice or misconduct, which shall be governed
 11-63 solely by any other applicable State laws.

11-64 5. Nothing in this Compact shall be interpreted to waive
 11-65 or otherwise abrogate a Member State's State action
 11-66 immunity or State action affirmative defense with
 11-67 respect to antitrust claims under the Sherman Act,
 11-68 Clayton Act, or any other State or federal antitrust or
 11-69 anticompetitive law or regulation.

12-1 6. Nothing in this Compact shall be construed to be a
 12-2 waiver of sovereign immunity by the Member States or by
 12-3 the Commission.

12-4 ARTICLE 10- DATA SYSTEM

12-5 A. The Commission shall provide for the development, maintenance,
 12-6 operation, and utilization of a coordinated database and
 12-7 reporting system.

12-8 B. The Commission shall assign each applicant for a Multistate
 12-9 License a unique identifier, as determined by the Rules of the
 12-10 Commission.

12-11 C. Notwithstanding any other provision of State law to the
 12-12 contrary, a Member State shall submit a uniform data set to the
 12-13 Data System on all individuals to whom this Compact is applicable
 12-14 as required by the Rules of the Commission, including:

12-15 1. Identifying information;

12-16 2. Licensure data;

12-17 3. Adverse Actions against a license and information
 12-18 related thereto;

12-19 4. Non-confidential information related to Alternative
 12-20 Program participation, the beginning and ending dates
 12-21 of such participation, and other information related to
 12-22 such participation;

12-23 5. Any denial of application for licensure, and the
 12-24 reason(s) for such denial (excluding the reporting of
 12-25 any criminal history record information where
 12-26 prohibited by law);

12-27 6. The existence of Investigative Information;

12-28 7. The existence of Current Significant Investigative
 12-29 Information; and

12-30 8. Other information that may facilitate the
 12-31 administration of this Compact or the protection of the
 12-32 public, as determined by the Rules of the Commission.

12-33 D. The records and information provided to a Member State pursuant
 12-34 to this Compact or through the Data System, when certified by the
 12-35 Commission or an agent thereof, shall constitute the
 12-36 authenticated business records of the Commission, and shall be
 12-37 entitled to any associated hearsay exception in any relevant
 12-38 judicial, quasi-judicial or administrative proceedings in a
 12-39 Member State.

12-40 E. The existence of Current Significant Investigative Information
 12-41 and the existence of Investigative Information pertaining to a
 12-42 Licensee in any Member State will only be available to other
 12-43 Member States.

12-44 F. It is the responsibility of the Member States to monitor the
 12-45 database to determine whether Adverse Action has been taken
 12-46 against such a Licensee or License applicant. Adverse Action
 12-47 information pertaining to a Licensee or License applicant in any
 12-48 Member State will be available to any other Member State.

12-49 G. Member States contributing information to the Data System may
 12-50 designate information that may not be shared with the public
 12-51 without the express permission of the contributing State.

12-52 H. Any information submitted to the Data System that is
 12-53 subsequently expunged pursuant to federal law or the laws of the
 12-54 Member State contributing the information shall be removed from
 12-55 the Data System.

12-56 ARTICLE 11- RULEMAKING

12-57 A. The Commission shall promulgate reasonable Rules in order to
 12-58 effectively and efficiently implement and administer the
 12-59 purposes and provisions of the Compact. A Rule shall be invalid
 12-60 and have no force or effect only if a court of competent
 12-61 jurisdiction holds that the Rule is invalid because the
 12-62 Commission exercised its rulemaking authority in a manner that
 12-63 is beyond the scope and purposes of the Compact, or the powers
 12-64 granted hereunder, or based upon another applicable standard of
 12-65 review.

12-66 B. The Rules of the Commission shall have the force of law in each
 12-67 Member State, provided however that where the Rules of the
 12-68 Commission conflict with the laws of the Member State that
 12-69 establish the Member State's scope of practice laws governing the

- 13-1 Practice of Cosmetology as held by a court of competent
 13-2 jurisdiction, the Rules of the Commission shall be ineffective
 13-3 in that State to the extent of the conflict.
- 13-4 C. The Commission shall exercise its rulemaking powers pursuant to
 13-5 the criteria set forth in this Article and the Rules adopted
 13-6 thereunder. Rules shall become binding as of the date specified
 13-7 by the Commission for each Rule.
- 13-8 D. If a majority of the legislatures of the Member States rejects a
 13-9 Rule or portion of a Rule, by enactment of a statute or
 13-10 resolution in the same manner used to adopt the Compact within
 13-11 four (4) years of the date of adoption of the Rule, then such Rule
 13-12 shall have no further force and effect in any Member State or to
 13-13 any State applying to participate in the Compact.
- 13-14 E. Rules shall be adopted at a regular or special meeting of the
 13-15 Commission.
- 13-16 F. Prior to adoption of a proposed Rule, the Commission shall hold a
 13-17 public hearing and allow persons to provide oral and written
 13-18 comments, data, facts, opinions, and arguments.
- 13-19 G. Prior to adoption of a proposed Rule by the Commission, and at
 13-20 least thirty (30) days in advance of the meeting at which the
 13-21 Commission will hold a public hearing on the proposed Rule, the
 13-22 Commission shall provide a notice of proposed rulemaking:
- 13-23 1. On the website of the Commission or other publicly
 13-24 accessible platform;
 - 13-25 2. To persons who have requested notice of the
 13-26 Commission's notices of proposed rulemaking; and
 - 13-27 3. In such other way(s) as the Commission may by Rule
 13-28 specify.
- 13-29 H. The notice of proposed rulemaking shall include:
- 13-30 1. The time, date, and location of the public hearing at
 13-31 which the Commission will hear public comments on the
 13-32 proposed Rule and, if different, the time, date, and
 13-33 location of the meeting where the Commission will
 13-34 consider and vote on the proposed Rule;
 - 13-35 2. If the hearing is held via telecommunication, video
 13-36 conference, or other electronic means, the Commission
 13-37 shall include the mechanism for access to the hearing in
 13-38 the notice of proposed rulemaking;
 - 13-39 3. The text of the proposed Rule and the reason therefor;
 - 13-40 4. A request for comments on the proposed Rule from any
 13-41 interested person; and
 - 13-42 5. The manner in which interested persons may submit
 13-43 written comments.
- 13-44 I. All hearings will be recorded. A copy of the recording and all
 13-45 written comments and documents received by the Commission in
 13-46 response to the proposed Rule shall be available to the public.
- 13-47 J. Nothing in this Article shall be construed as requiring a
 13-48 separate hearing on each Rule. Rules may be grouped for the
 13-49 convenience of the Commission at hearings required by this
 13-50 Article.
- 13-51 K. The Commission shall, by majority vote of all members, take
 13-52 final action on the proposed Rule based on the rulemaking record
 13-53 and the full text of the Rule.
- 13-54 1. The Commission may adopt changes to the proposed Rule
 13-55 provided the changes do not enlarge the original
 13-56 purpose of the proposed Rule.
 - 13-57 2. The Commission shall provide an explanation of the
 13-58 reasons for substantive changes made to the proposed
 13-59 Rule as well as reasons for substantive changes not made
 13-60 that were recommended by commenters.
 - 13-61 3. The Commission shall determine a reasonable effective
 13-62 date for the Rule. Except for an emergency as provided
 13-63 in Article 11.L, the effective date of the Rule shall be
 13-64 no sooner than forty-five (45) days after the
 13-65 Commission issuing the notice that it adopted or
 13-66 amended the Rule.
- 13-67 L. Upon determination that an emergency exists, the Commission may
 13-68 consider and adopt an emergency Rule with five (5) days' notice,
 13-69 with opportunity to comment, provided that the usual rulemaking

14-1 procedures provided in the Compact and in this Article shall be
 14-2 retroactively applied to the Rule as soon as reasonably
 14-3 possible, in no event later than ninety (90) days after the
 14-4 effective date of the Rule. For the purposes of this provision,
 14-5 an emergency Rule is one that must be adopted immediately to:

- 14-6 1. Meet an imminent threat to public health, safety, or
 14-7 welfare;
- 14-8 2. Prevent a loss of Commission or Member State funds;
- 14-9 3. Meet a deadline for the promulgation of a Rule that is
 14-10 established by federal law or rule; or
- 14-11 4. Protect public health and safety.

14-12 M. The Commission or an authorized committee of the Commission may
 14-13 direct revisions to a previously adopted Rule for purposes of
 14-14 correcting typographical errors, errors in format, errors in
 14-15 consistency, or grammatical errors. Public notice of any
 14-16 revisions shall be posted on the website of the Commission. The
 14-17 revision shall be subject to challenge by any person for a period
 14-18 of thirty (30) days after posting. The revision may be
 14-19 challenged only on grounds that the revision results in a
 14-20 material change to a Rule. A challenge shall be made in writing
 14-21 and delivered to the Commission prior to the end of the notice
 14-22 period. If no challenge is made, the revision will take effect
 14-23 without further action. If the revision is challenged, the
 14-24 revision may not take effect without the approval of the
 14-25 Commission.

14-26 N. No Member State's rulemaking requirements shall apply under this
 14-27 Compact.

14-28 ARTICLE 12- OVERSIGHT, DISPUTE RESOLUTION, AND ENFORCEMENT

14-29 A. Oversight

- 14-30 1. The executive and judicial branches of State
 14-31 government in each Member State shall enforce this
 14-32 Compact and take all actions necessary and appropriate
 14-33 to implement the Compact.
- 14-34 2. Venue is proper and judicial proceedings by or against
 14-35 the Commission shall be brought solely and exclusively
 14-36 in a court of competent jurisdiction where the
 14-37 principal office of the Commission is located. The
 14-38 Commission may waive venue and jurisdictional defenses
 14-39 to the extent it adopts or consents to participate in
 14-40 alternative dispute resolution proceedings. Nothing
 14-41 herein shall affect or limit the selection or propriety
 14-42 of venue in any action against a Licensee for
 14-43 professional malpractice, misconduct or any such
 14-44 similar matter.
- 14-45 3. The Commission shall be entitled to receive service of
 14-46 process in any proceeding regarding the enforcement or
 14-47 interpretation of the Compact and shall have standing
 14-48 to intervene in such a proceeding for all purposes.
 14-49 Failure to provide the Commission service of process
 14-50 shall render a judgment or order void as to the
 14-51 Commission, this Compact, or promulgated Rules.

14-52 B. Default, Technical Assistance, and Termination

- 14-53 1. If the Commission determines that a Member State has
 14-54 defaulted in the performance of its obligations or
 14-55 responsibilities under this Compact or the promulgated
 14-56 Rules, the Commission shall provide written notice to
 14-57 the defaulting State. The notice of default shall
 14-58 describe the default, the proposed means of curing the
 14-59 default, and any other action that the Commission may
 14-60 take, and shall offer training and specific technical
 14-61 assistance regarding the default.
- 14-62 2. The Commission shall provide a copy of the notice of
 14-63 default to the other Member States.
- 14-64 3. If a State in default fails to cure the default, the
 14-65 defaulting State may be terminated from the Compact
 14-66 upon an affirmative vote of a majority of the delegates
 14-67 of the Member States, and all rights, privileges and
 14-68 benefits conferred on that State by this Compact may be
 14-69 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 such termination. The terminated State shall continue to recognize all licenses granted pursuant to this Compact for a minimum of one hundred eighty (180) days after the date of said 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 such litigation, including reasonable attorney's fees.

C. Dispute Resolution

1. Upon request by a Member State, the Commission shall attempt to resolve disputes related to the Compact that arise among Member States and between Member and non-Member States.
2. The Commission shall promulgate a Rule providing for both mediation and binding dispute resolution for disputes as appropriate.

D. Enforcement

1. The Commission, in the reasonable exercise of its discretion, shall enforce the provisions of this Compact and the Commission's Rules.
2. By majority vote as provided by Commission Rule, the Commission may initiate legal action against a Member State in default in the United States District Court for the District of Columbia or the federal district where the Commission has its principal offices to enforce compliance with the provisions of the Compact and its promulgated Rules. The relief sought may include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing party shall be awarded all costs of such litigation, including reasonable attorney's fees. The remedies herein shall not be the exclusive remedies of the Commission. The Commission may pursue any other remedies available under federal or the defaulting Member State's law.
3. A Member State may initiate legal action against the Commission in the United States District Court for the District of Columbia or the federal district where the Commission has its principal offices to enforce compliance with the provisions of the Compact and its promulgated Rules. The relief sought may include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing party shall be

16-1 awarded all costs of such litigation, including
16-2 reasonable attorney's fees.

16-3 4. No individual or entity other than a Member State may
16-4 enforce this Compact against the Commission.

16-5 ARTICLE 13- EFFECTIVE DATE, WITHDRAWAL, AND AMENDMENT

16-6 A. The Compact shall come into effect on the date on which the
16-7 Compact statute is enacted into law in the seventh Member State.

16-8 1. On or after the effective date of the Compact, the
16-9 Commission shall convene and review the enactment of
16-10 each of the Charter Member States to determine if the
16-11 statute enacted by each such Charter Member State is
16-12 materially different than the model Compact statute.

16-13 a. A Charter Member State whose enactment is found to
16-14 be materially different from the model Compact
16-15 statute shall be entitled to the default process
16-16 set forth in Article 12.

16-17 b. If any Member State is later found to be in
16-18 default, or is terminated or withdraws from the
16-19 Compact, the Commission shall remain in existence
16-20 and the Compact shall remain in effect even if the
16-21 number of Member States should be less than seven
16-22 (7).

16-23 2. Member States enacting the Compact subsequent to the
16-24 Charter Member States shall be subject to the process
16-25 set forth in Article 9.C.24 to determine if their
16-26 enactments are materially different from the model
16-27 Compact statute and whether they qualify for
16-28 participation in the Compact.

16-29 3. All actions taken for the benefit of the Commission or
16-30 in furtherance of the purposes of the administration of
16-31 the Compact prior to the effective date of the Compact
16-32 or the Commission coming into existence shall be
16-33 considered to be actions of the Commission unless
16-34 specifically repudiated by the Commission.

16-35 4. Any State that joins the Compact shall be subject to the
16-36 Commission's Rules and bylaws as they exist on the date
16-37 on which the Compact becomes law in that State. Any
16-38 Rule that has been previously adopted by the Commission
16-39 shall have the full force and effect of law on the day
16-40 the Compact becomes law in that State.

16-41 B. Any Member State may withdraw from this Compact by enacting a
16-42 statute repealing that State's enactment of the Compact.

16-43 1. A Member State's withdrawal shall not take effect until
16-44 one hundred eighty (180) days after enactment of the
16-45 repealing statute.

16-46 2. Withdrawal shall not affect the continuing requirement
16-47 of the withdrawing State's State Licensing Authority to
16-48 comply with the investigative and Adverse Action
16-49 reporting requirements of this Compact prior to the
16-50 effective date of withdrawal.

16-51 3. Upon the enactment of a statute withdrawing from this
16-52 Compact, a State shall immediately provide notice of
16-53 such withdrawal to all Licensees within that State.
16-54 Notwithstanding any subsequent statutory enactment to
16-55 the contrary, such withdrawing State shall continue to
16-56 recognize all licenses granted pursuant to this Compact
16-57 for a minimum of one hundred eighty (180) days after the
16-58 date of such notice of withdrawal.

16-59 C. Nothing contained in this Compact shall be construed to
16-60 invalidate or prevent any licensure agreement or other
16-61 cooperative arrangement between a Member State and a non-Member
16-62 State that does not conflict with the provisions of this Compact.

16-63 D. This Compact may be amended by the Member States. No amendment
16-64 to this Compact shall become effective and binding upon any
16-65 Member State until it is enacted into the laws of all Member
16-66 States.

16-67 ARTICLE 14- CONSTRUCTION AND SEVERABILITY

16-68 A. This Compact and the Commission's rulemaking authority shall be
16-69 liberally construed so as to effectuate the purposes, and the

17-1 implementation and administration of the Compact. Provisions of
17-2 the Compact expressly authorizing or requiring the promulgation
17-3 of Rules shall not be construed to limit the Commission's
17-4 rulemaking authority solely for those purposes.

17-5 B. The provisions of this Compact shall be severable and if any
17-6 phrase, clause, sentence or provision of this Compact is held by
17-7 a court of competent jurisdiction to be contrary to the
17-8 constitution of any Member State, a State seeking participation
17-9 in the Compact, or of the United States, or the applicability
17-10 thereof to any government, agency, person or circumstance is
17-11 held to be unconstitutional by a court of competent
17-12 jurisdiction, the validity of the remainder of this Compact and
17-13 the applicability thereof to any other government, agency,
17-14 person or circumstance shall not be affected thereby.

17-15 C. Notwithstanding Article 14.B, the Commission may deny a State's
17-16 participation in the Compact or, in accordance with the
17-17 requirements of Article 12, terminate a Member State's
17-18 participation in the Compact, if it determines that a
17-19 constitutional requirement of a Member State is a material
17-20 departure from the Compact. Otherwise, if this Compact shall be
17-21 held to be contrary to the constitution of any Member State, the
17-22 Compact shall remain in full force and effect as to the remaining
17-23 Member States and in full force and effect as to the Member State
17-24 affected as to all severable matters.

17-25 ARTICLE 15- CONSISTENT EFFECT AND CONFLICT WITH OTHER STATE LAWS

17-26 A. Nothing herein shall prevent or inhibit the enforcement of any
17-27 other law of a Member State that is not inconsistent with the
17-28 Compact.

17-29 B. All permissible agreements between the Commission and the Member
17-30 States are binding in accordance with their terms.

17-31 Sec. 1604.002. ADMINISTRATION OF COMPACT. The Texas
17-32 Department of Licensing and Regulation is the Cosmetology Licensure
17-33 Compact administrator for this state.

17-34 Sec. 1604.003. RULES. The Texas Commission of Licensing
17-35 and Regulation may adopt rules necessary to implement this chapter.

17-36 SECTION 2. This Act takes effect September 1, 2026.

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