



FLOOR AMENDMENT NO. _____

BY: Wilson

1 Amend H.B. No. 705 (house committee report) by striking all
2 below the enacting clause and substituting the following:

3 SECTION 1. Title 9, Occupations Code, is amended by adding
4 Chapter 1604 to read as follows:

5 CHAPTER 1604. COSMETOLOGY LICENSURE COMPACT

6 Sec. 1604.001. COSMETOLOGY LICENSURE COMPACT. The
7 Cosmetology Licensure Compact is enacted and entered into with all
8 other jurisdictions that legally join the compact, which reads as
9 follows:

10 COSMETOLOGY LICENSURE COMPACT

11 ARTICLE 1- PURPOSE

12 The purpose of this Compact is to facilitate the interstate
13 practice and regulation of Cosmetology with the goal of improving
14 public access to, and the safety of, Cosmetology Services and
15 reducing unnecessary burdens related to Cosmetology licensure.
16 Through this Compact, the Member States seek to establish a
17 regulatory framework which provides for a new multistate licensing
18 program. Through this new licensing program, the Member States
19 seek to provide increased value and mobility to licensed
20 Cosmetologists in the Member States, while ensuring the provision
21 of safe, effective, and reliable services to the public.

22 This Compact is designed to achieve the following objectives, and
23 the Member States hereby ratify the same intentions by subscribing
24 hereto:

25 A. Provide opportunities for interstate practice by Cosmetologists
26 who meet uniform requirements for multistate licensure;

27 B. Enhance the abilities of Member States to protect public health
28 and safety, and prevent fraud and unlicensed activity within the
29 profession;

- 1 C. Ensure and encourage cooperation between Member States in the
2 licensure and regulation of the Practice of Cosmetology;
3 D. Support relocating military members and their spouses;
4 E. Facilitate the exchange of information between Member States
5 related to the licensure, investigation, and discipline of the
6 Practice of Cosmetology;
7 F. Provide for the licensure and mobility of the workforce in the
8 profession, while addressing the shortage of workers and
9 lessening the associated burdens on the Member States.

10 ARTICLE 2- DEFINITIONS

11 As used in this Compact, and except as otherwise provided, the
12 following definitions shall govern the terms herein:

13 A. "Active Military Member" means any person with full-time duty
14 status in the armed forces of the United States, including
15 members of the National Guard and Reserve.

16 B. "Adverse Action" means any administrative, civil, equitable, or
17 criminal action permitted by a Member State's laws which is
18 imposed by a State Licensing Authority or other regulatory body
19 against a Cosmetologist, including actions against an
20 individual's license or Authorization to Practice such as
21 revocation, suspension, probation, monitoring of the Licensee,
22 limitation of the Licensee's practice, or any other Encumbrance
23 on a license affecting an individual's ability to participate in
24 the Cosmetology industry, including the issuance of a cease and
25 desist order.

26 C. "Authorization to Practice" means a legal authorization
27 associated with a Multistate License permitting the Practice of
28 Cosmetology in that Remote State, which shall be subject to the
29 enforcement jurisdiction of the State Licensing Authority in
30 that Remote State.

31 D. "Alternative Program" means a non-disciplinary monitoring or

1 prosecutorial diversion program approved by a Member State's
2 State Licensing Authority.

3 E. "Background Check" means the submission of information for an
4 applicant for the purpose of obtaining that applicant's criminal
5 history record information, as further defined in 28 C.F.R. §
6 20.3(d), from the Federal Bureau of Investigation and the agency
7 responsible for retaining State criminal or disciplinary history
8 in the applicant's Home State.

9 F. "Charter Member State" means Member States who have enacted
10 legislation to adopt this Compact where such legislation
11 predates the effective date of this Compact as defined in Article
12 13.

13 G. "Commission" means the government agency whose membership
14 consists of all States that have enacted this Compact, which is
15 known as the Cosmetology Licensure Compact Commission, as
16 defined in Article 9, and which shall operate as an
17 instrumentality of the Member States.

18 H. "Cosmetologist" means an individual licensed in their Home State
19 to practice Cosmetology.

20 I. "Cosmetology", "Cosmetology Services", and the "Practice of
21 Cosmetology" mean the care and services provided by a
22 Cosmetologist as set forth in the Member State's statutes and
23 regulations in the State where the services are being provided.

24 J. "Current Significant Investigative Information" means:

- 25 1. Investigative Information that a State Licensing
26 Authority, after an inquiry or investigation that
27 complies with a Member State's due process
28 requirements, has reason to believe is not groundless
29 and, if proved true, would indicate a violation of that
30 State's laws regarding fraud or the Practice of
31 Cosmetology; or

1 2. Investigative Information that indicates that a
2 Licensee has engaged in fraud or represents an
3 immediate threat to public health and safety,
4 regardless of whether the Licensee has been notified
5 and had an opportunity to respond.

6 K. "Data System" means a repository of information about Licensees,
7 including, but not limited to, license status, Investigative
8 Information, and Adverse Actions.

9 L. "Disqualifying Event" means any event which shall disqualify an
10 individual from holding a Multistate License under this Compact,
11 which the Commission may by Rule or order specify.

12 M. "Encumbered License" means a license in which an Adverse Action
13 restricts the Practice of Cosmetology by a Licensee, or where
14 said Adverse Action has been reported to the Commission.

15 N. "Encumbrance" means a revocation or suspension of, or any
16 limitation on, the full and unrestricted Practice of Cosmetology
17 by a State Licensing Authority.

18 O. "Executive Committee" means a group of delegates elected or
19 appointed to act on behalf of, and within the powers granted to
20 them by, the Commission.

21 P. "Home State" means the Member State which is a Licensee's
22 primary State of residence, and where that Licensee holds an
23 active and unencumbered license to practice Cosmetology.

24 Q. "Investigative Information" means information, records, or
25 documents received or generated by a State Licensing Authority
26 pursuant to an investigation or other inquiry.

27 R. "Jurisprudence Requirement" means the assessment of an
28 individual's knowledge of the laws and rules governing the
29 Practice of Cosmetology in a State.

30 S. "Licensee" means an individual who currently holds a license
31 from a Member State to practice as a Cosmetologist.

- 1 T. "Member State" means any State that has adopted this Compact.
- 2 U. "Multistate License" means a license issued by and subject to
3 the enforcement jurisdiction of the State Licensing Authority in
4 a Licensee's Home State, which authorizes the Practice of
5 Cosmetology in Member States and includes Authorizations to
6 Practice Cosmetology in all Remote States pursuant to this
7 Compact.
- 8 V. "Remote State" means any Member State, other than the Licensee's
9 Home State.
- 10 W. "Rule" means any rule or regulation promulgated by the
11 Commission under this Compact which has the force of law.
- 12 X. "Single-State License" means a Cosmetology license issued by a
13 Member State that authorizes practice of Cosmetology only within
14 the issuing State and does not include any authorization outside
15 of the issuing State.
- 16 Y. "State" means a State, territory, or possession of the United
17 States and the District of Columbia.
- 18 Z. "State Licensing Authority" means a Member State's regulatory
19 body responsible for issuing Cosmetology licenses or otherwise
20 overseeing the Practice of Cosmetology in that State.

21 ARTICLE 3- MEMBER STATE REQUIREMENTS

22 A. To be eligible to join this Compact, and to maintain eligibility
23 as a Member State, a State must:

- 24 1. License and regulate Cosmetology;
- 25 2. Have a mechanism or entity in place to receive and
26 investigate complaints about Licensees practicing in
27 that State;
- 28 3. Require that Licensees within the State pass a
29 Cosmetology competency examination prior to being
30 licensed to provide Cosmetology Services to the public
31 in that State;

1 4. Require that Licensees satisfy educational or training
2 requirements in Cosmetology prior to being licensed to
3 provide Cosmetology Services to the public in that
4 State;

5 5. Implement procedures for considering one or more of the
6 following categories of information from applicants for
7 licensure: criminal history; disciplinary history; or
8 Background Check. Such procedures may include the
9 submission of information by applicants for the purpose
10 of obtaining an applicant's Background Check as defined
11 herein;

12 6. Participate in the Data System, including through the
13 use of unique identifying numbers;

14 7. Share information related to Adverse Actions with the
15 Commission and other Member States, both through the
16 Data System and otherwise;

17 8. Notify the Commission and other Member States, in
18 compliance with the terms of the Compact and Rules of
19 the Commission, of the existence of Investigative
20 Information or Current Significant Investigative
21 Information in the State's possession regarding a
22 Licensee practicing in that State;

23 9. Comply with such Rules as may be enacted by the
24 Commission to administer the Compact; and

25 10. Accept Licensees from other Member States as
26 established herein.

27 B. Member States may charge a fee for granting a license to practice
28 Cosmetology.

29 C. Individuals not residing in a Member State shall continue to be
30 able to apply for a Member State's Single-State License as
31 provided under the laws of each Member State. However, the

1 Single-State License granted to these individuals shall not be
2 recognized as granting a Multistate License to provide services
3 in any other Member State.

4 D. Nothing in this Compact shall affect the requirements
5 established by a Member State for the issuance of a Single-State
6 License.

7 E. A Multistate License issued to a Licensee by a Home State to a
8 resident of that State shall be recognized by each Member State
9 as authorizing a Licensee to practice Cosmetology in each Member
10 State.

11 F. At no point shall the Commission have the power to define the
12 educational or professional requirements for a license to
13 practice Cosmetology. The Member States shall retain sole
14 jurisdiction over the provision of these requirements.

15 ARTICLE 4- MULTISTATE LICENSE

16 A. To be eligible to apply to their Home State's State Licensing
17 Authority for an initial Multistate License under this Compact,
18 a Licensee must hold an active and unencumbered Single-State
19 License to practice Cosmetology in their Home State.

20 B. Upon the receipt of an application for a Multistate License,
21 according to the Rules of the Commission, a Member State's State
22 Licensing Authority shall ascertain whether the applicant meets
23 the requirements for a Multistate License under this Compact.

24 C. If an applicant meets the requirements for a Multistate License
25 under this Compact and any applicable Rules of the Commission,
26 the State Licensing Authority in receipt of the application
27 shall, within a reasonable time, grant a Multistate License to
28 that applicant, and inform all Member States of the grant of said
29 Multistate License.

30 D. A Multistate License to practice Cosmetology issued by a Member
31 State's State Licensing Authority shall be recognized by each

1 Member State as authorizing the practice thereof as though that
2 Licensee held a Single-State License to do so in each Member
3 State, subject to the restrictions herein.

4 E. A Multistate License granted pursuant to this Compact may be
5 effective for a definite period of time, concurrent with the
6 licensure renewal period in the Home State.

7 F. To maintain a Multistate License under this Compact, a Licensee
8 must:

9 1. Agree to abide by the rules of the State Licensing
10 Authority, and the State scope of practice laws
11 governing the Practice of Cosmetology, of any Member
12 State in which the Licensee provides services;

13 2. Pay all required fees related to the application and
14 process, and any other fees which the Commission may by
15 Rule require; and

16 3. Comply with any and all other requirements regarding
17 Multistate Licenses which the Commission may by Rule
18 provide.

19 G. A Licensee practicing in a Member State is subject to all scope
20 of practice laws governing Cosmetology Services in that State.

21 H. The Practice of Cosmetology under a Multistate License granted
22 pursuant to this Compact will subject the Licensee to the
23 jurisdiction of the State Licensing Authority, the courts, and
24 the laws of the Member State in which the Cosmetology Services
25 are provided.

26 ARTICLE 5- REISSUANCE OF A MULTISTATE LICENSE BY A NEW HOME STATE

27 A. A Licensee may hold a Multistate License, issued by their Home
28 State, in only one Member State at any given time.

29 B. If a Licensee changes their Home State by moving between two
30 Member States:

31 1. The Licensee shall immediately apply for the reissuance

1 of their Multistate License in their new Home State. The
2 Licensee shall pay all applicable fees and notify the
3 prior Home State in accordance with the Rules of the
4 Commission.

5 2. Upon receipt of an application to reissue a Multistate
6 License, the new Home State shall verify that the
7 Multistate License is active, unencumbered and eligible
8 for reissuance under the terms of the Compact and the
9 Rules of the Commission. The Multistate License issued
10 by the prior Home State will be deactivated and all
11 Member States notified in accordance with the
12 applicable Rules adopted by the Commission.

13 3. If required for initial licensure, the new Home State
14 may require a Background Check as specified in the laws
15 of that State, or the compliance with any Jurisprudence
16 Requirements of the new Home State.

17 4. Notwithstanding any other provision of this Compact, if
18 a Licensee does not meet the requirements set forth in
19 this Compact for the reissuance of a Multistate License
20 by the new Home State, then the Licensee shall be
21 subject to the new Home State requirements for the
22 issuance of a Single-State License in that State.

23 C. If a Licensee changes their primary state of residence by moving
24 from a Member State to a non-Member State, or from a non-Member
25 State to a Member State, then the Licensee shall be subject to
26 the State requirements for the issuance of a Single-State
27 License in the new Home State.

28 D. Nothing in this Compact shall interfere with a Licensee's
29 ability to hold a Single-State License in multiple States;
30 however, for the purposes of this Compact, a Licensee shall have
31 only one Home State, and only one Multistate License.

1 E. Nothing in this Compact shall interfere with the requirements
2 established by a Member State for the issuance of a Single-State
3 License.

4 ARTICLE 6- AUTHORITY OF THE COMPACT COMMISSION AND MEMBER STATE
5 LICENSING AUTHORITIES

6 A. Nothing in this Compact, nor any Rule or regulation of the
7 Commission, shall be construed to limit, restrict, or in any way
8 reduce the ability of a Member State to enact and enforce laws,
9 regulations, or other rules related to the Practice of
10 Cosmetology in that State, where those laws, regulations, or
11 other rules are not inconsistent with the provisions of this
12 Compact.

13 B. Insofar as practical, a Member State's State Licensing Authority
14 shall cooperate with the Commission and with each entity
15 exercising independent regulatory authority over the Practice of
16 Cosmetology according to the provisions of this Compact.

17 C. Discipline shall be the sole responsibility of the State in
18 which Cosmetology Services are provided. Accordingly, each
19 Member State's State Licensing Authority shall be responsible
20 for receiving complaints about individuals practicing
21 Cosmetology in that State, and for communicating all relevant
22 Investigative Information about any such Adverse Action to the
23 other Member States through the Data System in addition to any
24 other methods the Commission may by Rule require.

25 ARTICLE 7- ADVERSE ACTIONS

26 A. A Licensee's Home State shall have exclusive power to impose an
27 Adverse Action against a Licensee's Multistate License issued by
28 the Home State.

29 B. A Home State may take Adverse Action on a Multistate License
30 based on the Investigative Information, Current Significant
31 Investigative Information, or Adverse Action of a Remote State.

1 C. In addition to the powers conferred by State law, each Remote
2 State's State Licensing Authority shall have the power to:

3 1. Take Adverse Action against a Licensee's Authorization
4 to Practice Cosmetology through the Multistate License
5 in that Member State, provided that:

6 a. Only the Licensee's Home State shall have the
7 power to take Adverse Action against the
8 Multistate License issued by the Home State; and

9 b. For the purposes of taking Adverse Action, the
10 Home State's State Licensing Authority shall give
11 the same priority and effect to reported conduct
12 received from a Remote State as it would if such
13 conduct had occurred within the Home State. In so
14 doing, the Home State shall apply its own State
15 laws to determine the appropriate action.

16 2. Issue cease and desist orders or impose an Encumbrance
17 on a Licensee's Authorization to Practice within that
18 Member State.

19 3. Complete any pending investigations of a Licensee who
20 changes their primary state of residence during the
21 course of such an investigation. The State Licensing
22 Authority shall also be empowered to report the results
23 of such an investigation to the Commission through the
24 Data System as described herein.

25 4. Issue subpoenas for both hearings and investigations
26 that require the attendance and testimony of witnesses,
27 as well as the production of evidence. Subpoenas issued
28 by a State Licensing Authority in a Member State for the
29 attendance and testimony of witnesses or the production
30 of evidence from another Member State shall be enforced
31 in the latter State by any court of competent

1 jurisdiction, according to the practice and procedure
2 of that court applicable to subpoenas issued in
3 proceedings before it. The issuing State Licensing
4 Authority shall pay any witness fees, travel expenses,
5 mileage, and other fees required by the service
6 statutes of the State in which the witnesses or evidence
7 are located.

8 5. If otherwise permitted by State law, recover from the
9 affected Licensee the costs of investigations and
10 disposition of cases resulting from any Adverse Action
11 taken against that Licensee.

12 6. Take Adverse Action against the Licensee's
13 Authorization to Practice in that State based on the
14 factual findings of another Remote State.

15 D. A Licensee's Home State shall complete any pending
16 investigation(s) of a Cosmetologist who changes their primary
17 state of residence during the course of the investigation(s).
18 The Home State shall also have the authority to take appropriate
19 action(s) and shall promptly report the conclusions of the
20 investigations to the Data System.

21 E. If an Adverse Action is taken by the Home State against a
22 Licensee's Multistate License, the Licensee's Authorization to
23 Practice in all other Member States shall be deactivated until
24 all Encumbrances have been removed from the Home State license.
25 All Home State disciplinary orders that impose an Adverse Action
26 against a Licensee's Multistate License shall include a
27 statement that the Cosmetologist's Authorization to Practice is
28 deactivated in all Member States during the pendency of the
29 order.

30 F. Nothing in this Compact shall override a Member State's
31 authority to accept a Licensee's participation in an Alternative

1 Program in lieu of Adverse Action. A Licensee's Multistate
2 License shall be suspended for the duration of the Licensee's
3 participation in any Alternative Program.

4 G. Joint Investigations

5 1. In addition to the authority granted to a Member State
6 by its respective scope of practice laws or other
7 applicable State law, a Member State may participate
8 with other Member States in joint investigations of
9 Licensees.

10 2. Member States shall share any investigative,
11 litigation, or compliance materials in furtherance of
12 any joint or individual investigation initiated under
13 the Compact.

14 ARTICLE 8- ACTIVE MILITARY MEMBERS AND THEIR SPOUSES

15 Active Military Members, or their spouses, shall designate a Home
16 State where the individual has a current license to practice
17 Cosmetology in good standing. The individual may retain their Home
18 State designation during any period of service when that individual
19 or their spouse is on active duty assignment.

20 ARTICLE 9- ESTABLISHMENT AND OPERATION OF THE COSMETOLOGY LICENSURE
21 COMPACT COMMISSION

22 A. The Compact Member States hereby create and establish a joint
23 government agency whose membership consists of all Member States
24 that have enacted the Compact known as the Cosmetology Licensure
25 Compact Commission. The Commission is an instrumentality of the
26 Compact Member States acting jointly and not an instrumentality
27 of any one State. The Commission shall come into existence on or
28 after the effective date of the Compact as set forth in Article
29 13.

30 B. Membership, Voting, and Meetings

31 1. Each Member State shall have and be limited to one (1)

1 delegate selected by that Member State's State
2 Licensing Authority.

3 2. The delegate shall be an administrator of the State
4 Licensing Authority of the Member State or their
5 designee.

6 3. The Commission shall by Rule or bylaw establish a term
7 of office for delegates and may by Rule or bylaw
8 establish term limits.

9 4. The Commission may recommend removal or suspension of
10 any delegate from office.

11 5. A Member State's State Licensing Authority shall fill
12 any vacancy of its delegate occurring on the Commission
13 within 60 days of the vacancy.

14 6. Each delegate shall be entitled to one vote on all
15 matters that are voted on by the Commission.

16 7. The Commission shall meet at least once during each
17 calendar year. Additional meetings may be held as set
18 forth in the bylaws. The Commission may meet by
19 telecommunication, video conference or other similar
20 electronic means.

21 C. The Commission shall have the following powers:

22 1. Establish the fiscal year of the Commission;

23 2. Establish code of conduct and conflict of interest
24 policies;

25 3. Adopt Rules and bylaws;

26 4. Maintain its financial records in accordance with the
27 bylaws;

28 5. Meet and take such actions as are consistent with the
29 provisions of this Compact, the Commission's Rules, and
30 the bylaws;

31 6. Initiate and conclude legal proceedings or actions in

1 the name of the Commission, provided that the standing
2 of any State Licensing Authority to sue or be sued under
3 applicable law shall not be affected;

4 7. Maintain and certify records and information provided
5 to a Member State as the authenticated business records
6 of the Commission, and designate an agent to do so on
7 the Commission's behalf;

8 8. Purchase and maintain insurance and bonds;

9 9. Borrow, accept, or contract for services of personnel,
10 including, but not limited to, employees of a Member
11 State;

12 10. Conduct an annual financial review;

13 11. Hire employees, elect or appoint officers, fix
14 compensation, define duties, grant such individuals
15 appropriate authority to carry out the purposes of the
16 Compact, and establish the Commission's personnel
17 policies and programs relating to conflicts of
18 interest, qualifications of personnel, and other
19 related personnel matters;

20 12. As set forth in the Commission Rules, charge a fee to a
21 Licensee for the grant of a Multistate License and
22 thereafter, as may be established by Commission Rule,
23 charge the Licensee a Multistate License renewal fee
24 for each renewal period. Nothing herein shall be
25 construed to prevent a Home State from charging a
26 Licensee a fee for a Multistate License or renewals of a
27 Multistate License, or a fee for the jurisprudence
28 requirement if the Member State imposes such a
29 requirement for the grant of a Multistate License;

30 13. Assess and collect fees;

31 14. Accept any and all appropriate gifts, donations,

grants of money, other sources of revenue, equipment,
supplies, materials, and services, and receive,
utilize, and dispose of the same; provided that at all
times the Commission shall avoid any appearance of
impropriety or conflict of interest;

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

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

17. Establish a budget and make expenditures;

18. Borrow money;

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

20. Provide and receive information from, and cooperate
with, law enforcement agencies;

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

22. Establish and elect an Executive Committee, including
a chair and a vice chair;

23. Adopt and provide to the Member States an annual
report.

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

1 25. Perform such other functions as may be necessary or
2 appropriate to achieve the purposes of this Compact.

3 D. The Executive Committee

4 1. The Executive Committee shall have the power to act on
5 behalf of the Commission according to the terms of this
6 Compact. The powers, duties, and responsibilities of
7 the Executive Committee shall include:

8 a. Overseeing the day-to-day activities of the
9 administration of the Compact including
10 compliance with the provisions of the Compact, the
11 Commission's Rules and bylaws, and other such
12 duties as deemed necessary;

13 b. Recommending to the Commission changes to the
14 Rules or bylaws, changes to this Compact
15 legislation, fees charged to Compact Member
16 States, fees charged to Licensees, and other fees;

17 c. Ensuring Compact administration services are
18 appropriately provided, including by contract;

19 d. Preparing and recommending the budget;

20 e. Maintaining financial records on behalf of the
21 Commission;

22 f. Monitoring Compact compliance of Member States
23 and providing compliance reports to the
24 Commission;

25 g. Establishing additional committees as necessary;

26 h. Exercising the powers and duties of the
27 Commission during the interim between Commission
28 meetings, except for adopting or amending Rules,
29 adopting or amending bylaws, and exercising any
30 other powers and duties expressly reserved to the
31 Commission by Rule or bylaw; and

- 1 i. Other duties as provided in the Rules or bylaws of
2 the Commission.
- 3 2. The Executive Committee shall be composed of up to
4 seven voting members:
- 5 a. The chair and vice chair of the Commission and any
6 other members of the Commission who serve on the
7 Executive Committee shall be voting members of the
8 Executive Committee; and
- 9 b. Other than the chair, vice-chair, secretary and
10 treasurer, the Commission shall elect three
11 voting members from the current membership of the
12 Commission.
- 13 c. The Commission may elect ex-officio, nonvoting
14 members from a recognized national Cosmetology
15 professional association as approved by the
16 Commission. The Commission's bylaws shall
17 identify qualifying organizations and the manner
18 of appointment if the number of organizations
19 seeking to appoint an ex officio member exceeds
20 the number of members specified in this Article.
- 21 3. The Commission may remove any member of the Executive
22 Committee as provided in the Commission's bylaws.
- 23 4. The Executive Committee shall meet at least annually.
- 24 a. Annual Executive Committee meetings, as well as
25 any Executive Committee meeting at which it does
26 not take or intend to take formal action on a
27 matter for which a Commission vote would otherwise
28 be required, shall be open to the public, except
29 that the Executive Committee may meet in a closed,
30 non-public session of a public meeting when
31 dealing with any of the matters covered under

1 Article 9.F.4.

2 b. The Executive Committee shall give five business
3 days advance notice of its public meetings, posted
4 on its website and as determined to provide notice
5 to persons with an interest in the public matters
6 the Executive Committee intends to address at
7 those meetings.

8 5. The Executive Committee may hold an emergency meeting
9 when acting for the Commission to:

10 a. Meet an imminent threat to public health, safety,
11 or welfare;

12 b. Prevent a loss of Commission or Member State
13 funds; or

14 c. Protect public health and safety.

15 E. The Commission shall adopt and provide to the Member States an
16 annual report.

17 F. Meetings of the Commission

18 1. All meetings of the Commission that are not closed
19 pursuant to Article 9.F.4 shall be open to the public.
20 Notice of public meetings shall be posted on the
21 Commission's website at least thirty (30) days prior to
22 the public meeting.

23 2. Notwithstanding Article 9.F.1, the Commission may
24 convene an emergency public meeting by providing at
25 least twenty-four (24) hours prior notice on the
26 Commission's website, and any other means as provided in
27 the Commission's Rules, for any of the reasons it may
28 dispense with notice of proposed rulemaking under
29 Article 11.L. The Commission's legal counsel shall
30 certify that one of the reasons justifying an emergency
31 public meeting has been met.

1 3. Notice of all Commission meetings shall provide the
2 time, date, and location of the meeting, and if the
3 meeting is to be held or accessible via
4 telecommunication, video conference, or other
5 electronic means, the notice shall include the
6 mechanism for access to the meeting.

7 4. The Commission may convene in a closed, non-public
8 meeting for the Commission to discuss:

9 a. Non-compliance of a Member State with its
10 obligations under the Compact;

11 b. The employment, compensation, discipline or other
12 matters, practices or procedures related to
13 specific employees or other matters related to the
14 Commission's internal personnel practices and
15 procedures;

16 c. Current or threatened discipline of a Licensee by
17 the Commission or by a Member State's Licensing
18 Authority;

19 d. Current, threatened, or reasonably anticipated
20 litigation;

21 e. Negotiation of contracts for the purchase, lease,
22 or sale of goods, services, or real estate;

23 f. Accusing any person of a crime or formally
24 censuring any person;

25 g. Trade secrets or commercial or financial
26 information that is privileged or confidential;

27 h. Information of a personal nature where disclosure
28 would constitute a clearly unwarranted invasion
29 of personal privacy;

30 i. Investigative records compiled for law
31 enforcement purposes;

1 j. Information related to any investigative reports
2 prepared by or on behalf of or for use of the
3 Commission or other committee charged with
4 responsibility of investigation or determination
5 of compliance issues pursuant to the Compact;

6 k. Legal advice;

7 l. Matters specifically exempted from disclosure to
8 the public by federal or Member State law; or

9 m. Other matters as promulgated by the Commission by
10 Rule.

11 5. If a meeting, or portion of a meeting, is closed, the
12 presiding officer shall state that the meeting will be
13 closed and reference each relevant exempting provision,
14 and such reference shall be recorded in the minutes.

15 6. The Commission shall keep minutes that fully and
16 clearly describe all matters discussed in a meeting and
17 shall provide a full and accurate summary of actions
18 taken, and the reasons therefore, including a
19 description of the views expressed. All documents
20 considered in connection with an action shall be
21 identified in such minutes. All minutes and documents
22 of a closed meeting shall remain under seal, subject to
23 release only by a majority vote of the Commission or
24 order of a court of competent jurisdiction.

25 G. Financing of the Commission

26 1. The Commission shall pay, or provide for the payment
27 of, the reasonable expenses of its establishment,
28 organization, and ongoing activities.

29 2. The Commission may accept any and all appropriate
30 sources of revenue, donations, and grants of money,
31 equipment, supplies, materials, and services.

1 3. The Commission may levy on and collect an annual
2 assessment from each Member State and impose fees on
3 Licensees of Member States to whom it grants a
4 Multistate License to cover the cost of the operations
5 and activities of the Commission and its staff, which
6 must be in a total amount sufficient to cover its annual
7 budget as approved each year for which revenue is not
8 provided by other sources. The aggregate annual
9 assessment amount for Member States shall be allocated
10 based upon a formula that the Commission shall
11 promulgate by Rule.

12 4. The Commission shall not incur obligations of any kind
13 prior to securing the funds adequate to meet the same;
14 nor shall the Commission pledge the credit of any Member
15 States, except by and with the authority of the Member
16 State.

17 5. The Commission shall keep accurate accounts of all
18 receipts and disbursements. The receipts and
19 disbursements of the Commission shall be subject to the
20 financial review and accounting procedures established
21 under its bylaws. All receipts and disbursements of
22 funds handled by the Commission shall be subject to an
23 annual financial review by a certified or licensed
24 public accountant, and the report of the financial
25 review shall be included in and become part of the
26 annual report of the Commission.

27 H. Qualified Immunity, Defense, and Indemnification

28 1. The members, officers, executive director, employees
29 and representatives of the Commission shall be immune
30 from suit and liability, both personally and in their
31 official capacity, for any claim for damage to or loss

1 of property or personal injury or other civil liability
2 caused by or arising out of any actual or alleged act,
3 error, or omission that occurred, or that the person
4 against whom the claim is made had a reasonable basis
5 for believing occurred within the scope of Commission
6 employment, duties or responsibilities; provided that
7 nothing in this paragraph shall be construed to protect
8 any such person from suit or liability for any damage,
9 loss, injury, or liability caused by the intentional or
10 willful or wanton misconduct of that person. The
11 procurement of insurance of any type by the Commission
12 shall not in any way compromise or limit the immunity
13 granted hereunder.

14 2. The Commission shall defend any member, officer,
15 executive director, employee, and representative of the
16 Commission in any civil action seeking to impose
17 liability arising out of any actual or alleged act,
18 error, or omission that occurred within the scope of
19 Commission employment, duties, or responsibilities, or
20 as determined by the Commission that the person against
21 whom the claim is made had a reasonable basis for
22 believing occurred within the scope of Commission
23 employment, duties, or responsibilities; provided that
24 nothing herein shall be construed to prohibit that
25 person from retaining their own counsel at their own
26 expense; and provided further, that the actual or
27 alleged act, error, or omission did not result from that
28 person's intentional or willful or wanton misconduct.

29 3. The Commission shall indemnify and hold harmless any
30 member, officer, executive director, employee, and
31 representative of the Commission for the amount of any

1 settlement or judgment obtained against that person
2 arising out of any actual or alleged act, error, or
3 omission that occurred within the scope of Commission
4 employment, duties, or responsibilities, or that such
5 person had a reasonable basis for believing occurred
6 within the scope of Commission employment, duties, or
7 responsibilities, provided that the actual or alleged
8 act, error, or omission did not result from the
9 intentional or willful or wanton misconduct of that
10 person.

11 4. Nothing herein shall be construed as a limitation on
12 the liability of any Licensee for professional
13 malpractice or misconduct, which shall be governed
14 solely by any other applicable State laws.

15 5. Nothing in this Compact shall be interpreted to waive
16 or otherwise abrogate a Member State's State action
17 immunity or State action affirmative defense with
18 respect to antitrust claims under the Sherman Act,
19 Clayton Act, or any other State or federal antitrust or
20 anticompetitive law or regulation.

21 6. Nothing in this Compact shall be construed to be a
22 waiver of sovereign immunity by the Member States or by
23 the Commission.

24 ARTICLE 10- DATA SYSTEM

25 A. The Commission shall provide for the development, maintenance,
26 operation, and utilization of a coordinated database and
27 reporting system.

28 B. The Commission shall assign each applicant for a Multistate
29 License a unique identifier, as determined by the Rules of the
30 Commission.

31 C. Notwithstanding any other provision of State law to the

1 contrary, a Member State shall submit a uniform data set to the
2 Data System on all individuals to whom this Compact is applicable
3 as required by the Rules of the Commission, including:

4 1. Identifying information;

5 2. Licensure data;

6 3. Adverse Actions against a license and information
7 related thereto;

8 4. Non-confidential information related to Alternative
9 Program participation, the beginning and ending dates
10 of such participation, and other information related to
11 such participation;

12 5. Any denial of application for licensure, and the
13 reason(s) for such denial (excluding the reporting of
14 any criminal history record information where
15 prohibited by law);

16 6. The existence of Investigative Information;

17 7. The existence of Current Significant Investigative
18 Information; and

19 8. Other information that may facilitate the
20 administration of this Compact or the protection of the
21 public, as determined by the Rules of the Commission.

22 D. The records and information provided to a Member State pursuant
23 to this Compact or through the Data System, when certified by the
24 Commission or an agent thereof, shall constitute the
25 authenticated business records of the Commission, and shall be
26 entitled to any associated hearsay exception in any relevant
27 judicial, quasi-judicial or administrative proceedings in a
28 Member State.

29 E. The existence of Current Significant Investigative Information
30 and the existence of Investigative Information pertaining to a
31 Licensee in any Member State will only be available to other

1 Member States.

2 F. It is the responsibility of the Member States to monitor the
3 database to determine whether Adverse Action has been taken
4 against such a Licensee or License applicant. Adverse Action
5 information pertaining to a Licensee or License applicant in any
6 Member State will be available to any other Member State.

7 G. Member States contributing information to the Data System may
8 designate information that may not be shared with the public
9 without the express permission of the contributing State.

10 H. Any information submitted to the Data System that is
11 subsequently expunged pursuant to federal law or the laws of the
12 Member State contributing the information shall be removed from
13 the Data System.

14 ARTICLE 11- RULEMAKING

15 A. The Commission shall promulgate reasonable Rules in order to
16 effectively and efficiently implement and administer the
17 purposes and provisions of the Compact. A Rule shall be invalid
18 and have no force or effect only if a court of competent
19 jurisdiction holds that the Rule is invalid because the
20 Commission exercised its rulemaking authority in a manner that
21 is beyond the scope and purposes of the Compact, or the powers
22 granted hereunder, or based upon another applicable standard of
23 review.

24 B. The Rules of the Commission shall have the force of law in each
25 Member State, provided however that where the Rules of the
26 Commission conflict with the laws of the Member State that
27 establish the Member State's scope of practice laws governing the
28 Practice of Cosmetology as held by a court of competent
29 jurisdiction, the Rules of the Commission shall be ineffective
30 in that State to the extent of the conflict.

31 C. The Commission shall exercise its rulemaking powers pursuant to

1 the criteria set forth in this Article and the Rules adopted
2 thereunder. Rules shall become binding as of the date specified
3 by the Commission for each Rule.

4 D. If a majority of the legislatures of the Member States rejects a
5 Rule or portion of a Rule, by enactment of a statute or
6 resolution in the same manner used to adopt the Compact within
7 four (4) years of the date of adoption of the Rule, then such Rule
8 shall have no further force and effect in any Member State or to
9 any State applying to participate in the Compact.

10 E. Rules shall be adopted at a regular or special meeting of the
11 Commission.

12 F. Prior to adoption of a proposed Rule, the Commission shall hold a
13 public hearing and allow persons to provide oral and written
14 comments, data, facts, opinions, and arguments.

15 G. Prior to adoption of a proposed Rule by the Commission, and at
16 least thirty (30) days in advance of the meeting at which the
17 Commission will hold a public hearing on the proposed Rule, the
18 Commission shall provide a notice of proposed rulemaking:

- 19 1. On the website of the Commission or other publicly
20 accessible platform;
- 21 2. To persons who have requested notice of the
22 Commission's notices of proposed rulemaking; and
- 23 3. In such other way(s) as the Commission may by Rule
24 specify.

25 H. The notice of proposed rulemaking shall include:

- 26 1. The time, date, and location of the public hearing at
27 which the Commission will hear public comments on the
28 proposed Rule and, if different, the time, date, and
29 location of the meeting where the Commission will
30 consider and vote on the proposed Rule;
- 31 2. If the hearing is held via telecommunication, video

1 conference, or other electronic means, the Commission
2 shall include the mechanism for access to the hearing in
3 the notice of proposed rulemaking;

4 3. The text of the proposed Rule and the reason therefor;

5 4. A request for comments on the proposed Rule from any
6 interested person; and

7 5. The manner in which interested persons may submit
8 written comments.

9 I. All hearings will be recorded. A copy of the recording and all
10 written comments and documents received by the Commission in
11 response to the proposed Rule shall be available to the public.

12 J. Nothing in this Article shall be construed as requiring a
13 separate hearing on each Rule. Rules may be grouped for the
14 convenience of the Commission at hearings required by this
15 Article.

16 K. The Commission shall, by majority vote of all members, take
17 final action on the proposed Rule based on the rulemaking record
18 and the full text of the Rule.

19 1. The Commission may adopt changes to the proposed Rule
20 provided the changes do not enlarge the original
21 purpose of the proposed Rule.

22 2. The Commission shall provide an explanation of the
23 reasons for substantive changes made to the proposed
24 Rule as well as reasons for substantive changes not made
25 that were recommended by commenters.

26 3. The Commission shall determine a reasonable effective
27 date for the Rule. Except for an emergency as provided
28 in Article 11.L, the effective date of the Rule shall be
29 no sooner than forty-five (45) days after the
30 Commission issuing the notice that it adopted or
31 amended the Rule.

1 L. Upon determination that an emergency exists, the Commission may
2 consider and adopt an emergency Rule with five (5) days' notice,
3 with opportunity to comment, provided that the usual rulemaking
4 procedures provided in the Compact and in this Article shall be
5 retroactively applied to the Rule as soon as reasonably
6 possible, in no event later than ninety (90) days after the
7 effective date of the Rule. For the purposes of this provision,
8 an emergency Rule is one that must be adopted immediately to:

9 1. Meet an imminent threat to public health, safety, or
10 welfare;

11 2. Prevent a loss of Commission or Member State funds;

12 3. Meet a deadline for the promulgation of a Rule that is
13 established by federal law or rule; or

14 4. Protect public health and safety.

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

29 N. No Member State's rulemaking requirements shall apply under this
30 Compact.

31 ARTICLE 12- OVERSIGHT, DISPUTE RESOLUTION, AND ENFORCEMENT

1 A. Oversight

2 1. The executive and judicial branches of State
3 government in each Member State shall enforce this
4 Compact and take all actions necessary and appropriate
5 to implement the Compact.

6 2. Venue is proper and judicial proceedings by or against
7 the Commission shall be brought solely and exclusively
8 in a court of competent jurisdiction where the
9 principal office of the Commission is located. The
10 Commission may waive venue and jurisdictional defenses
11 to the extent it adopts or consents to participate in
12 alternative dispute resolution proceedings. Nothing
13 herein shall affect or limit the selection or propriety
14 of venue in any action against a Licensee for
15 professional malpractice, misconduct or any such
16 similar matter.

17 3. The Commission shall be entitled to receive service of
18 process in any proceeding regarding the enforcement or
19 interpretation of the Compact and shall have standing
20 to intervene in such a proceeding for all purposes.
21 Failure to provide the Commission service of process
22 shall render a judgment or order void as to the
23 Commission, this Compact, or promulgated Rules.

24 B. Default, Technical Assistance, and Termination

25 1. If the Commission determines that a Member State has
26 defaulted in the performance of its obligations or
27 responsibilities under this Compact or the promulgated
28 Rules, the Commission shall provide written notice to
29 the defaulting State. The notice of default shall
30 describe the default, the proposed means of curing the
31 default, and any other action that the Commission may

1 take, and shall offer training and specific technical
2 assistance regarding the default.

3 2. The Commission shall provide a copy of the notice of
4 default to the other Member States.

5 3. If a State in default fails to cure the default, the
6 defaulting State may be terminated from the Compact
7 upon an affirmative vote of a majority of the delegates
8 of the Member States, and all rights, privileges and
9 benefits conferred on that State by this Compact may be
10 terminated on the effective date of termination. A cure
11 of the default does not relieve the offending State of
12 obligations or liabilities incurred during the period
13 of default.

14 4. Termination of membership in the Compact shall be
15 imposed only after all other means of securing
16 compliance have been exhausted. Notice of intent to
17 suspend or terminate shall be given by the Commission to
18 the governor, the majority and minority leaders of the
19 defaulting State's legislature, the defaulting State's
20 State Licensing Authority and each of the Member States'
21 State Licensing Authority.

22 5. A State that has been terminated is responsible for all
23 assessments, obligations, and liabilities incurred
24 through the effective date of termination, including
25 obligations that extend beyond the effective date of
26 termination.

27 6. Upon the termination of a State's membership from this
28 Compact, that State shall immediately provide notice to
29 all Licensees who hold a Multistate License within that
30 State of such termination. The terminated State shall
31 continue to recognize all licenses granted pursuant to

1 this Compact for a minimum of one hundred eighty (180)
2 days after the date of said notice of termination.

3 7. The Commission shall not bear any costs related to a
4 State that is found to be in default or that has been
5 terminated from the Compact, unless agreed upon in
6 writing between the Commission and the defaulting
7 State.

8 8. The defaulting State may appeal the action of the
9 Commission by petitioning the United States District
10 Court for the District of Columbia or the federal
11 district where the Commission has its principal
12 offices. The prevailing party shall be awarded all
13 costs of such litigation, including reasonable
14 attorney's fees.

15 C. Dispute Resolution

16 1. Upon request by a Member State, the Commission shall
17 attempt to resolve disputes related to the Compact that
18 arise among Member States and between Member and
19 non-Member States.

20 2. The Commission shall promulgate a Rule providing for
21 both mediation and binding dispute resolution for
22 disputes as appropriate.

23 D. Enforcement

24 1. The Commission, in the reasonable exercise of its
25 discretion, shall enforce the provisions of this
26 Compact and the Commission's Rules.

27 2. By majority vote as provided by Commission Rule, the
28 Commission may initiate legal action against a Member
29 State in default in the United States District Court for
30 the District of Columbia or the federal district where
31 the Commission has its principal offices to enforce

1 compliance with the provisions of the Compact and its
2 promulgated Rules. The relief sought may include both
3 injunctive relief and damages. In the event judicial
4 enforcement is necessary, the prevailing party shall be
5 awarded all costs of such litigation, including
6 reasonable attorney's fees. The remedies herein shall
7 not be the exclusive remedies of the Commission. The
8 Commission may pursue any other remedies available
9 under federal or the defaulting Member State's law.

10 3. A Member State may initiate legal action against the
11 Commission in the United States District Court for the
12 District of Columbia or the federal district where the
13 Commission has its principal offices to enforce
14 compliance with the provisions of the Compact and its
15 promulgated Rules. The relief sought may include both
16 injunctive relief and damages. In the event judicial
17 enforcement is necessary, the prevailing party shall be
18 awarded all costs of such litigation, including
19 reasonable attorney's fees.

20 4. No individual or entity other than a Member State may
21 enforce this Compact against the Commission.

22 ARTICLE 13- EFFECTIVE DATE, WITHDRAWAL, AND AMENDMENT

23 A. The Compact shall come into effect on the date on which the
24 Compact statute is enacted into law in the seventh Member State.

25 1. On or after the effective date of the Compact, the
26 Commission shall convene and review the enactment of
27 each of the Charter Member States to determine if the
28 statute enacted by each such Charter Member State is
29 materially different than the model Compact statute.

30 a. A Charter Member State whose enactment is found to
31 be materially different from the model Compact

1 statute shall be entitled to the default process
2 set forth in Article 12.

3 b. If any Member State is later found to be in
4 default, or is terminated or withdraws from the
5 Compact, the Commission shall remain in existence
6 and the Compact shall remain in effect even if the
7 number of Member States should be less than seven
8 (7).

9 2. Member States enacting the Compact subsequent to the
10 Charter Member States shall be subject to the process
11 set forth in Article 9.C.24 to determine if their
12 enactments are materially different from the model
13 Compact statute and whether they qualify for
14 participation in the Compact.

15 3. All actions taken for the benefit of the Commission or
16 in furtherance of the purposes of the administration of
17 the Compact prior to the effective date of the Compact
18 or the Commission coming into existence shall be
19 considered to be actions of the Commission unless
20 specifically repudiated by the Commission.

21 4. Any State that joins the Compact shall be subject to the
22 Commission's Rules and bylaws as they exist on the date
23 on which the Compact becomes law in that State. Any
24 Rule that has been previously adopted by the Commission
25 shall have the full force and effect of law on the day
26 the Compact becomes law in that State.

27 B. Any Member State may withdraw from this Compact by enacting a
28 statute repealing that State's enactment of the Compact.

29 1. A Member State's withdrawal shall not take effect until
30 one hundred eighty (180) days after enactment of the
31 repealing statute.

1 2. Withdrawal shall not affect the continuing requirement
2 of the withdrawing State's State Licensing Authority to
3 comply with the investigative and Adverse Action
4 reporting requirements of this Compact prior to the
5 effective date of withdrawal.

6 3. Upon the enactment of a statute withdrawing from this
7 Compact, a State shall immediately provide notice of
8 such withdrawal to all Licensees within that State.
9 Notwithstanding any subsequent statutory enactment to
10 the contrary, such withdrawing State shall continue to
11 recognize all licenses granted pursuant to this Compact
12 for a minimum of one hundred eighty (180) days after the
13 date of such notice of withdrawal.

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

18 D. This Compact may be amended by the Member States. No amendment
19 to this Compact shall become effective and binding upon any
20 Member State until it is enacted into the laws of all Member
21 States.

22 ARTICLE 14- CONSTRUCTION AND SEVERABILITY

23 A. This Compact and the Commission's rulemaking authority shall be
24 liberally construed so as to effectuate the purposes, and the
25 implementation and administration of the Compact. Provisions of
26 the Compact expressly authorizing or requiring the promulgation
27 of Rules shall not be construed to limit the Commission's
28 rulemaking authority solely for those purposes.

29 B. The provisions of this Compact shall be severable and if any
30 phrase, clause, sentence or provision of this Compact is held by
31 a court of competent jurisdiction to be contrary to the

1 constitution of any Member State, a State seeking participation
2 in the Compact, or of the United States, or the applicability
3 thereof to any government, agency, person or circumstance is
4 held to be unconstitutional by a court of competent
5 jurisdiction, the validity of the remainder of this Compact and
6 the applicability thereof to any other government, agency,
7 person or circumstance shall not be affected thereby.

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

18 ARTICLE 15- CONSISTENT EFFECT AND CONFLICT WITH OTHER STATE LAWS

19 A. Nothing herein shall prevent or inhibit the enforcement of any
20 other law of a Member State that is not inconsistent with the
21 Compact.

22 B. All permissible agreements between the Commission and the Member
23 States are binding in accordance with their terms.

24 Sec. 1604.002. ADMINISTRATION OF COMPACT. The Texas
25 Department of Licensing and Regulation is the Cosmetology Licensure
26 Compact administrator for this state.

27 Sec. 1604.003. RULES. The Texas Commission of Licensing
28 and Regulation may adopt rules necessary to implement this chapter.

29 SECTION 2. This Act takes effect September 1, 2026.