Senate Engrossed House Bill

bank deposits; technical correction
(now: unemployment insurance; employer; limitations)
 (now: cosmetology licensure compact)

State of Arizona House of Representatives Fifty-sixth Legislature First Regular Session 2023

CHAPTER 93 HOUSE BILL 2049

AN ACT

AMENDING TITLE 32, CHAPTER 5, ARIZONA REVISED STATUTES, BY ADDING ARTICLE 7; RELATING TO COSMETOLOGY.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona: 2 Section 1. Title 32, chapter 5, Arizona Revised Statutes, is 3 amended by adding article 7, to read: 4 ARTICLE 7. COSMETOLOGY LICENSURE COMPACT 5 32-581. Definitions 6 IN THIS COMPACT, UNLESS THE CONTEXT OTHERWISE REQUIRES: 7 1. "ACTIVE MILITARY MEMBER" MEANS ANY PERSON WITH FULL-TIME DUTY 8 STATUS IN THE ARMED FORCES OF THE UNITED STATES, INCLUDING MEMBERS OF THE 9 NATIONAL GUARD AND RESERVE. 2. "ADVERSE ACTION" MEANS ANY ADMINISTRATIVE, CIVIL, EQUITABLE OR 10 11 CRIMINAL ACTION ALLOWED BY A MEMBER STATE'S LAWS THAT IS IMPOSED BY A AUTHORITY OR OTHER REGULATORY 12 STATE LICENSING BODY AGAINST Α 13 COSMETOLOGIST, INCLUDING ACTIONS AGAINST AN INDIVIDUAL'S LICENSE OR AUTHORIZATION TO PRACTICE SUCH AS REVOCATION, SUSPENSION, PROBATION, 14 MONITORING OF THE LICENSEE, LIMITATION OF THE LICENSEE'S PRACTICE OR ANY 15 16 OTHER ENCUMBRANCE ON A LICENSE AFFECTING AN INDIVIDUAL'S ABILITY TO 17 PARTICIPATE IN THE COSMETOLOGY INDUSTRY. INCLUDING THE ISSUANCE OF A CEASE 18 AND DESIST ORDER. 19 3. "ALTERNATIVE PROGRAM" MEANS A NONDISCIPLINARY MONITORING OR 20 PROSECUTORIAL DIVERSION PROGRAM APPROVED BY A MEMBER STATE'S STATE 21 LICENSING AUTHORITY. 22 4. "AUTHORIZATION TO PRACTICE" MEANS A LEGAL AUTHORIZATION ASSOCIATED WITH A MULTISTATE LICENSE ALLOWING THE PRACTICE OF COSMETOLOGY 23 24 IN THAT REMOTE STATE THAT IS SUBJECT TO THE ENFORCEMENT JURISDICTION OF THE STATE LICENSING AUTHORITY IN THAT REMOTE STATE. 25 26 5. "BACKGROUND CHECK" MEANS THE SUBMISSION OF INFORMATION FOR AN APPLICANT FOR THE PURPOSE OF OBTAINING THAT APPLICANT'S CRIMINAL HISTORY 27 RECORD INFORMATION, AS DEFINED IN 28 CODE OF FEDERAL REGULATIONS SECTION 28 20.3(d), FROM THE FEDERAL BUREAU OF INVESTIGATION AND THE AGENCY 29 RESPONSIBLE FOR RETAINING STATE CRIMINAL OR DISCIPLINARY HISTORY IN THE 30 31 APPLICANT'S HOME STATE. 6. "CHARTER MEMBER STATE" MEANS MEMBER STATES THAT HAVE ENACTED 32 33 LEGISLATION TO ADOPT THIS COMPACT WHERE THE LEGISLATION PREDATES THE EFFECTIVE DATE OF THIS COMPACT AS DESCRIBED IN SECTION 32-596. 34 7. "COMMISSION" OR "COSMETOLOGY LICENSURE COMPACT COMMISSION" MEANS 35 36 A GOVERNMENT AGENCY WHOSE MEMBERSHIP CONSISTS OF ALL STATES THAT HAVE ENACTED THIS COMPACT AND THAT OPERATES AS AN INSTRUMENTALITY OF THE MEMBER 37 38 STATES. 8. "COSMETOLOGIST" MEANS AN INDIVIDUAL WHO IS LICENSED IN THE 39 40 INDIVIDUAL'S HOME STATE TO PRACTICE COSMETOLOGY. 41 9. "COSMETOLOGY", "COSMETOLOGY SERVICES" AND "PRACTICE 0F COSMETOLOGY" MEAN THE CARE AND SERVICES PROVIDED BY A COSMETOLOGIST AS SET 42 FORTH IN THE MEMBER STATE'S STATUTES AND RULES IN THE STATE WHERE THE 43 SERVICES ARE BEING PROVIDED. 44

1 10. "CURRENT SIGNIFICANT INVESTIGATIVE INFORMATION" MEANS EITHER OF 2 THE FOLLOWING: 3 (a) INFORMATION THAT A STATE LICENSING AUTHORITY, AFTER AN INQUIRY 4 OR INVESTIGATION THAT COMPLIES WITH A MEMBER STATE'S DUE PROCESS 5 REQUIREMENTS, HAS REASON TO BELIEVE IS NOT GROUNDLESS AND, IF PROVED TRUE, 6 WOULD INDICATE A VIOLATION OF THAT STATE'S LAWS REGARDING FRAUD OR THE 7 PRACTICE OF COSMETOLOGY. 8 (b) INFORMATION THAT INDICATES A LICENSEE HAS ENGAGED IN FRAUD OR 9 REPRESENTS AN IMMEDIATE THREAT TO PUBLIC HEALTH AND SAFETY, REGARDLESS OF WHETHER THE LICENSEE HAS BEEN NOTIFIED AND HAD AN OPPORTUNITY TO RESPOND. 10 11 11. "DATA SYSTEM" MEANS A REPOSITORY OF INFORMATION ABOUT 12 LICENSEES. INCLUDING LICENSE STATUS. INVESTIGATIVE INFORMATION AND ADVERSE 13 ACTIONS. 12. "ENCUMBRANCE" MEANS A REVOCATION OR SUSPENSION OF, OR ANY LIMIT 14 ON, THE FULL AND UNRESTRICTED PRACTICE OF COSMETOLOGY BY A STATE LICENSING 15 16 AUTHORITY. 17 13. "EXECUTIVE COMMITTEE" MEANS A GROUP OF DELEGATES ELECTED OR 18 APPOINTED TO ACT ON BEHALF OF, AND WITHIN THE POWERS GRANTED TO THE GROUP BY. THE COMMISSION. 19 20 14. "HOME STATE" MEANS THE MEMBER STATE THAT IS A LICENSEE'S 21 PRIMARY STATE OF RESIDENCE AND WHERE THE LICENSEE HOLDS AN ACTIVE LICENSE 22 TO PRACTICE COSMETOLOGY, AND THE LICENSE DOES NOT HAVE AN ADVERSE ACTION RESTRICTING THE PRACTICE OF COSMETOLOGY OR HAVE AN ADVERSE ACTION HAS BEEN 23 24 REPORTED TO THE COMMISSION. 15. "INVESTIGATIVE INFORMATION" MEANS INFORMATION. RECORDS OR 25 26 DOCUMENTS RECEIVED OR GENERATED BY A STATE LICENSING AUTHORITY PURSUANT TO 27 AN INVESTIGATION OR OTHER INQUIRY. 16. "JURISPRUDENCE REQUIREMENT" MEANS THE ASSESSMENT OF 28 AN 29 INDIVIDUAL'S KNOWLEDGE OF THE LAWS GOVERNING THE PRACTICE OF COSMETOLOGY 30 IN A STATE. 31 17. "LICENSEE" MEANS AN INDIVIDUAL WHO CURRENTLY HOLDS A LICENSE FROM A MEMBER STATE TO PRACTICE AS A COSMETOLOGIST. 32 "MEMBER STATE" MEANS ANY STATE THAT HAS ADOPTED THIS COMPACT. 33 18. "MULTISTATE LICENSE" MEANS A LICENSE THAT IS ISSUED AND SUBJECT 34 19. TO THE ENFORCEMENT JURISDICTION OF THE STATE LICENSING AUTHORITY IN A 35 36 LICENSEE'S HOME STATE, THAT AUTHORIZES THE LICENSEE TO PRACTICE COSMETOLOGY IN MEMBER STATES AND THAT INCLUDES AUTHORIZATIONS FOR THE 37 LICENSEE TO PRACTICE COSMETOLOGY IN ALL REMOTE STATES PURSUANT TO THIS 38 39 COMPACT. 40 "REMOTE STATE" MEANS ANY MEMBER STATE OTHER THAN THE LICENSEE'S 20. 41 HOME STATE. "RULE" MEANS ANY RULE THAT IS ADOPTED BY THE COMMISSION UNDER 42 21. 43 THIS COMPACT AND THAT HAS THE FORCE OF LAW. 22. "SINGLE-STATE LICENSE" MEANS A COSMETOLOGY LICENSE ISSUED BY A 44

1 ISSUING STATE AND DOES NOT INCLUDE ANY AUTHORIZATION OUTSIDE OF THE 2 ISSUING STATE. "STATE" MEANS A STATE, TERRITORY OR POSSESSION OF THE UNITED 3 23. 4 STATES AND THE DISTRICT OF COLUMBIA. 5 24. "STATE LICENSING AUTHORITY" MEANS A MEMBER STATE'S REGULATORY 6 BODY THAT IS RESPONSIBLE FOR ISSUING COSMETOLOGY LICENSES OR OTHERWISE 7 OVERSEEING THE PRACTICE OF COSMETOLOGY IN THAT STATE. 8 32-582. Member state requirements 9 A. TO BE ELIGIBLE TO JOIN THIS COMPACT AND TO MAINTAIN ELIGIBILITY AS A MEMBER STATE, A STATE MUST DO ALL OF THE FOLLOWING: 10 11 1. LICENSE AND REGULATE COSMETOLOGY. 12 2. HAVE A MECHANISM OR ENTITY IN PLACE TO RECEIVE AND INVESTIGATE 13 COMPLAINTS ABOUT LICENSEES PRACTICING IN THAT STATE. 3. REQUIRE LICENSEES WITHIN THAT STATE TO PASS A COSMETOLOGY 14 COMPETENCY EXAMINATION BEFORE BEING LICENSED TO PROVIDE COSMETOLOGY 15 16 SERVICES TO THE PUBLIC IN THAT STATE. 17 THAT LICENSEES SATISFY EDUCATIONAL OR TRAINING 4. REQUIRE 18 REQUIREMENTS IN COSMETOLOGY BEFORE BEING LICENSED TO PROVIDE COSMETOLOGY SERVICES TO THE PUBLIC IN THAT STATE. 19 20 5. IMPLEMENT PROCEDURES FOR CONSIDERING ONE OR MORE OF THE 21 FOLLOWING CATEGORIES OF INFORMATION FROM APPLICANTS FOR LICENSURE: 22 CRIMINAL HISTORY. DISCIPLINARY HISTORY OR BACKGROUND CHECKS. SUCH PROCEDURES MAY INCLUDE THE SUBMISSION OF INFORMATION BY APPLICANTS FOR THE 23 24 PURPOSE OF OBTAINING AN APPLICANT'S BACKGROUND CHECK. 6. PARTICIPATE IN THE DATA SYSTEM, INCLUDING THROUGH THE USE OF 25 26 UNIQUE IDENTIFYING NUMBERS. 27 7. SHARE INFORMATION RELATED TO ADVERSE ACTIONS WITH THE COMMISSION AND OTHER MEMBER STATES, BOTH THROUGH THE DATA SYSTEM AND OTHERWISE. 28 29 8. IN COMPLIANCE WITH THE TERMS OF THIS COMPACT AND RULES OF THE COMMISSION, NOTIFY THE COMMISSION AND OTHER MEMBER STATES OF THE EXISTENCE 30 31 INVESTIGATIVE INFORMATION OR CURRENT SIGNIFICANT INVESTIGATIVE 0F INFORMATION IN THE STATE'S POSSESSION REGARDING A LICENSEE PRACTICING IN 32 33 THAT STATE. 9. COMPLY WITH RULES THAT ARE ENACTED BY THE COMMISSION TO 34 35 ADMINISTER THIS COMPACT. 36 10. ACCEPT LICENSEES FROM OTHER MEMBER STATES PURSUANT TO THIS 37 COMPACT. 38 B. MEMBER STATES MAY CHARGE A FEE FOR GRANTING A LICENSE TO 39 PRACTICE COSMETOLOGY. C. INDIVIDUALS NOT RESIDING IN A MEMBER STATE SHALL CONTINUE TO BE 40 41 ABLE TO APPLY FOR A MEMBER STATE'S SINGLE-STATE LICENSE AS PROVIDED UNDER THE LAWS OF EACH MEMBER STATE. A SINGLE-STATE LICENSE GRANTED PURSUANT TO 42 43 THIS SUBSECTION SHALL NOT BE RECOGNIZED AS GRANTING THESE INDIVIDUALS A MULTISTATE LICENSE TO PROVIDE SERVICES IN ANY OTHER MEMBER STATE. 44

1 D. THIS COMPACT DOES NOT AFFECT THE REQUIREMENTS ESTABLISHED BY A 2 MEMBER STATE FOR THE ISSUANCE OF A SINGLE-STATE LICENSE.

3 E. A MULTISTATE LICENSE ISSUED TO A LICENSEE BY A HOME STATE TO A
4 RESIDENT OF THAT STATE SHALL BE RECOGNIZED BY EACH MEMBER STATE AS
5 AUTHORIZING THE LICENSEE TO PRACTICE COSMETOLOGY IN EACH MEMBER STATE.

6 F. THE COMMISSION MAY NOT DEFINE THE EDUCATIONAL OR PROFESSIONAL 7 REQUIREMENTS FOR A LICENSEE TO PRACTICE COSMETOLOGY. THE MEMBER STATES 8 RETAIN SOLE JURISDICTION OVER THE PROVISION OF THESE REQUIREMENTS.

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32-583. <u>Multistate licenses</u>

A. TO BE ELIGIBLE TO APPLY TO THE STATE LICENSING AUTHORITY OF A
 LICENSEE'S HOME STATE FOR AN INITIAL MULTISTATE LICENSE UNDER THIS
 COMPACT, A LICENSEE MUST HOLD AN ACTIVE AND UNENCUMBERED SINGLE-STATE
 LICENSE TO PRACTICE COSMETOLOGY IN THE LICENSEE'S HOME STATE.

B. ON RECEIVING AN APPLICATION FOR A MULTISTATE LICENSE, ACCORDING
TO COMMISSION RULES, A MEMBER STATE'S STATE LICENSING AUTHORITY SHALL
ASCERTAIN WHETHER THE APPLICANT MEETS THE REQUIREMENTS FOR A MULTISTATE
LICENSE UNDER THIS COMPACT.

18 C. IF AN APPLICANT MEETS THE REQUIREMENTS FOR A MULTISTATE LICENSE 19 UNDER THIS COMPACT AND ANY APPLICABLE COMMISSION RULE, THE STATE LICENSING 20 AUTHORITY THAT HAS RECEIVED THE APPLICATION, WITHIN A REASONABLE TIME, 21 SHALL GRANT A MULTISTATE LICENSE TO THAT APPLICANT AND INFORM ALL MEMBER 22 STATES OF THE GRANT OF THE MULTISTATE LICENSE.

D. A MULTISTATE LICENSE TO PRACTICE COSMETOLOGY ISSUED BY A MEMBER
STATE'S STATE LICENSING AUTHORITY SHALL BE RECOGNIZED BY EACH MEMBER STATE
AS AUTHORIZING THE PRACTICE OF COSMETOLOGY AS THOUGH THAT LICENSEE HELD A
SINGLE-STATE LICENSE TO PRACTICE COSMETOLOGY IN EACH MEMBER STATE, SUBJECT
TO THE RESTRICTIONS UNDER THIS COMPACT.

28 E. A MULTISTATE LICENSE GRANTED PURSUANT TO THIS COMPACT MAY BE
29 EFFECTIVE FOR A DEFINITE PERIOD OF TIME, CONCURRENT WITH THE LICENSURE
30 RENEWAL PERIOD IN THE HOME STATE.

31 F. TO MAINTAIN A MULTISTATE LICENSE UNDER THIS COMPACT, A LICENSEE 32 MUST DO ALL OF THE FOLLOWING:

AGREE TO ABIDE BY THE RULES OF THE STATE LICENSING AUTHORITY AND
 THE STATE SCOPE OF PRACTICE LAWS GOVERNING THE PRACTICE OF COSMETOLOGY OF
 ANY MEMBER STATE IN WHICH THE LICENSEE PROVIDES SERVICES.

2. PAY ALL REQUIRED FEES RELATED TO THE APPLICATION AND PROCESS AND
 ANY OTHER FEES THE COMMISSION MAY REQUIRE BY RULE.

38 3. COMPLY WITH ALL OTHER REQUIREMENTS REGARDING MULTISTATE LICENSES39 THE COMMISSION MAY PROVIDE BY RULE.

40G. A LICENSEE PRACTICING IN A MEMBER STATE IS SUBJECT TO ALL SCOPE41OF PRACTICE LAWS GOVERNING COSMETOLOGY SERVICES IN THAT STATE.

H. THE PRACTICE OF COSMETOLOGY UNDER A MULTISTATE LICENSE GRANTED
PURSUANT TO THIS COMPACT SUBJECTS THE LICENSEE TO THE JURISDICTION OF THE
STATE LICENSING AUTHORITY, THE COURTS AND THE LAWS OF THE MEMBER STATE IN
WHICH THE COSMETOLOGY SERVICES ARE PROVIDED.

1	32-584. <u>Reissuance of a multistate license by a new home</u>
2	<u>state</u>
3	A. A LICENSEE MAY HOLD A MULTISTATE LICENSE THAT IS ISSUED BY THE
4	LICENSEE'S HOME STATE IN ONLY ONE MEMBER STATE AT A TIME.
5	B. IF A LICENSEE CHANGES THE LICENSEE'S HOME STATE BY MOVING
6	BETWEEN TWO MEMBER STATES:
7	1. THE LICENSEE SHALL IMMEDIATELY APPLY FOR THE REISSUANCE OF THE
8	LICENSEE'S MULTISTATE LICENSE IN THE LICENSEE'S NEW HOME STATE. THE
9	LICENSEE SHALL PAY ALL APPLICABLE FEES AND NOTIFY THE PREVIOUS HOME STATE
10	IN ACCORDANCE WITH THE COMMISSION'S RULES.
11	2. ON RECEIPT OF AN APPLICATION TO REISSUE A MULTISTATE LICENSE,
12	THE NEW HOME STATE SHALL VERIFY THAT THE MULTISTATE LICENSE IS ACTIVE,
13	UNENCUMBERED AND ELIGIBLE FOR REISSUANCE UNDER THE TERMS OF THIS COMPACT
14	AND THE COMMISSION'S RULES. THE MULTISTATE LICENSE THAT IS ISSUED BY THE
15	PREVIOUS HOME STATE SHALL BE DEACTIVATED AND ALL MEMBER STATES SHALL BE
16	NOTIFIED IN ACCORDANCE WITH THE COMMISSION'S RULES.
17	3. IF REQUIRED FOR INITIAL LICENSURE, THE NEW HOME STATE MAY
18	REQUIRE A BACKGROUND CHECK AS SPECIFIED IN THE LAWS OF THAT STATE OR THE
19	APPLICANT'S COMPLIANCE WITH ANY JURISPRUDENCE REQUIREMENTS OF THE NEW HOME
20	STATE.
21	4. NOTWITHSTANDING ANY OTHER PROVISION OF THIS COMPACT, IF A
22	LICENSEE DOES NOT MEET THE REQUIREMENTS SET FORTH IN THIS COMPACT FOR THE
23	REISSUANCE OF A MULTISTATE LICENSE BY THE NEW HOME STATE, THE LICENSEE IS
24	SUBJECT TO THE NEW HOME STATE REQUIREMENTS FOR THE ISSUANCE OF A
25	SINGLE-STATE LICENSE IN THAT STATE.
26	C. IF A LICENSEE CHANGES THE LICENSEE'S PRIMARY STATE OF RESIDENCE
27	BY MOVING FROM A MEMBER STATE TO A NONMEMBER STATE, OR FROM A NONMEMBER
28	STATE TO A MEMBER STATE, THE LICENSEE IS SUBJECT TO THE STATE REQUIREMENTS
29	FOR THE ISSUANCE OF A SINGLE-STATE LICENSE IN THE NEW HOME STATE.
30	D. THIS COMPACT DOES NOT INTERFERE WITH A LICENSEE'S ABILITY TO
31	HOLD A SINGLE-STATE LICENSE IN MULTIPLE STATES. FOR THE PURPOSES OF THIS
32	COMPACT, A LICENSEE MAY HAVE ONLY ONE HOME STATE AND ONLY ONE MULTISTATE
33	LICENSE.
34	E. THIS COMPACT DOES NOT INTERFERE WITH THE REQUIREMENTS
35	ESTABLISHED BY A MEMBER STATE FOR THE ISSUANCE OF A SINGLE-STATE LICENSE.
36	32-585. Authority of this compact commission and member state
37	licensing authorities
38	A. THIS COMPACT AND ANY COMMISSION RULE MAY NOT BE CONSTRUED TO
39	LIMIT, RESTRICT OR IN ANY WAY REDUCE THE ABILITY OF A MEMBER STATE TO
40	ENACT AND ENFORCE LAWS OR RULES RELATED TO THE PRACTICE OF COSMETOLOGY IN
41	THAT STATE, IF THOSE LAWS OR RULES ARE CONSISTENT WITH THE PROVISIONS OF
42	THIS COMPACT.
43	B. INSOFAR AS PRACTICAL, A MEMBER STATE'S STATE LICENSING AUTHORITY
44	SHALL COOPERATE WITH THE COMMISSION AND WITH EACH ENTITY EXERCISING

INDEPENDENT REGULATORY AUTHORITY OVER THE PRACTICE OF COSMETOLOGY
 ACCORDING TO THE PROVISIONS OF THIS COMPACT.

3 C. DISCIPLINE IS THE SOLE RESPONSIBILITY OF THE STATE IN WHICH 4 COSMETOLOGY SERVICES ARE PROVIDED. ACCORDINGLY, EACH MEMBER STATE'S STATE 5 LICENSING AUTHORITY IS RESPONSIBLE FOR RECEIVING COMPLAINTS ABOUT 6 INDIVIDUALS PRACTICING COSMETOLOGY IN THAT STATE AND FOR COMMUNICATING ALL 7 RELEVANT INVESTIGATIVE INFORMATION ABOUT ANY ADVERSE ACTION TO THE OTHER 8 MEMBER STATES THROUGH THE DATA SYSTEM IN ADDITION TO ANY OTHER METHODS THE 9 COMMISSION MAY REQUIRE BY RULE.

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32-586. <u>Adverse actions</u>

11A. A LICENSEE'S HOME STATE HAS EXCLUSIVE POWER TO IMPOSE AN ADVERSE12ACTION AGAINST A LICENSEE'S MULTISTATE LICENSE ISSUED BY THE HOME STATE.

B. A HOME STATE MAY TAKE ADVERSE ACTION ON A MULTISTATE LICENSE
BASED ON THE INVESTIGATIVE INFORMATION, CURRENT SIGNIFICANT INVESTIGATIVE
INFORMATION OR ADVERSE ACTION OF A REMOTE STATE.

16 C. IN ADDITION TO THE POWERS CONFERRED BY STATE LAW, EACH REMOTE 17 STATE'S STATE LICENSING AUTHORITY MAY:

18 1. TAKE ADVERSE ACTION AGAINST A LICENSEE'S AUTHORIZATION TO 19 PRACTICE COSMETOLOGY THROUGH THE MULTISTATE LICENSE IN THAT MEMBER STATE 20 IF BOTH OF THE FOLLOWING APPLY:

(a) ONLY THE LICENSEE'S HOME STATE MAY TAKE ADVERSE ACTION AGAINST
 THE MULTISTATE LICENSE ISSUED BY THE HOME STATE.

(b) FOR THE PURPOSES OF TAKING ADVERSE ACTION, THE HOME STATE'S
STATE LICENSING AUTHORITY GIVES THE SAME PRIORITY AND EFFECT TO REPORTED
CONDUCT RECEIVED FROM A REMOTE STATE AS IT WOULD IF THE CONDUCT HAD
OCCURRED WITHIN THE HOME STATE AND THE HOME STATE APPLIES ITS OWN STATE
LAWS TO DETERMINE THE APPROPRIATE ACTION.

28 2. ISSUE CEASE AND DESIST ORDERS OR IMPOSE AN ENCUMBRANCE ON A29 LICENSEE'S AUTHORIZATION TO PRACTICE WITHIN THAT MEMBER STATE.

30 3. COMPLETE ANY PENDING INVESTIGATIONS OF A LICENSEE WHO CHANGES 31 THE LICENSEE'S PRIMARY STATE OF RESIDENCE DURING THE COURSE OF THE 32 INVESTIGATION. THE STATE LICENSING AUTHORITY MAY REPORT THE RESULTS OF 33 THE INVESTIGATION TO THE COMMISSION THROUGH THE DATA SYSTEM AS DESCRIBED 34 IN THIS COMPACT.

4. ISSUE SUBPOENAS FOR BOTH HEARINGS AND INVESTIGATIONS THAT 35 36 REQUIRE THE ATTENDANCE AND TESTIMONY OF WITNESSES AND THE PRODUCTION OF SUBPOENAS ISSUED BY A STATE LICENSING AUTHORITY IN A MEMBER 37 EVIDENCE. STATE FOR THE ATTENDANCE AND TESTIMONY OF WITNESSES OR THE PRODUCTION OF 38 EVIDENCE FROM ANOTHER MEMBER STATE SHALL BE ENFORCED IN THE LATTER STATE 39 BY ANY COURT OF COMPETENT JURISDICTION, ACCORDING TO THE PRACTICE AND 40 41 PROCEDURE OF THAT COURT APPLICABLE TO SUBPOENAS ISSUED IN PROCEEDINGS BEFORE IT. THE ISSUING STATE LICENSING AUTHORITY SHALL PAY ANY WITNESS 42 43 FEES, TRAVEL EXPENSES, MILEAGE FEES AND OTHER FEES REQUIRED BY THE SERVICE 44 STATUTES OF THE STATE IN WHICH THE WITNESSES OR EVIDENCE IS LOCATED.

5. IF OTHERWISE ALLOWED BY STATE LAW, RECOVER FROM THE AFFECTED
 LICENSEE THE COSTS OF INVESTIGATIONS AND DISPOSITION OF CASES RESULTING
 FROM ANY ADVERSE ACTION TAKEN AGAINST THAT LICENSEE.

4 6. TAKE ADVERSE ACTION AGAINST THE LICENSEE'S AUTHORIZATION TO 5 PRACTICE IN THAT STATE BASED ON THE FACTUAL FINDINGS OF ANOTHER REMOTE 6 STATE.

7 D. A LICENSEE'S HOME STATE SHALL COMPLETE ANY PENDING INVESTIGATION 8 OF A COSMETOLOGIST WHO CHANGES THE LICENSEE'S PRIMARY STATE OF RESIDENCE 9 DURING THE COURSE OF THE INVESTIGATION. THE HOME STATE MAY TAKE 10 APPROPRIATE ACTION AND SHALL PROMPTLY REPORT THE CONCLUSIONS OF THE 11 INVESTIGATION TO THE DATA SYSTEM.

12 E. IF AN ADVERSE ACTION IS TAKEN BY THE HOME STATE AGAINST A 13 LICENSEE'S MULTISTATE LICENSE, THE LICENSEE'S AUTHORIZATION TO PRACTICE IN ALL OTHER MEMBER STATES SHALL BE DEACTIVATED UNTIL ALL ENCUMBRANCES HAVE 14 BEEN REMOVED FROM THE HOME STATE LICENSE. ALL HOME STATE DISCIPLINARY 15 ORDERS THAT IMPOSE AN ADVERSE ACTION AGAINST A LICENSEE'S MULTISTATE 16 17 LICENSE SHALL INCLUDE A STATEMENT THAT THE COSMETOLOGIST'S AUTHORIZATION 18 TO PRACTICE IS DEACTIVATED IN ALL MEMBER STATES DURING THE PENDENCY OF THE 19 ORDER.

F. THIS COMPACT DOES NOT OVERRIDE A MEMBER STATE'S AUTHORITY TO ACCEPT A LICENSEE'S PARTICIPATION IN AN ALTERNATIVE PROGRAM IN LIEU OF ADVERSE ACTION. A LICENSEE'S MULTISTATE LICENSE SHALL BE SUSPENDED FOR THE DURATION OF THE LICENSEE'S PARTICIPATION IN ANY ALTERNATIVE PROGRAM.

G. IN ADDITION TO THE AUTHORITY GRANTED TO A MEMBER STATE BY ITS RESPECTIVE SCOPE OF PRACTICE LAWS OR OTHER APPLICABLE STATE LAW, A MEMBER STATE MAY PARTICIPATE WITH OTHER MEMBER STATES IN JOINT INVESTIGATIONS OF LICENSEES.

H. MEMBER STATES SHALL SHARE ANY INVESTIGATIVE, LITIGATION OR
 COMPLIANCE MATERIALS IN FURTHERANCE OF ANY JOINT OR INDIVIDUAL
 INVESTIGATION INITIATED UNDER THIS COMPACT.

32-587. Active military members and their spouses

ACTIVE MILITARY MEMBERS OR THEIR SPOUSES SHALL DESIGNATE A HOME STATE WHERE THE INDIVIDUAL HAS A CURRENT LICENSE TO PRACTICE COSMETOLOGY IN GOOD STANDING. THE INDIVIDUAL MAY RETAIN THE INDIVIDUAL'S HOME STATE DESIGNATION DURING ANY PERIOD OF SERVICE WHEN THAT INDIVIDUAL OR THE INDIVIDUAL'S SPOUSE IS ON ACTIVE DUTY ASSIGNMENT.

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32-588. Establishment and operation of the cosmetology licensure compact commission; powers and duties

A. THE MEMBER STATES CREATE AND ESTABLISH A JOINT GOVERNMENT AGENCY KNOWN AS THE COSMETOLOGY LICENSURE COMPACT COMMISSION WHOSE MEMBERSHIP CONSISTS OF ALL MEMBER STATES THAT HAVE ENACTED THIS COMPACT. THE COMMISSION IS AN INSTRUMENTALITY OF THE MEMBER STATES ACTING JOINTLY AND IS NOT AN INSTRUMENTALITY OF ANY ONE STATE. THE COMMISSION SHALL COME INTO EXISTENCE ON OR AFTER THE EFFECTIVE DATE OF THIS COMPACT AS SET FORTH IN SECTION 32-596.

1 B. EACH MEMBER STATE SHALL HAVE AND BE LIMITED TO ONE DELEGATE SELECTED BY THAT MEMBER STATE'S STATE LICENSING AUTHORITY. THE DELEGATE 2 SHALL BE AN ADMINISTRATOR OF THE STATE LICENSING AUTHORITY OF THE MEMBER 3 4 STATE OR THE ADMINISTRATOR'S DESIGNEE. 5 C. THE COMMISSION SHALL ESTABLISH BY RULE OR BYLAW A TERM OF OFFICE 6 FOR DELEGATES AND BY RULE OR BYLAW MAY ESTABLISH TERM LIMITS. 7 D. THE COMMISSION MAY RECOMMEND REMOVAL OR SUSPENSION OF ANY 8 DELEGATE FROM OFFICE. 9 E. A MEMBER STATE'S STATE LICENSING AUTHORITY SHALL FILL ANY VACANCY OF ITS DELEGATE OCCURRING ON THE COMMISSION WITHIN SIXTY DAYS 10 11 AFTER THE VACANCY. F. EACH DELEGATE IS ENTITLED TO ONE VOTE ON ALL MATTERS THAT ARE 12 13 VOTED ON BY THE COMMISSION. G. THE COMMISSION SHALL MEET AT LEAST ONCE DURING EACH CALENDAR 14 YEAR. ADDITIONAL MEETINGS MAY BE HELD AS SET FORTH IN THE BYLAWS. THE 15 16 COMMISSION MAY MEET BY TELECOMMUNICATION, VIDEOCONFERENCE OR OTHER SIMILAR 17 ELECTRONIC MEANS. 18 H. THE COMMISSION MAY: 19 1. ESTABLISH THE COMMISSION'S FISCAL YEAR. 20 2. ESTABLISH CODE OF CONDUCT AND CONFLICT OF INTEREST POLICIES. 21 3. ADOPT RULES AND BYLAWS. 22 4. MAINTAIN ITS FINANCIAL RECORDS IN ACCORDANCE WITH THE BYLAWS. 5. MEET AND TAKE ACTIONS THAT ARE CONSISTENT WITH THIS COMPACT, THE 23 24 COMMISSION'S RULES AND THE BYLAWS. 6. INITIATE AND CONCLUDE LEGAL PROCEEDINGS OR ACTIONS IN THE NAME 25 26 OF THE COMMISSION, IF THE STANDING OF ANY STATE LICENSING AUTHORITY TO SUE OR BE SUED UNDER APPLICABLE LAW IS NOT AFFECTED. 27 7. MAINTAIN AND CERTIFY RECORDS AND INFORMATION PROVIDED TO A 28 29 MEMBER STATE AS THE AUTHENTICATED BUSINESS RECORDS OF THE COMMISSION AND DESIGNATE AN AGENT TO DO SO ON THE COMMISSION'S BEHALF. 30 31 8. PURCHASE AND MAINTAIN INSURANCE AND BONDS. 32 9. BORROW, ACCEPT OR CONTRACT FOR SERVICES OF PERSONNEL, INCLUDING 33 EMPLOYEES OF A MEMBER STATE. 10. CONDUCT AN ANNUAL FINANCIAL REVIEW. 34 11. HIRE EMPLOYEES, ELECT OR APPOINT OFFICERS, FIX COMPENSATION, 35 36 DEFINE DUTIES, GRANT SUCH INDIVIDUALS APPROPRIATE AUTHORITY TO CARRY OUT THE PURPOSES OF THIS COMPACT AND ESTABLISH THE COMMISSION'S PERSONNEL 37 POLICIES AND PROGRAMS RELATING TO CONFLICTS OF INTEREST, QUALIFICATIONS OF 38 PERSONNEL AND OTHER RELATED PERSONNEL MATTERS. 39 12. AS SET FORTH IN THE COMMISSION RULES, CHARGE A FEE TO A 40 41 LICENSEE FOR GRANTING A MULTISTATE LICENSE AND, AS MAY BE ESTABLISHED BY COMMISSION RULE, CHARGE THE LICENSEE A MULTISTATE LICENSE RENEWAL FEE FOR 42 43

1 MULTISTATE LICENSE OR A FEE FOR THE JURISPRUDENCE REQUIREMENT IF THE 2 MEMBER STATE IMPOSES SUCH A REQUIREMENT FOR GRANTING A MULTISTATE LICENSE. 3 13. ASSESS AND COLLECT FEES. 4 14. ACCEPT ANY APPROPRIATE GIFTS, DONATIONS, GRANTS OF MONIES, 5 OTHER SOURCES OF REVENUE, EQUIPMENT, SUPPLIES, MATERIALS AND SERVICES AND 6 RECEIVE, USE AND DISPOSE OF THE SAME EXCEPT THAT AT ALL TIMES THE 7 COMMISSION SHALL AVOID ANY APPEARANCE OF IMPROPRIETY OR CONFLICT OF 8 INTEREST. 9 15. LEASE, PURCHASE, RETAIN, OWN, HOLD, IMPROVE OR USE ANY PROPERTY, REAL, PERSONAL OR MIXED, OR ANY UNDIVIDED INTEREST IN THE 10 11 PROPERTY. 16. SELL, CONVEY, MORTGAGE, PLEDGE, LEASE, EXCHANGE, ABANDON OR 12 13 OTHERWISE DISPOSE OF ANY PROPERTY, REAL, PERSONAL OR MIXED. 17. ESTABLISH A BUDGET AND MAKE EXPENDITURES. 14 15 18. BORROW MONIES. 16 19. APPOINT COMMITTEES, INCLUDING STANDING COMMITTEES, COMPOSED OF MEMBERS, STATE REGULATORS, STATE LEGISLATORS OR THEIR REPRESENTATIVES, 17 18 CONSUMER REPRESENTATIVES AND OTHER INTERESTED PERSONS AS MAY BE DESIGNATED 19 IN THIS COMPACT AND THE BYLAWS. 20 20. PROVIDE AND RECEIVE INFORMATION FROM, AND COOPERATE WITH, LAW 21 ENFORCEMENT AGENCIES. 22 21. ELECT A CHAIRPERSON, VICE CHAIRPERSON, SECRETARY AND TREASURER AND OTHER OFFICERS OF THE COMMISSION AS PROVIDED IN THE COMMISSION'S 23 24 BYLAWS. 25 22. ESTABLISH AND ELECT AN EXECUTIVE COMMITTEE, INCLUDING A 26 CHAIRPERSON AND A VICE CHAIRPERSON. 23. ADOPT AND PROVIDE TO THE MEMBER STATES AN ANNUAL REPORT. 27 24. DETERMINE WHETHER A STATE'S ADOPTED LANGUAGE IS MATERIALLY 28 29 DIFFERENT FROM THE MODEL COMPACT LANGUAGE SUCH THAT THE STATE WOULD NOT QUALIFY FOR PARTICIPATION IN THIS COMPACT. 30 31 25. PERFORM OTHER FUNCTIONS AS MAY BE NECESSARY OR APPROPRIATE TO 32 ACHIEVE THE PURPOSES OF THIS COMPACT. I. THE COMMISSION SHALL ADOPT AND PROVIDE AN ANNUAL REPORT TO THE 33 MEMBER STATES. 34 32-589. Executive committee; duties; members; meetings 35 36 A. THE EXECUTIVE COMMITTEE MAY ACT ON BEHALF OF THE COMMISSION ACCORDING TO THE TERMS OF THIS COMPACT. THE POWERS, DUTIES AND 37 **RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE INCLUDE:** 38 1. OVERSEEING THE DAY-TO-DAY ACTIVITIES OF THE ADMINISTRATION OF 39 THIS COMPACT, INCLUDING COMPLIANCE WITH THE PROVISIONS OF THIS COMPACT AND 40 41 THE COMMISSION'S RULES AND BYLAWS, AND OTHER DUTIES AS DEEMED NECESSARY. 2. RECOMMENDING TO THE COMMISSION CHANGES TO THE RULES OR BYLAWS. 42 43 CHANGES TO THIS COMPACT, FEES CHARGED TO COMPACT MEMBER STATES, FEES CHARGED TO LICENSEES AND OTHER FEES. 44

1 3. ENSURING THAT COMPACT ADMINISTRATION SERVICES ARE APPROPRIATELY 2 PROVIDED. INCLUDING BY CONTRACT. 3 4. PREPARING AND RECOMMENDING THE BUDGET. 4 5. MAINTAINING FINANCIAL RECORDS ON THE COMMISSION'S BEHALF. 5 MONITORING COMPACT COMPLIANCE OF MEMBER STATES AND PROVIDING 6 COMPLIANCE REPORTS TO THE COMMISSION. 7 7. ESTABLISHING ADDITIONAL COMMITTEES AS NECESSARY. 8 8. EXERCISING THE POWERS AND DUTIES OF THE COMMISSION DURING THE 9 INTERIM BETWEEN COMMISSION MEETINGS, EXCEPT FOR ADOPTING OR AMENDING RULES, ADOPTING OR AMENDING BYLAWS AND EXERCISING ANY OTHER POWERS AND 10 11 DUTIES EXPRESSLY RESERVED TO THE COMMISSION BY RULE OR BYLAW. 12 9. PERFORMING OTHER DUTIES AS PROVIDED IN THE COMMISSION'S RULES OR 13 BYLAWS. 14 B. THE EXECUTIVE COMMITTEE SHALL BE COMPOSED OF UP TO SEVEN VOTING 15 MEMBERS AS FOLLOWS: 16 1. THE CHAIRPERSON AND VICE CHAIRPERSON OF THE COMMISSION AND ANY 17 OTHER MEMBERS OF THE COMMISSION WHO SERVE ON THE EXECUTIVE COMMITTEE SHALL 18 BE VOTING MEMBERS OF THE EXECUTIVE COMMITTEE. 19 2. OTHER THAN THE CHAIRPERSON AND VICE CHAIRPERSON, SECRETARY AND 20 TREASURER, THE COMMISSION SHALL ELECT THREE VOTING MEMBERS FROM THE 21 CURRENT MEMBERSHIP OF THE COMMISSION. 22 C. THE COMMISSION MAY ELECT EX OFFICIO, NONVOTING MEMBERS FROM A RECOGNIZED NATIONAL COSMETOLOGY PROFESSIONAL ASSOCIATION AS APPROVED BY 23 24 THE COMMISSION. THE COMMISSION'S BYLAWS SHALL IDENTIFY QUALIFYING ORGANIZATIONS AND THE MANNER OF APPOINTMENT IF THE NUMBER OF ORGANIZATIONS 25 26 SEEKING TO APPOINT AN EX OFFICIO MEMBER EXCEEDS THE NUMBER OF MEMBERS 27 SPECIFIED IN THIS SECTION. D. THE COMMISSION MAY REMOVE ANY MEMBER OF THE EXECUTIVE COMMITTEE 28 29 AS PROVIDED IN THE COMMISSION'S BYLAWS. E. THE EXECUTIVE COMMITTEE SHALL MEET AT LEAST ANNUALLY. ANNUAL 30 31 EXECUTIVE COMMITTEE MEETINGS AND ANY EXECUTIVE COMMITTEE MEETING AT WHICH IT DOES NOT TAKE OR INTEND TO TAKE FORMAL ACTION ON A MATTER FOR WHICH A 32 COMMISSION VOTE WOULD OTHERWISE BE REQUIRED SHALL BE OPEN TO THE PUBLIC, 33 EXCEPT THAT THE EXECUTIVE COMMITTEE MAY MEET IN A CLOSED, NONPUBLIC 34 SESSION OF A PUBLIC MEETING WHEN DEALING WITH ANY MATTER LISTED IN SECTION 35 36 32-590, SUBSECTION D. F. THE EXECUTIVE COMMITTEE SHALL GIVE FIVE BUSINESS DAYS' ADVANCE 37 NOTICE OF ITS PUBLIC MEETINGS BY POSTING ON ITS WEBSITE AND AS DETERMINED 38 TO PROVIDE NOTICE TO PERSONS WITH AN INTEREST IN THE PUBLIC MATTERS THAT 39 40 THE EXECUTIVE COMMITTEE INTENDS TO ADDRESS AT THOSE MEETINGS. 41 G. THE EXECUTIVE COMMITTEE MAY HOLD AN EMERGENCY MEETING WHEN ACTING FOR THE COMMISSION TO DO ANY OF THE FOLLOWING: 42 43 1. MEET AN IMMINENT THREAT TO PUBLIC HEALTH, SAFETY OR WELFARE. 2. PREVENT A LOSS OF COMMISSION OR PARTICIPATING STATE MONIES. 44 45 3. PROTECT PUBLIC HEALTH AND SAFETY.

1	32-590. <u>Commission meetings</u>
2	A. ALL MEETINGS OF THE COMMISSION THAT ARE NOT CLOSED PURSUANT TO
3	SUBSECTION D OF THIS SECTION SHALL BE OPEN TO THE PUBLIC. NOTICE OF
4	PUBLIC MEETINGS SHALL BE POSTED ON THE COMMISSION'S WEBSITE AT LEAST
5	THIRTY DAYS BEFORE THE PUBLIC MEETING.
6	B. NOTWITHSTANDING SUBSECTION D OF THIS SECTION, THE COMMISSION MAY
7	CONVENE AN EMERGENCY PUBLIC MEETING BY PROVIDING AT LEAST TWENTY-FOUR
8	HOURS' PRIOR NOTICE ON THE COMMISSION'S WEBSITE AND BY ANY OTHER MEANS AS
9	PROVIDED IN THE COMMISSION'S RULES. THE COMMISSION MAY DISPENSE WITH
10	NOTICE OF PROPOSED RULEMAKING UNDER SECTION 32-594, SUBSECTION L. THE
11	COMMISSION'S LEGAL COUNSEL SHALL CERTIFY THAT ONE OF THE REASONS
12 13	JUSTIFYING AN EMERGENCY PUBLIC MEETING HAS BEEN MET.
13 14	C. NOTICE OF ALL COMMISSION MEETINGS SHALL PROVIDE THE TIME, DATE AND LOCATION OF THE MEETING, AND IF THE MEETING IS TO BE HELD OR
14 15	ACCESSIBLE VIA TELECOMMUNICATION, VIDEOCONFERENCE OR OTHER ELECTRONIC
16	MEANS, THE NOTICE SHALL INCLUDE THE MECHANISM FOR ACCESS TO THE MEETING.
17	D. THE COMMISSION MAY CONVENE IN A CLOSED, NONPUBLIC MEETING FOR
18	THE COMMISSION TO DISCUSS ANY OF THE FOLLOWING:
19	1. NONCOMPLIANCE OF A MEMBER STATE WITH ITS OBLIGATIONS UNDER THIS
20	COMPACT.
21	2. THE EMPLOYMENT, COMPENSATION, DISCIPLINE OR OTHER MATTERS,
22	PRACTICES OR PROCEDURES RELATED TO SPECIFIC EMPLOYEES OR OTHER MATTERS
23	RELATED TO THE COMMISSION'S INTERNAL PERSONNEL PRACTICES AND PROCEDURES.
24	3. CURRENT OR THREATENED DISCIPLINE OF A LICENSEE BY THE COMMISSION
25	OR BY A MEMBER STATE'S STATE LICENSING AUTHORITY.
26	4. CURRENT, THREATENED OR REASONABLY ANTICIPATED LITIGATION.
27	5. NEGOTIATION OF CONTRACTS FOR THE PURCHASE, LEASE OR SALE OF
28	GOODS, SERVICES OR REAL ESTATE.
29	6. THE ACCUSATION OF ANY PERSON OF A CRIME OR THE FORMAL CENSURE OF
30	ANY PERSON.
31	7. TRADE SECRETS OR COMMERCIAL OR FINANCIAL INFORMATION THAT IS
32	PRIVILEGED OR CONFIDENTIAL.
33	8. INFORMATION OF A PERSONAL NATURE FOR WHICH DISCLOSURE WOULD CONSTITUTE A CLEARLY UNWARRANTED INVASION OF PERSONAL PRIVACY.
34 35	9. INVESTIGATIVE RECORDS COMPILED FOR LAW ENFORCEMENT PURPOSES.
35 36	10. INFORMATION RELATED TO ANY INVESTIGATIVE REPORTS PREPARED BY OR
30 37	ON BEHALF OF OR FOR USE OF THE COMMISSION OR OTHER COMMITTEE CHARGED WITH
38	RESPONSIBILITY OF INVESTIGATION OR DETERMINATION OF COMPLIANCE ISSUES
39	PURSUANT TO THIS COMPACT.
40	11. LEGAL ADVICE.
41	12. ANY MATTER SPECIFICALLY EXEMPTED FROM DISCLOSURE TO THE PUBLIC
42	BY FEDERAL OR MEMBER STATE LAW.
43	13. ANY OTHER MATTER AS ADOPTED BY THE COMMISSION BY RULE.
44	E. IF A MEETING OR PORTION OF A MEETING IS CLOSED, THE PRESIDING
45	OFFICER SHALL STATE THAT THE MEETING WILL BE CLOSED AND REFERENCE EACH

1 RELEVANT EXEMPTING PROVISION. THE REFERENCE SHALL BE RECORDED IN THE 2 MINUTES. 3 F. THE COMMISSION SHALL KEEP MINUTES THAT FULLY AND CLEARLY 4 DESCRIBE ALL MATTERS DISCUSSED IN A MEETING AND SHALL PROVIDE A FULL AND 5 ACCURATE SUMMARY OF ACTIONS TAKEN AND THE REASONS FOR THE ACTIONS. INCLUDING A DESCRIPTION OF THE VIEWS EXPRESSED. ALL DOCUMENTS CONSIDERED 6 7 IN CONNECTION WITH AN ACTION SHALL BE IDENTIFIED IN THE MINUTES. ALL 8 MINUTES AND DOCUMENTS OF A CLOSED MEETING SHALL REMAIN UNDER SEAL, SUBJECT 9 TO RELEASE ONLY BY A MAJORITY VOTE OF THE COMMISSION OR ORDER OF A COURT 10 OF COMPETENT JURISDICTION. 11 32-591. Financing of the commission; assessments; annual 12 review 13 A. THE COMMISSION SHALL PAY, OR PROVIDE FOR THE PAYMENT OF, THE REASONABLE EXPENSES OF ITS ESTABLISHMENT, ORGANIZATION AND ONGOING 14 15 ACTIVITIES. 16 B. THE COMMISSION MAY ACCEPT ANY AND ALL APPROPRIATE SOURCES OF 17 REVENUE, DONATIONS AND GRANTS OF MONIES, EQUIPMENT, SUPPLIES, MATERIALS 18 AND SERVICES. 19 C. THE COMMISSION MAY LEVY ON AND COLLECT AN ANNUAL ASSESSMENT FROM 20 EACH MEMBER STATE AND IMPOSE FEES ON LICENSEES OF MEMBER STATES TO WHOM IT 21 GRANTS A MULTISTATE LICENSE TO COVER THE COST OF THE OPERATIONS AND ACTIVITIES OF THE COMMISSION AND ITS STAFF, WHICH MUST BE IN A TOTAL 22 AMOUNT SUFFICIENT TO COVER ITS ANNUAL BUDGET AS APPROVED EACH YEAR FOR 23 24 WHICH REVENUE IS NOT PROVIDED BY OTHER SOURCES. THE AGGREGATE ANNUAL ASSESSMENT AMOUNT FOR MEMBER STATES SHALL BE ALLOCATED BASED ON A FORMULA 25 26 THAT THE COMMISSION ADOPTS BY RULE. D. THE COMMISSION MAY NOT INCUR OBLIGATIONS OF ANY KIND BEFORE 27 SECURING THE MONIES ADEQUATE TO MEET THE OBLIGATIONS. THE COMMISSION MAY 28 29 NOT PLEDGE THE CREDIT OF ANY MEMBER STATES, EXCEPT BY AND WITH THE AUTHORITY OF THE MEMBER STATE. 30 31 E. THE COMMISSION SHALL KEEP ACCURATE ACCOUNTS OF ALL RECEIPTS AND DISBURSEMENTS. THE RECEIPTS AND DISBURSEMENTS OF THE COMMISSION ARE 32 SUBJECT TO THE FINANCIAL REVIEW AND ACCOUNTING PROCEDURES ESTABLISHED 33 UNDER ITS BYLAWS. ALL RECEIPTS AND DISBURSEMENTS OF MONIES HANDLED BY THE 34 COMMISSION ARE SUBJECT TO AN ANNUAL FINANCIAL REVIEW BY A CERTIFIED OR 35 36 LICENSED PUBLIC ACCOUNTANT, AND THE REPORT OF THE FINANCIAL REVIEW SHALL BE INCLUDED IN AND BECOME PART OF THE COMMISSION'S ANNUAL REPORT. 37 38 32-592. Qualified immunity, defense and indemnification A. THE MEMBERS, OFFICERS, EXECUTIVE DIRECTOR, EMPLOYEES AND 39 REPRESENTATIVES OF THE COMMISSION ARE IMMUNE FROM SUIT AND LIABILITY, BOTH 40 41 PERSONALLY AND IN THEIR OFFICIAL CAPACITY, FOR ANY CLAIM FOR DAMAGE TO OR LOSS OF PROPERTY OR PERSONAL INJURY OR OTHER CIVIL LIABILITY CAUSED BY OR 42 43 ARISING OUT OF ANY ACTUAL OR ALLEGED ACT, ERROR OR OMISSION THAT OCCURRED OR THAT THE PERSON AGAINST WHOM THE CLAIM IS MADE HAD A REASONABLE BASIS 44 45 FOR BELIEVING OCCURRED WITHIN THE SCOPE OF COMMISSION EMPLOYMENT, DUTIES OR RESPONSIBILITIES, EXCEPT THAT THIS SUBSECTION DOES NOT PROTECT ANY SUCH
 PERSON FROM SUIT OR LIABILITY FOR ANY DAMAGE, LOSS, INJURY OR LIABILITY
 CAUSED BY THE INTENTIONAL OR WILFUL OR WANTON MISCONDUCT OF THAT PERSON.
 THE PROCUREMENT OF INSURANCE OF ANY TYPE BY THE COMMISSION DOES NOT IN ANY
 WAY COMPROMISE OR LIMIT THE IMMUNITY GRANTED PURSUANT TO THIS SECTION.

6 B. THE COMMISSION SHALL DEFEND ANY MEMBER, OFFICER, EXECUTIVE 7 DIRECTOR. EMPLOYEE OR REPRESENTATIVE OF THE COMMISSION IN ANY CIVIL ACTION SEEKING TO IMPOSE LIABILITY ARISING OUT OF ANY ACTUAL OR ALLEGED ACT, 8 9 ERROR OR OMISSION THAT OCCURRED WITHIN THE SCOPE OF COMMISSION EMPLOYMENT, DUTIES OR RESPONSIBILITIES OR AS DETERMINED BY THE COMMISSION THAT THE 10 11 PERSON AGAINST WHOM THE CLAIM IS MADE HAD A REASONABLE BASIS FOR BELIEVING 12 OCCURRED WITHIN THE SCOPE OF COMMISSION EMPLOYMENT. DUTIES OR 13 RESPONSIBILITIES IF THE ACTUAL OR ALLEGED ACT, ERROR OR OMISSION DID NOT RESULT FROM THAT PERSON'S INTENTIONAL OR WILFUL OR WANTON MISCONDUCT. 14 THIS SUBSECTION DOES NOT PROHIBIT THE PERSON AGAINST WHOM THE CLAIM IS 15 16 MADE FROM RETAINING COUNSEL AT THE PERSON'S OWN EXPENSE.

17 C. THE COMMISSION SHALL INDEMNIFY AND HOLD HARMLESS ANY MEMBER. 18 OFFICER, EXECUTIVE DIRECTOR, EMPLOYEE OR REPRESENTATIVE OF THE COMMISSION FOR THE AMOUNT OF ANY SETTLEMENT OR JUDGMENT OBTAINED AGAINST THAT PERSON 19 20 ARISING OUT OF ANY ACTUAL OR ALLEGED ACT, ERROR OR OMISSION THAT OCCURRED 21 WITHIN THE SCOPE OF COMMISSION EMPLOYMENT, DUTIES OR RESPONSIBILITIES OR 22 THAT SUCH PERSON HAD A REASONABLE BASIS FOR BELIEVING OCCURRED WITHIN THE SCOPE OF COMMISSION EMPLOYMENT, DUTIES OR RESPONSIBILITIES IF THE ACTUAL 23 24 OR ALLEGED ACT, ERROR OR OMISSION DID NOT RESULT FROM THE INTENTIONAL OR 25 WILFUL OR WANTON MISCONDUCT OF THAT PERSON.

26 D. THIS SECTION DOES NOT LIMIT THE LIABILITY OF ANY LICENSEE FOR 27 PROFESSIONAL MALPRACTICE OR MISCONDUCT THAT IS GOVERNED SOLELY BY ANY 28 OTHER APPLICABLE STATE LAWS.

E. THIS COMPACT DOES NOT WAIVE OR OTHERWISE ABROGATE A MEMBER
STATE'S STATE ACTION IMMUNITY OR STATE ACTION AFFIRMATIVE DEFENSE WITH
RESPECT TO ANTITRUST CLAIMS UNDER THE SHERMAN ACT, THE CLAYTON ACT OR ANY
OTHER STATE OR FEDERAL ANTITRUST OR ANTICOMPETITIVE LAW.

F. THIS COMPACT IS NOT A WAIVER OF SOVEREIGN IMMUNITY BY THE MEMBERSTATES OR BY THE COMMISSION.

35

32-593. <u>Data system</u>

A. THE COMMISSION SHALL PROVIDE FOR THE DEVELOPMENT, MAINTENANCE,
 OPERATION AND USE OF A COORDINATED DATABASE AND REPORTING SYSTEM.

B. THE COMMISSION SHALL ASSIGN EACH APPLICANT FOR A MULTISTATELICENSE A UNIQUE IDENTIFIER, AS DETERMINED BY COMMISSION RULES.

40C. NOTWITHSTANDING ANY OTHER LAW, A MEMBER STATE SHALL SUBMIT A41UNIFORM DATA SET TO THE DATA SYSTEM ON ALL INDIVIDUALS TO WHOM THIS42COMPACT APPLIES AS REQUIRED BY COMMISSION RULES, INCLUDING:

- 43 1. IDENTIFYING INFORMATION.
- 44 2. LICENSURE DATA.

1 3. ADVERSE ACTIONS AGAINST A LICENSE AND INFORMATION RELATED TO THE 2 ADVERSE ACTIONS.

4. NONCONFIDENTIAL INFORMATION RELATED TO ALTERNATIVE PROGRAM
PARTICIPATION, THE BEGINNING AND ENDING DATES OF THE PARTICIPATION AND
OTHER INFORMATION RELATED TO THE PARTICIPATION.

5. ANY DENIAL OF APPLICATION FOR LICENSURE AND THE REASON FOR THE
7 DENIAL, EXCLUDING THE REPORTING OF ANY CRIMINAL HISTORY RECORD INFORMATION
8 IF IT IS PROHIBITED BY LAW.

9

6. THE EXISTENCE OF INVESTIGATIVE INFORMATION.

10

7. THE EXISTENCE OF CURRENT SIGNIFICANT INVESTIGATIVE INFORMATION.

8. OTHER INFORMATION THAT MAY FACILITATE THE ADMINISTRATION OF THIS
 COMPACT OR THE PROTECTION OF THE PUBLIC, AS DETERMINED BY COMMISSION
 RULES.

THE RECORDS AND INFORMATION PROVIDED TO A MEMBER STATE PURSUANT 14 D. TO THIS COMPACT OR THROUGH THE DATA SYSTEM, WHEN CERTIFIED BY THE 15 COMMISSION OR THE COMMISSION'S AGENT, CONSTITUTE THE AUTHENTICATED 16 17 BUSINESS RECORDS OF THE COMMISSION AND ARE ENTITLED TO ANY ASSOCIATED 18 HEARSAY EXCEPTION ΙN ANY RELEVANT JUDICIAL. QUASI-JUDICIAL 0R ADMINISTRATIVE PROCEEDINGS IN A MEMBER STATE. 19

20 E. THE EXISTENCE OF CURRENT SIGNIFICANT INVESTIGATIVE INFORMATION 21 AND THE EXISTENCE OF INVESTIGATIVE INFORMATION PERTAINING TO A LICENSEE IN 22 ANY MEMBER STATE IS AVAILABLE ONLY TO OTHER MEMBER STATES.

F. IT IS THE RESPONSIBILITY OF THE MEMBER STATES TO MONITOR THE
DATA SYSTEM TO DETERMINE WHETHER ADVERSE ACTION HAS BEEN TAKEN AGAINST A
LICENSEE OR LICENSE APPLICANT. ADVERSE ACTION INFORMATION PERTAINING TO A
LICENSEE OR LICENSE APPLICANT IN ANY MEMBER STATE WILL BE AVAILABLE TO ANY
OTHER MEMBER STATE.

G. MEMBER STATES THAT CONTRIBUTE INFORMATION TO THE DATA SYSTEM MAY
DESIGNATE INFORMATION THAT MAY NOT BE SHARED WITH THE PUBLIC WITHOUT THE
EXPRESS PERMISSION OF THE CONTRIBUTING STATE.

H. ANY INFORMATION SUBMITTED TO THE DATA SYSTEM THAT IS
 SUBSEQUENTLY EXPUNGED PURSUANT TO FEDERAL LAW OR THE LAWS OF THE MEMBER
 STATE CONTRIBUTING THE INFORMATION SHALL BE REMOVED FROM THE DATA SYSTEM.

34

32-594. <u>Rulemaking; notice</u>

A. THE COMMISSION SHALL ADOPT REASONABLE RULES TO EFFECTIVELY AND EFFICIENTLY IMPLEMENT AND ADMINISTER THIS COMPACT. A RULE IS INVALID AND HAS NO FORCE OR EFFECT ONLY IF A COURT OF COMPETENT JURISDICTION HOLDS THAT THE RULE IS INVALID BECAUSE THE COMMISSION EXERCISED ITS RULEMAKING AUTHORITY IN A MANNER THAT IS BEYOND THE SCOPE AND PURPOSES OF THIS COMPACT OR THE POWERS GRANTED PURSUANT TO THIS COMPACT, OR BASED ON ANOTHER APPLICABLE STANDARD OF REVIEW.

B. COMMISSION RULES HAVE THE FORCE OF LAW IN EACH MEMBER STATE,
EXCEPT THAT IF COMMISSION RULES CONFLICT WITH THE LAWS OF THE MEMBER STATE
THAT ESTABLISH THE MEMBER STATE'S SCOPE OF PRACTICE LAWS GOVERNING THE
PRACTICE OF COSMETOLOGY AS HELD BY A COURT OF COMPETENT JURISDICTION, THE

1 COMMISSION RULES ARE INEFFECTIVE IN THAT STATE TO THE EXTENT OF THE 2 CONFLICT. C. THE COMMISSION SHALL EXERCISE ITS RULEMAKING POWERS PURSUANT TO 3 4 THE CRITERIA SET FORTH IN THIS SECTION AND THE RULES ADOPTED PURSUANT TO 5 THIS SECTION. RULES BECOME BINDING AS OF THE DATE SPECIFIED BY THE 6 COMMISSION FOR EACH RULE. D. IF A MAJORITY OF THE LEGISLATURES OF THE MEMBER STATES REJECTS A 7 8 RULE OR PORTION OF A RULE BY ENACTING A STATUTE OR RESOLUTION IN THE SAME MANNER USED TO ADOPT THIS COMPACT WITHIN FOUR YEARS AFTER THE DATE OF 9 ADOPTION OF THE RULE, THE RULE HAS NO FURTHER FORCE AND EFFECT IN ANY 10 11 MEMBER STATE OR TO ANY STATE APPLYING TO PARTICIPATE IN THIS COMPACT. E. RULES SHALL BE ADOPTED AT A REGULAR OR SPECIAL MEETING OF THE 12 COMMISSION. 13 F. BEFORE ADOPTING A PROPOSED RULE, THE COMMISSION SHALL HOLD A 14 PUBLIC HEARING AND ALLOW PERSONS TO PROVIDE ORAL AND WRITTEN COMMENTS, 15 16 DATA, FACTS, OPINIONS AND ARGUMENTS. G. BEFORE ADOPTING A PROPOSED RULE, AND AT LEAST THIRTY DAYS BEFORE 17 18 THE MEETING AT WHICH THE COMMISSION WILL HOLD A PUBLIC HEARING ON THE PROPOSED RULE, THE COMMISSION SHALL PROVIDE A NOTICE OF PROPOSED 19 20 RULEMAKING AS FOLLOWS: 21 1. ON THE COMMISSION'S WEBSITE OR OTHER PUBLICLY ACCESSIBLE 22 PLATFORM. 23 2. TO PERSONS WHO HAVE REQUESTED NOTICE OF THE COMMISSION'S NOTICES 24 OF PROPOSED RULEMAKING. 25 3. IN SUCH OTHER WAYS AS THE COMMISSION SPECIFIES BY RULE. 26 THE NOTICE OF PROPOSED RULEMAKING SHALL INCLUDE: Η. 1. THE TIME, DATE AND LOCATION OF THE PUBLIC HEARING AT WHICH THE 27 COMMISSION WILL HEAR PUBLIC COMMENTS ON THE PROPOSED RULE AND, IF 28 DIFFERENT, THE TIME, DATE AND LOCATION OF THE MEETING AT WHICH THE 29 COMMISSION WILL CONSIDER AND VOTE ON THE PROPOSED RULE. 30 31 2. IF THE HEARING IS HELD VIA TELECOMMUNICATION, VIDEOCONFERENCE OR OTHER ELECTRONIC MEANS, THE COMMISSION SHALL INCLUDE THE MECHANISM FOR 32 33 ACCESS TO THE HEARING IN THE NOTICE OF PROPOSED RULEMAKING. 3. THE TEXT OF THE PROPOSED RULE AND THE REASON FOR THE PROPOSED 34 RULE. 35 36 4. A REQUEST FOR COMMENTS ON THE PROPOSED RULE FROM ANY INTERESTED 37 PERSON. 38 5. THE MANNER IN WHICH INTERESTED PERSONS MAY SUBMIT WRITTEN 39 COMMENTS. I. ALL HEARINGS SHALL BE RECORDED. A COPY OF THE RECORDING AND ALL 40 41 WRITTEN COMMENTS AND DOCUMENTS RECEIVED BY THE COMMISSION IN RESPONSE TO THE PROPOSED RULE SHALL BE AVAILABLE TO THE PUBLIC. 42 43 J. THIS SECTION DOES NOT REQUIRE A SEPARATE HEARING ON EACH RULE. RULES MAY BE GROUPED FOR THE COMMISSION'S CONVENIENCE AT HEARINGS 44 45 REQUIRED BY THIS SECTION.

1 K. BY A MAJORITY VOTE OF ALL MEMBERS, THE COMMISSION SHALL TAKE FINAL ACTION ON THE PROPOSED RULE BASED ON THE RULEMAKING RECORD AND THE 2 3 FULL TEXT OF THE RULE. 4 L. THE COMMISSION MAY ADOPT CHANGES TO THE PROPOSED RULE IF THE 5 CHANGES DO NOT ENLARGE THE ORIGINAL PURPOSE OF THE PROPOSED RULE. 6 M. THE COMMISSION SHALL PROVIDE AN EXPLANATION OF THE REASONS FOR 7 SUBSTANTIVE CHANGES THAT ARE MADE TO THE PROPOSED RULE AS WELL AS REASONS 8 FOR SUBSTANTIVE CHANGES THAT ARE NOT MADE BUT THAT WERE RECOMMENDED BY 9 COMMENTERS. 10 N. THE COMMISSION SHALL DETERMINE A REASONABLE EFFECTIVE DATE FOR 11 THE RULE. EXCEPT FOR AN EMERGENCY RULE AS PROVIDED IN SUBSECTION O OF THIS SECTION, THE EFFECTIVE DATE OF THE RULE SHALL BE AT LEAST FORTY-FIVE 12 13 DAYS AFTER THE COMMISSION ISSUES THE NOTICE THAT THE COMMISSION ADOPTED OR AMENDED THE RULE. 14 O. ON DETERMINATION THAT AN EMERGENCY EXISTS, THE COMMISSION MAY 15 16 CONSIDER AND ADOPT AN EMERGENCY RULE WITH AT LEAST A FIVE-DAY NOTICE, WITH AN OPPORTUNITY TO COMMENT, PROVIDED THAT THE USUAL RULEMAKING PROCEDURES 17 18 PROVIDED IN THIS COMPACT ARE RETROACTIVELY APPLIED TO THE RULE AS SOON AS REASONABLY POSSIBLE, AND NOT LATER THAN NINETY DAYS AFTER THE RULE'S 19 20 EFFECTIVE DATE. FOR THE PURPOSES OF THIS SUBSECTION, AN EMERGENCY RULE IS 21 ONE THAT MUST BE ADOPTED IMMEDIATELY TO: 22 1. MEET AN IMMINENT THREAT TO PUBLIC HEALTH. SAFETY OR WELFARE. 2. PREVENT A LOSS OF COMMISSION OR MEMBER STATE MONIES. 23 24 3. MEET A DEADLINE THAT IS ESTABLISHED BY FEDERAL LAW TO ADOPT A 25 RULE. 26 4. PROTECT PUBLIC HEALTH AND SAFETY. P. THE COMMISSION OR AN AUTHORIZED COMMITTEE OF THE COMMISSION MAY 27 DIRECT REVISIONS TO A PREVIOUSLY ADOPTED RULE FOR PURPOSES OF CORRECTING 28 TYPOGRAPHICAL ERRORS, ERRORS IN FORMAT, ERRORS IN CONSISTENCY OR 29 GRAMMATICAL ERRORS. PUBLIC NOTICE OF ANY REVISIONS SHALL BE POSTED ON THE 30 31 COMMISSION'S WEBSITE. THE REVISION IS SUBJECT TO CHALLENGE BY ANY PERSON FOR A PERIOD OF THIRTY DAYS AFTER POSTING. THE REVISION MAY BE CHALLENGED 32 ONLY ON GROUNDS THAT THE REVISION RESULTS IN A MATERIAL CHANGE TO A RULE. 33 A CHALLENGE SHALL BE MADE IN WRITING AND DELIVERED TO THE COMMISSION 34 BEFORE THE END OF THE NOTICE PERIOD. IF A CHALLENGE IS NOT MADE, THE 35 36 REVISION TAKES EFFECT WITHOUT FURTHER ACTION. IF THE REVISION IS CHALLENGED, THE REVISION MAY NOT TAKE EFFECT WITHOUT THE COMMISSION'S 37 38 APPROVAL. Q. A MEMBER STATE'S RULEMAKING REQUIREMENTS DO NOT APPLY UNDER THIS 39 40 COMPACT. 41 32-595. Oversight, dispute resolution and enforcement: 42 defaulting states; termination from compact 43 A. THE EXECUTIVE AND JUDICIAL BRANCHES OF STATE GOVERNMENT IN EACH MEMBER STATE SHALL ENFORCE THIS COMPACT AND TAKE ALL ACTIONS NECESSARY AND 44 45 APPROPRIATE TO IMPLEMENT THIS COMPACT.

1 B. VENUE IS PROPER AND JUDICIAL PROCEEDINGS BY OR AGAINST THE 2 COMMISSION SHALL BE BROUGHT SOLELY AND EXCLUSIVELY IN A COURT OF COMPETENT 3 JURISDICTION WHERE THE PRINCIPAL OFFICE OF THE COMMISSION IS LOCATED. THE COMMISSION MAY WAIVE VENUE AND JURISDICTIONAL DEFENSES TO THE EXTENT IT 4 5 ADOPTS OR CONSENTS TO PARTICIPATE IN ALTERNATIVE DISPUTE RESOLUTION PROCEEDINGS. 6 THIS SUBSECTION DOES NOT AFFECT OR LIMIT THE SELECTION OR 7 PROPRIETY OF VENUE IN ANY ACTION AGAINST A LICENSEE FOR PROFESSIONAL 8 MALPRACTICE OR MISCONDUCT OR IN ANY SIMILAR MATTER.

9 C. THE COMMISSION MAY RECEIVE SERVICE OF PROCESS IN ANY PROCEEDING 10 REGARDING THE ENFORCEMENT OR INTERPRETATION OF THIS COMPACT AND SHALL HAVE 11 STANDING TO INTERVENE IN SUCH A PROCEEDING FOR ALL PURPOSES. FAILURE TO 12 PROVIDE THE COMMISSION SERVICE OF PROCESS RENDERS A JUDGMENT OR ORDER 13 VOID.

D. IF THE COMMISSION DETERMINES THAT A MEMBER STATE HAS DEFAULTED IN THE PERFORMANCE OF ITS OBLIGATIONS OR RESPONSIBILITIES UNDER THIS COMPACT OR THE ADOPTED RULES, THE COMMISSION SHALL PROVIDE WRITTEN NOTICE TO THE DEFAULTING STATE. THE NOTICE OF DEFAULT SHALL DESCRIBE THE BEFAULT, THE PROPOSED MEANS OF CURING THE DEFAULT AND ANY OTHER ACTION THAT THE COMMISSION MAY TAKE AND SHALL OFFER TRAINING AND SPECIFIC TECHNICAL ASSISTANCE REGARDING THE DEFAULT.

21 E. THE COMMISSION SHALL PROVIDE A COPY OF THE NOTICE OF DEFAULT TO 22 THE OTHER MEMBER STATES.

F. IF A STATE THAT IS IN DEFAULT FAILS TO CURE THE DEFAULT, THE DEFAULTING STATE MAY BE TERMINATED FROM THIS COMPACT ON AN AFFIRMATIVE VOTE OF A MAJORITY OF THE DELEGATES OF THE MEMBER STATES AND ALL RIGHTS, PRIVILEGES AND BENEFITS CONFERRED ON THAT STATE BY THIS COMPACT MAY BE TERMINATED ON THE EFFECTIVE DATE OF TERMINATION. A CURE OF THE DEFAULT BOES NOT RELIEVE THE OFFENDING STATE OF OBLIGATIONS OR LIABILITIES INCURRED DURING THE PERIOD OF DEFAULT.

30 G. TERMINATION OF MEMBERSHIP IN THIS COMPACT SHALL BE IMPOSED ONLY 31 AFTER ALL OTHER MEANS OF SECURING COMPLIANCE HAVE BEEN EXHAUSTED. THE 32 COMMISSION SHALL GIVE NOTICE OF INTENT TO SUSPEND OR TERMINATE TO THE 33 GOVERNOR OF THE DEFAULTING STATE, THE MAJORITY AND MINORITY LEADERS OF THE 34 DEFAULTING STATE'S LEGISLATURE, THE DEFAULTING STATE'S STATE LICENSING 35 AUTHORITY AND THE STATE LICENSING AUTHORITY OF EACH MEMBER STATE.

H. 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.

I. ON THE TERMINATION OF A STATE'S MEMBERSHIP FROM THIS COMPACT,
THE STATE SHALL IMMEDIATELY PROVIDE NOTICE OF THE TERMINATION TO ALL
LICENSEES WHO HOLD A MULTISTATE LICENSE WITHIN THAT STATE. THE TERMINATED
STATE SHALL CONTINUE TO RECOGNIZE ALL LICENSES GRANTED PURSUANT TO THIS
COMPACT FOR AT LEAST ONE HUNDRED EIGHTY DAYS AFTER THE DATE OF THE NOTICE
OF TERMINATION.

1 J. THE COMMISSION SHALL NOT BEAR ANY COSTS RELATED TO A STATE THAT IS FOUND TO BE IN DEFAULT OR THAT HAS BEEN TERMINATED FROM THIS COMPACT. 2 3 UNLESS AGREED TO IN WRITING BETWEEN THE COMMISSION AND THE DEFAULTING 4 STATE. 5 K. THE DEFAULTING STATE MAY APPEAL THE COMMISSION'S ACTION BY 6 PETITIONING THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA 7 OR THE FEDERAL DISTRICT WHERE THE COMMISSION HAS ITS PRINCIPAL OFFICES. 8 THE PREVAILING PARTY SHALL BE AWARDED ALL COSTS OF THE LITIGATION. 9 INCLUDING REASONABLE ATTORNEY FEES. 10 L. ON A MEMBER STATE'S REQUEST, THE COMMISSION SHALL ATTEMPT TO 11 RESOLVE DISPUTES RELATED TO THIS COMPACT THAT ARISE AMONG MEMBER STATES AND BETWEEN MEMBER AND NONMEMBER STATES. 12 13 M. THE COMMISSION SHALL ADOPT A RULE PROVIDING FOR BOTH MEDIATION AND BINDING DISPUTE RESOLUTION FOR DISPUTES AS APPROPRIATE. 14 N. THE COMMISSION, IN THE REASONABLE EXERCISE OF ITS DISCRETION, 15 16 SHALL ENFORCE THIS COMPACT AND THE COMMISSION'S RULES. 17 O. BY MAJORITY VOTE AS PROVIDED BY COMMISSION RULE. THE COMMISSION 18 MAY INITIATE LEGAL ACTION AGAINST A DEFAULTING MEMBER STATE IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA OR THE FEDERAL DISTRICT 19 20 WHERE THE COMMISSION HAS ITS PRINCIPAL OFFICES TO ENFORCE COMPLIANCE WITH 21 THIS COMPACT AND ITS ADOPTED RULES. THE RELIEF SOUGHT MAY INCLUDE BOTH 22 INJUNCTIVE RELIEF AND DAMAGES. IF JUDICIAL ENFORCEMENT IS NECESSARY, THE PREVAILING PARTY SHALL BE AWARDED ALL COSTS OF THE LITIGATION, INCLUDING 23 24 REASONABLE ATTORNEY FEES. THE REMEDIES DESCRIBED IN THIS SUBSECTION ARE NOT THE EXCLUSIVE REMEDIES OF THE COMMISSION. THE COMMISSION MAY PURSUE 25 26 ANY OTHER REMEDIES AVAILABLE UNDER FEDERAL LAW OR THE DEFAULTING MEMBER 27 STATE'S LAW. P. A MEMBER STATE MAY INITIATE LEGAL ACTION AGAINST THE COMMISSION 28 29 IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLUMBIA OR THE FEDERAL DISTRICT WHERE THE COMMISSION HAS ITS PRINCIPAL OFFICES TO ENFORCE 30 31 COMPLIANCE WITH THIS COMPACT AND ITS ADOPTED RULES. THE RELIEF SOUGHT MAY INCLUDE BOTH INJUNCTIVE RELIEF AND DAMAGES. IF JUDICIAL ENFORCEMENT IS 32 33 NECESSARY, THE PREVAILING PARTY SHALL BE AWARDED ALL COSTS OF THE LITIGATION, INCLUDING REASONABLE ATTORNEY FEES. 34 35 Q. ONLY A MEMBER STATE MAY ENFORCE THIS COMPACT AGAINST THE 36 COMMISSION. 37 32-596. Effective date and amendment of compact; withdrawal 38 of member state A. THIS COMPACT IS EFFECTIVE ON THE DATE ON WHICH THIS COMPACT IS 39 40 ENACTED INTO LAW IN THE SEVENTH MEMBER STATE. 41 B. ON OR AFTER THE EFFECTIVE DATE OF THIS COMPACT, THE COMMISSION SHALL CONVENE AND REVIEW THE ENACTMENT OF EACH OF THE CHARTER MEMBER 42 43 STATES TO DETERMINE IF THE STATUTE ENACTED BY EACH SUCH CHARTER MEMBER STATE IS MATERIALLY DIFFERENT THAN THE MODEL COMPACT STATUTE. 44

1 C. A CHARTER MEMBER STATE WHOSE ENACTMENT IS FOUND TO BE MATERIALLY 2 DIFFERENT FROM THE MODEL COMPACT STATUTE IS ENTITLED TO THE DEFAULT 3 PROCESS SET FORTH IN SECTION 32-595.

D. IF ANY MEMBER STATE IS LATER FOUND TO BE IN DEFAULT OR IS
TERMINATED OR WITHDRAWS FROM THIS COMPACT, THE COMMISSION REMAINS IN
EXISTENCE AND THIS COMPACT REMAINS IN EFFECT EVEN IF THE NUMBER OF MEMBER
STATES IS LESS THAN SEVEN.

8 E. MEMBER STATES ENACTING THE COMPACT SUBSEQUENT TO THE CHARTER 9 MEMBER STATES ARE SUBJECT TO THE PROCESS SET FORTH PURSUANT TO SECTION 10 32-588, SUBSECTION H, PARAGRAPH 24 TO DETERMINE WHETHER THEIR ENACTMENTS 11 ARE MATERIALLY DIFFERENT FROM THE MODEL COMPACT LANGUAGE AND WHETHER THEY 12 QUALIFY FOR PARTICIPATION IN THE COMPACT.

F. ALL ACTIONS TAKEN FOR THE COMMISSION'S BENEFIT OR IN FURTHERANCE OF THE PURPOSES OF THE ADMINISTRATION OF THIS COMPACT BEFORE THE EFFECTIVE DATE OF THIS COMPACT OR THE EFFECTIVE DATE OF THE COMMISSION COMING INTO EXISTENCE ARE CONSIDERED TO BE ACTIONS OF THE COMMISSION UNLESS SPECIFICALLY REPUDIATED BY THE COMMISSION.

G. A STATE THAT JOINS THIS COMPACT IS SUBJECT TO THE COMMISSION'S
RULES AND BYLAWS AS THEY EXIST ON THE DATE ON WHICH THIS COMPACT BECOMES
LAW IN THAT STATE. A RULE THAT HAS BEEN PREVIOUSLY ADOPTED BY THE
COMMISSION SHALL HAVE THE FULL FORCE AND EFFECT OF LAW ON THE DAY THIS
COMPACT BECOMES LAW IN THAT STATE.

H. A MEMBER STATE MAY WITHDRAW FROM THIS COMPACT BY ENACTING A 23 24 STATUTE REPEALING THAT STATE'S ENACTMENT OF THIS COMPACT. A MEMBER STATE'S WITHDRAWAL DOES NOT TAKE EFFECT UNTIL ONE HUNDRED EIGHTY DAYS 25 26 AFTER ENACTMENT OF THE REPEALING STATUTE. WITHDRAWAL DOES NOT AFFECT THE CONTINUING REQUIREMENT OF THE WITHDRAWING STATE'S STATE LICENSING 27 AUTHORITY TO COMPLY WITH THE INVESTIGATIVE AND ADVERSE ACTION REPORTING 28 29 REQUIREMENTS OF THIS COMPACT BEFORE THE EFFECTIVE DATE OF WITHDRAWAL. ON THE ENACTMENT OF A STATUTE WITHDRAWING FROM THIS COMPACT, A STATE SHALL 30 31 IMMEDIATELY PROVIDE NOTICE OF THE WITHDRAWAL TO ALL LICENSEES WITHIN THAT STATE. NOTWITHSTANDING ANY SUBSEQUENT STATUTORY ENACTMENT TO 32 THE CONTRARY, THE WITHDRAWING STATE SHALL CONTINUE TO RECOGNIZE ALL LICENSES 33 GRANTED PURSUANT TO THIS COMPACT FOR AT LEAST ONE HUNDRED EIGHTY DAYS 34 AFTER THE DATE OF THE NOTICE OF WITHDRAWAL. 35

36I. THIS COMPACT DOES NOT INVALIDATE OR PREVENT ANY LICENSURE37AGREEMENT OR OTHER COOPERATIVE ARRANGEMENT BETWEEN A MEMBER STATE AND A38NONMEMBER STATE THAT DOES NOT CONFLICT WITH THIS COMPACT.

J. THIS COMPACT MAY BE AMENDED BY THE MEMBER STATES. AN AMENDMENT
TO THIS COMPACT DOES NOT BECOME EFFECTIVE AND BINDING ON ANY MEMBER STATE
UNTIL IT IS ENACTED INTO THE LAWS OF ALL MEMBER STATES.

42

32-597. <u>Construction and severability</u>

A. THE COMPACT AND THE COMMISSION'S RULEMAKING AUTHORITY SHALL BE
LIBERALLY CONSTRUED TO EFFECTUATE THE PURPOSES, IMPLEMENTATION AND
ADMINISTRATION OF THIS COMPACT. PROVISIONS OF THIS COMPACT EXPRESSLY

1 AUTHORIZING OR REQUIRING THE ADOPTION OF RULES DO NOT LIMIT THE 2 COMMISSION'S RULEMAKING AUTHORITY SOLELY FOR THOSE PURPOSES.

3 B. THE PROVISIONS OF THIS COMPACT ARE SEVERABLE, AND IF ANY PHRASE, 4 CLAUSE, SENTENCE OR PROVISION OF THIS COMPACT IS HELD BY A COURT OF 5 COMPETENT JURISDICTION TO BE CONTRARY TO THE CONSTITUTION OF ANY MEMBER 6 STATE, OF A STATE SEEKING PARTICIPATION IN THIS COMPACT OR OF THE UNITED 7 STATES. OR THE APPLICABILITY TO ANY GOVERNMENT. AGENCY, PERSON OR 8 CIRCUMSTANCE IS HELD TO BE UNCONSTITUTIONAL BY A COURT OF COMPETENT 9 JURISDICTION, THE VALIDITY OF THE REMAINDER OF THIS COMPACT AND THE 10 APPLICABILITY TO ANY OTHER GOVERNMENT, AGENCY, PERSON OR CIRCUMSTANCE IS 11 NOT AFFECTED.

12 C. NOTWITHSTANDING SUBSECTION B OF THIS SECTION, THE COMMISSION MAY 13 DENY A STATE'S PARTICIPATION IN THE COMPACT OR, IN ACCORDANCE WITH SECTION 32-595, MAY TERMINATE A MEMBER STATE'S PARTICIPATION IN THE COMPACT IF THE 14 15 COMMISSION DETERMINES THAT A CONSTITUTIONAL REQUIREMENT OF A MEMBER STATE 16 IS A MATERIAL DEPARTURE FROM THIS COMPACT. OTHERWISE, IF THIS COMPACT IS 17 HELD TO BE CONTRARY TO THE CONSTITUTION OF ANY MEMBER STATE, THIS COMPACT 18 SHALL REMAIN IN FULL FORCE AND EFFECT AS TO THE REMAINING MEMBER STATES 19 AND IN FULL FORCE AND EFFECT AS TO THE MEMBER STATE AFFECTED AS TO ALL 20 SEVERABLE MATTERS.

21

32-598. <u>Consistent effect and conflict with other states</u>

A. THIS COMPACT DOES NOT PREVENT OR INHIBIT THE ENFORCEMENT OF ANYOTHER LAW OF A MEMBER STATE THAT IS CONSISTENT WITH THIS COMPACT.

B. ANY LAWS, STATUTES, RULES OR OTHER LEGAL REQUIREMENTS IN A
 MEMBER STATE THAT CONFLICT WITH THIS COMPACT ARE SUPERSEDED TO THE EXTENT
 OF THE CONFLICT.

27 C. ALL PERMISSIBLE AGREEMENTS BETWEEN THE COMMISSION AND THE MEMBER
28 STATES ARE BINDING IN ACCORDANCE WITH THEIR TERMS.

29

Sec. 2. Purpose; objectives; definitions

A. The purpose of this act is to facilitate the interstate practice 30 31 and regulation of cosmetology with the goal of improving public access to, and the safety of, cosmetology services and reducing unnecessary burdens 32 33 related to cosmetology licensure. Through this compact, the member states seek to establish a regulatory framework that provides for a new 34 multistate licensing program. Through this new licensing program, the 35 36 member states seek to provide increased value and mobility to licensed 37 cosmetologists in the member states while ensuring the provision of safe, 38 effective and reliable services to the public.

B. The compact is designed to achieve the following objectives and the member states ratify the same intentions by subscribing to the following:

42 1. Provide opportunities for interstate practice by cosmetologists43 who meet uniform requirements for multistate licensure.

2. Enhance the abilities of member states to protect public health and safety and prevent fraud and unlicensed activity within the profession.

4 3. Ensure and encourage cooperation between member states in the 5 licensure and regulation of the practice of cosmetology.

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4. Support relocating military members and their spouses.

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5. Facilitate the exchange of information between member states related to the licensure, investigation and discipline of the practice of cosmetology.

10 6. Provide for the licensure and mobility of the workforce in the 11 profession, while addressing the shortage of workers and lessening the 12 associated burdens on the member states.

13 C. For the purposes of this section:

14 1. "Compact" means the compact established by title 32, chapter 5, 15 article 7, Arizona Revised Statutes, as added by this act.

Cosmetology" has the same meaning prescribed in section 32-581,
 Arizona Revised Statutes, as added by this act.

"Member states" has the same meaning prescribed in section
 32-581, Arizona Revised Statutes, as added by this act.

20 Sec. 3. Effective date

This act is effective from and after June 30, 2024.

APPROVED BY THE GOVERNOR APRIL 18, 2023.

FILED IN THE OFFICE OF THE SECRETARY OF STATE APRIL 18, 2023.