THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL No. 1930 Session of 2023

INTRODUCED BY SOLOMON, MAKO, M. MACKENZIE, HILL-EVANS, STURLA, MENTZER, SANCHEZ, CERRATO, JAMES, TWARDZIK AND ECKER, DECEMBER 28, 2023

REFERRED TO COMMITTEE ON PROFESSIONAL LICENSURE, DECEMBER 28, 2023

AN ACT

1 2 3	Authorizing the Commonwealth of Pennsylvania to join the Cosmetology Licensure Compact; and providing for the form of the compact.
4	The General Assembly of the Commonwealth of Pennsylvania
5	hereby enacts as follows:
6	Section 1. Short title.
7	This act shall be known and may be cited as the Cosmetology
8	Licensure Compact Act.
9	Section 2. Authority to execute compact.
10	The Governor, on behalf of the Commonwealth, is hereby
11	authorized to execute a compact in substantially the following
12	form with any one or more of the states of the United States and
13	the General Assembly hereby signifies in advance its approval
14	and ratification of the compact:
15	COSMETOLOGY LICENSURE COMPACT
16	SECTION 1. PURPOSE
17	The purpose of this Compact is to facilitate the interstate

practice and regulation of Cosmetology with the goal of 1 2 improving public access to, and the safety of, Cosmetology 3 Services and reducing unnecessary burdens related to Cosmetology licensure. Through this Compact, the Member States seek to 4 establish a regulatory framework which provides for a new 5 multistate licensing program. Through this new licensing 6 program, the Member States seek to provide increased value and 7 8 mobility to licensed Cosmetologists in the Member States, while ensuring the provision of safe, effective, and reliable services 9 10 to the public.

11 This Compact is designed to achieve the following objectives, 12 and the Member States hereby ratify the same intentions by 13 subscribing hereto:

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

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

C. Ensure and encourage cooperation between Member States in
the licensure and regulation of the Practice of Cosmetology;
D. Support relocating military members and their spouses;
E. Facilitate the exchange of information between Member
States related to the licensure, investigation, and discipline
of the Practice of Cosmetology;

F. Provide for the licensure and mobility of the workforce in the profession, while addressing the shortage of workers and lessening the associated burdens on the Member States. SECTION 2. DEFINITIONS

30 As used in this Compact, and except as otherwise provided,

20230HB1930PN2462

- 2 -

1 the following definitions shall govern the terms herein:

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

B. "Adverse Action" means any administrative, civil, 5 equitable, or criminal action permitted by a Member State's laws 6 which is imposed by a State Licensing Authority or other 7 8 regulatory body against a Cosmetologist, including actions against an individual's license or Authorization to Practice 9 10 such as revocation, suspension, probation, monitoring of the Licensee, limitation of the Licensee's practice, or any other 11 Encumbrance on a license affecting an individual's ability to 12 13 participate in the Cosmetology industry, including the issuance 14 of a cease and desist order.

15 C. "Authorization to Practice" means a legal authorization 16 associated with a Multistate License permitting the Practice of 17 Cosmetology in that Remote State, which shall be subject to the 18 enforcement jurisdiction of the State Licensing Authority in 19 that Remote State.

D. "Alternative Program" means a non-disciplinary monitoring or prosecutorial diversion program approved by a Member State's State Licensing Authority.

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

29 F. "Charter Member State" means Member States who have
30 enacted legislation to adopt this Compact where such legislation

20230HB1930PN2462

- 3 -

predates the effective date of this Compact as defined in
 Article 13.

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

8 H. "Cosmetologist" means an individual licensed in their Home9 State to practice Cosmetology.

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

14 J. "Current Significant Investigative Information" means:

15 1. Investigative Information that a State Licensing 16 Authority, after an inquiry or investigation that complies with 17 a Member State's due process requirements, has reason to believe 18 is not groundless and, if proved true, would indicate a 19 violation of that State's laws regarding fraud or the Practice 20 of Cosmetology; or

2. Investigative Information that indicates that a Licensee 22 has engaged in fraud or represents an immediate threat to public 23 health and safety, regardless of whether the Licensee has been 24 notified and had an opportunity to respond.

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

28 L. "Disqualifying Event" means any event which shall 29 disqualify an individual from holding a Multistate License under 30 this Compact, which the Commission may by Rule or order specify.

20230HB1930PN2462

- 4 -

M. "Encumbered License" means a license in which an Adverse Action restricts the Practice of Cosmetology by a Licensee, or where said Adverse Action has been reported to the Commission. N. "Encumbrance" means a revocation or suspension of, or any limitation on, the full and unrestricted Practice of Cosmetology by a State Licensing Authority.

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

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

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

16 R. "Jurisprudence Requirement" means the assessment of an 17 individual's knowledge of the laws and rules governing the 18 Practice of Cosmetology in a State.

19 S. "Licensee" means an individual who currently holds a 20 license from a Member State to practice as a Cosmetologist. 21 T. "Member State" means any State that has adopted this 22 Compact.

23 U. "Multistate License" means a license issued by and subject 24 to the enforcement jurisdiction of the State Licensing Authority 25 in a Licensee's Home State, which authorizes the Practice of 26 Cosmetology in Member States and includes Authorizations to 27 Practice Cosmetology in all Remote States pursuant to this 28 Compact.

V. "Remote State" means any Member State, other than theLicensee's Home State.

20230HB1930PN2462

- 5 -

W. "Rule" means any rule or regulation promulgated by the
 Commission under this Compact which has the force of law.

3 X. "Single-State License" means a Cosmetology license issued 4 by a Member State that authorizes practice of Cosmetology only 5 within the issuing State and does not include any authorization 6 outside of the issuing State.

Y. "State" means a State, territory, or possession of the8 United States and the District of Columbia.

9 Z. "State Licensing Authority" means a Member State's 10 regulatory body responsible for issuing Cosmetology licenses or 11 otherwise overseeing the Practice of Cosmetology in that State. 12 SECTION 3. MEMBER STATE REQUIREMENTS

A. To be eligible to join this Compact, and to maintaineligibility as a Member State, a State must:

15 1. License and regulate Cosmetology;

Have a mechanism or entity in place to receive and
 investigate complaints about Licensees practicing in that State;
 Require that Licensees within the State pass a Cosmetology
 competency examination prior to being licensed to provide
 Cosmetology Services to the public in that State;
 Require that Licensees satisfy educational or training

22 requirements in Cosmetology prior to being licensed to provide 23 Cosmetology Services to the public in that State;

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

30 6. Participate in the Data System, including through the use 20230HB1930PN2462 - 6 - 1 of unique identifying numbers;

2 7. Share information related to Adverse Actions with the
3 Commission and other Member States, both through the Data System
4 and otherwise;

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

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

12 10. Accept Licensees from other Member States as established 13 herein.

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

16 C. Individuals not residing in a Member State shall continue 17 to be able to apply for a Member State's Single-State License as 18 provided under the laws of each Member State. However, the 19 Single-State License granted to these individuals shall not be 20 recognized as granting a Multistate License to provide services 21 in any other Member State.

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

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

F. At no point shall the Commission have the power to definethe educational or professional requirements for a license to

20230HB1930PN2462

- 7 -

practice Cosmetology. The Member States shall retain sole
 jurisdiction over the provision of these requirements.

3 SECTION 4. MULTISTATE LICENSE

A. To be eligible to apply to their Home State's State 4 Licensing Authority for an initial Multistate License under this 5 Compact, a Licensee must hold an active and unencumbered Single-6 7 State License to practice Cosmetology in their Home State. B. Upon the receipt of an application for a Multistate 8 License, according to the Rules of the Commission, a Member 9 10 State's State Licensing Authority shall ascertain whether the applicant meets the requirements for a Multistate License under 11 12 this Compact.

13 C. If an applicant meets the requirements for a Multistate 14 License under this Compact and any applicable Rules of the 15 Commission, the State Licensing Authority in receipt of the 16 application shall, within a reasonable time, grant a Multistate 17 License to that applicant, and inform all Member States of the 18 grant of said 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 thereof as though that Licensee held a Single-State License to do so in each Member State, subject to the restrictions herein.

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

F. To maintain a Multistate License under this Compact, aLicensee must:

Agree to abide by the rules of the State Licensing
 Authority, and the State scope of practice laws governing the

20230HB1930PN2462

- 8 -

Practice of Cosmetology, of any Member State in which the
 Licensee provides services;

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

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

H. The Practice of Cosmetology under a Multistate License granted pursuant to this Compact will subject 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.

16 SECTION 5. REISSUANCE OF A MULTISTATE LICENSE BY A NEW HOME
17 STATE

A. A Licensee may hold a Multistate License, issued by their
Home State, in only one Member State at any given time.
B. If a Licensee changes their Home State by moving between

21 two Member States:

1. The Licensee shall immediately apply for the reissuance of their Multistate License in their new Home State. The Licensee shall pay all applicable fees and notify the prior Home State in accordance with the Rules of the Commission.

2. Upon receipt of an application to reissue a Multistate
 License, the new Home State shall verify that the Multistate
 License is active, unencumbered and eligible for reissuance
 under the terms of this Compact and the Rules of the Commission.
 The Multistate License issued by the prior Home State will be

20230HB1930PN2462

- 9 -

deactivated and all Member States notified in accordance with
 the applicable Rules adopted by the Commission.

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

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

13 C. If a Licensee changes their primary state of residence by 14 moving from a Member State to a non-Member State, or from a non-15 Member State to a Member State, then the Licensee shall be 16 subject to the State requirements for the issuance of a Single-17 State License in the new Home State.

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

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

25 SECTION 6. AUTHORITY OF THE COMMISSION AND MEMBER STATE 26 LICENSING AUTHORITIES

A. Nothing in this Compact, nor any Rule or regulation of the Commission, shall be construed to limit, restrict, or in any way reduce the ability of a Member State to enact and enforce laws, regulations, or other rules related to the Practice of

20230HB1930PN2462

- 10 -

Cosmetology in that State, where those laws, regulations, or
 other rules are not inconsistent with the provisions of this
 Compact.

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

9 C. Discipline shall be the sole responsibility of the State 10 in which Cosmetology Services are provided. Accordingly, each Member State's State Licensing Authority shall be responsible 11 for receiving complaints about individuals practicing 12 13 Cosmetology in that State, and for communicating all relevant 14 Investigative Information about any such Adverse Action to the 15 other Member States through the Data System in addition to any 16 other methods the Commission may by Rule require.

17 SECTION 7. ADVERSE ACTIONS

A. A Licensee's Home State shall have exclusive power to
impose an Adverse Action 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.

25 C. In addition to the powers conferred by State law, each 26 Remote State's State Licensing Authority shall have the power 27 to:

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

20230HB1930PN2462

- 11 -

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

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

2. Issue cease and desist orders or impose an Encumbrance on a Licensee's Authorization to Practice within that Member State. 3. Complete any pending investigations of a Licensee who changes their primary state of residence during the course of such an investigation. The State Licensing Authority shall also be empowered to report the results of such an investigation to the Commission through the Data System as described herein.

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

5. If otherwise permitted by State law, recover from theaffected Licensee the costs of investigations and disposition of

20230HB1930PN2462

- 12 -

cases resulting from any Adverse Action taken against that
 Licensee.

3 6. Take Adverse Action against the Licensee's Authorization
4 to Practice in that State based on the factual findings of
5 another Remote State.

D. A Licensee's Home State shall complete any pending
investigation(s) of a Cosmetologist who changes their primary
state of residence during the course of the investigation(s).
The Home State shall also have the authority to take appropriate
action(s) and shall promptly report the conclusions of the
investigations 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 14 Practice in all other Member States shall be deactivated until all Encumbrances have been removed from the Home State license. 15 16 All Home State disciplinary orders that impose an Adverse Action against a Licensee's Multistate License shall include a 17 18 statement that the Cosmetologist's Authorization to Practice is 19 deactivated in all Member States during the pendency of the 20 order.

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

26 G. Joint Investigations

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.

20230HB1930PN2462

- 13 -

2. Member States shall share any investigative, litigation,
 or compliance materials in furtherance of any joint or
 individual investigation initiated under this Compact.
 SECTION 8. ACTIVE MILITARY MEMBERS AND THEIR SPOUSES

5 Active Military Members, or their spouses, shall designate a 6 Home State where the individual has a current license to 7 practice Cosmetology in good standing. The individual may retain 8 their Home State designation during any period of service when 9 that individual or their spouse is on active duty assignment. 10 SECTION 9. ESTABLISHMENT AND OPERATION OF THE COSMETOLOGY 11 LICENSURE COMPACT COMMISSION

12 A. The Member States hereby create and establish a joint 13 government agency whose membership consists of all Member States 14 that have enacted this Compact known as the Cosmetology Licensure Compact Commission. The Commission is an 15 16 instrumentality of the Member States acting jointly and not an instrumentality of any one State. The Commission shall come into 17 existence on or after the effective date of this Compact as set 18 19 forth in Article 13.

20 B. Membership, Voting, and Meetings

Each Member State shall have and be limited to one (1)
 delegate selected by that Member State's State Licensing
 Authority.

24 2. The delegate shall be an administrator of the State
 25 Licensing Authority of the Member State or their designee.
 26 3. The Commission shall by Rule or bylaw establish a term of
 27 office for delegates and may by Rule or bylaw establish term
 28 limits.

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

20230HB1930PN2462

- 14 -

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

6. Each delegate shall be entitled to one vote on all matters5 that are voted on by the Commission.

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

C. The Commission shall have the following powers:
 1. Establish the fiscal year of the Commission;

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

14 3. Adopt Rules and bylaws;

4. Maintain its financial records in accordance with thebylaws;

17 5. Meet and take such actions as are consistent with the 18 provisions of this Compact, the Commission's Rules, and the 19 bylaws;

6. Initiate and conclude legal proceedings or actions in the name of the Commission, provided that the standing of any State Licensing Authority to sue or be sued under applicable law shall not be affected;

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

8. Purchase and maintain insurance and bonds;
 9. Borrow, accept, or contract for services of personnel,
 including, but not limited to, employees of a Member State;

20230HB1930PN2462

- 15 -

1 10. Conduct an annual financial review;

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

8 12. As set forth in the Commission Rules, charge a fee to a Licensee for the grant of a Multistate License and thereafter, 9 10 as may be established by Commission Rule, charge the Licensee a Multistate License renewal fee for each renewal period. Nothing 11 herein shall be construed to prevent a Home State from charging 12 13 a Licensee a fee for a Multistate License or renewals of a Multistate License, or a fee for the jurisprudence requirement 14 15 if the Member State imposes such a requirement for the grant of 16 a Multistate License;

17 13. Assess and collect fees;

18 14. Accept any and all appropriate gifts, donations, grants 19 of money, other sources of revenue, equipment, supplies, 20 materials, and services, and receive, utilize, and dispose of 21 the same; provided that at all times the Commission shall avoid 22 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;

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

28 17. Establish a budget and make expenditures;

29 18. Borrow money;

30 19. Appoint committees, including standing committees,

20230HB1930PN2462

- 16 -

1 composed of members, State regulators, State legislators or 2 their representatives, and consumer representatives, and such 3 other interested persons as may be designated in this Compact 4 and the bylaws;

5 20. Provide and receive information from, and cooperate with,6 law enforcement agencies;

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

10 22. Establish and elect an Executive Committee, including a 11 chair and a vice chair;

12 23. Adopt and provide to the Member States an annual report; 13 24. Determine whether a State's adopted language is 14 materially different from the model Compact language such that 15 the State would not qualify for participation in this Compact; 16 and

17 25. Perform such other functions as may be necessary or18 appropriate to achieve the purposes of this Compact.

19 D. The Executive Committee

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

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

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

20230HB1930PN2462

- 17 -

1 fees;

2 c. Ensuring Compact administration services are appropriately3 provided, including by contract;

4 d. Preparing and recommending the budget;

e. Maintaining financial records on behalf of the Commission;
f. Monitoring Compact compliance of Member States and
providing compliance reports to the Commission;

8 g. Establishing additional committees as necessary;

9 h. Exercising the powers and duties of the Commission during 10 the interim between Commission meetings, except for adopting or 11 amending Rules, adopting or amending bylaws, and exercising any 12 other powers and duties expressly reserved to the Commission by 13 Rule or bylaw; and

14 i. Other duties as provided in the Rules or bylaws of the15 Commission.

16 2. The Executive Committee shall be composed of up to seven 17 voting members:

a. The chair and vice chair of the Commission and any other
members of the Commission who serve on the Executive Committee
shall be voting members of the Executive Committee; and
b. Other than the chair, vice-chair, secretary and treasurer,
the Commission shall elect three voting members from the current
membership of the Commission.

c. The Commission may elect ex-officio, nonvoting members
from a recognized national Cosmetology professional association
as approved by the Commission. The Commission's bylaws shall
identify qualifying organizations and the manner of appointment
if the number of organizations seeking to appoint an ex officio
member exceeds the number of members specified in this Article.
3. The Commission may remove any member of the Executive

20230HB1930PN2462

- 18 -

1 Committee as provided in the Commission's bylaws.

2 4. The Executive Committee shall meet at least annually. 3 a. Annual Executive Committee meetings, as well as any Executive Committee meeting at which it does not take or intend 4 to take formal action on a matter for which a Commission vote 5 would otherwise be required, shall be open to the public, except 6 7 that the Executive Committee may meet in a closed, non-public 8 session of a public meeting when dealing with any of the matters covered under Article 9.F.4. 9

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

15 5. The Executive Committee may hold an emergency meeting when 16 acting for the Commission to:

a. Meet an imminent threat to public health, safety, orwelfare;

b. Prevent a loss of Commission or Member State funds; orc. Protect public health and safety.

E. The Commission shall adopt and provide to the MemberStates an annual report.

23 F. Meetings of the Commission

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

28 2. Notwithstanding Article 9.F.1, the Commission may convene
29 an emergency public meeting by providing at least twenty-four
30 (24) hours prior notice on the Commission's website, and any

20230HB1930PN2462

- 19 -

other means as provided in the Commission's Rules, for any of the reasons it may dispense with notice of proposed rulemaking under Article 11.L. The Commission's legal counsel shall certify that one of the reasons justifying an emergency public meeting has been met.

6 3. Notice of all Commission meetings shall provide the time, 7 date, and location of the meeting, and if the meeting is to be 8 held or accessible via telecommunication, video conference, or 9 other electronic means, the notice shall include the mechanism 10 for access to the meeting.

11 4. The Commission may convene in a closed, non-public meeting 12 for the Commission to discuss:

13 a. Non-compliance of a Member State with its obligations14 under this Compact;

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

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

d. Current, threatened, or reasonably anticipated litigation;
e. Negotiation of contracts for the purchase, lease, or sale
of goods, services, or real estate;

24 f. Accusing any person of a crime or formally censuring any 25 person;

26 g. Trade secrets or commercial or financial information that 27 is privileged or confidential;

h. Information of a personal nature where disclosure would
constitute a clearly unwarranted invasion of personal privacy;
i. Investigative records compiled for law enforcement

20230HB1930PN2462

- 20 -

1 purposes;

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

6 k. Legal advice;

7 1. Matters specifically exempted from disclosure to the8 public by federal or Member State law; or

9 m. Other matters as promulgated by the Commission by Rule. 10 5. If a meeting, or portion of a meeting, is closed, the 11 presiding officer shall state that the meeting will be closed 12 and reference each relevant exempting provision, and such 13 reference shall be recorded in the minutes.

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

23 G. Financing of the Commission

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

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

30 3. The Commission may levy on and collect an annual

20230HB1930PN2462

- 21 -

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

9 4. The Commission shall not incur obligations of any kind 10 prior to securing the funds adequate to meet the same; nor shall 11 the Commission pledge the credit of any Member States, except by 12 and with the authority of the Member State.

13 5. The Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of 14 15 the Commission shall be subject to the financial review and 16 accounting procedures established under its bylaws. All receipts and disbursements of funds handled by the Commission shall be 17 18 subject to an annual financial review by a certified or licensed public accountant, and the report of the financial review shall 19 20 be included in and become part of the annual report of the 21 Commission.

H. Qualified Immunity, Defense, and Indemnification 22 23 1. The members, officers, executive director, employees and 24 representatives of the Commission shall be immune from suit and 25 liability, both personally and in their official capacity, for any claim for damage to or loss of property or personal injury 26 or other civil liability caused by or arising out of any actual 27 28 or alleged act, error, or omission that occurred, or that the 29 person against whom the claim is made had a reasonable basis for 30 believing occurred within the scope of Commission employment,

20230HB1930PN2462

- 22 -

duties or responsibilities; provided that nothing in this
paragraph shall be construed to protect any such person from
suit or liability for any damage, loss, injury, or liability
caused by the intentional or willful or wanton misconduct of
that person. The procurement of insurance of any type by the
Commission shall not in any way compromise or limit the immunity
granted hereunder.

8 2. The Commission shall defend any member, officer, executive 9 director, employee, and representative of the Commission in any 10 civil action seeking to impose liability arising out of any actual or alleged act, error, or omission that occurred within 11 12 the scope of Commission employment, duties, or responsibilities, or as determined by the Commission that the person against whom 13 14 the claim is made had a reasonable basis for believing occurred 15 within the scope of Commission employment, duties, or 16 responsibilities; provided that nothing herein shall be 17 construed to prohibit that person from retaining their own 18 counsel at their own expense; and provided further, that the 19 actual or alleged act, error, or omission did not result from that person's intentional or willful or wanton misconduct. 20 21 3. The Commission shall indemnify and hold harmless any member, officer, executive director, employee, and 22 23 representative of the Commission for the amount of any 24 settlement or judgment obtained against that person arising out 25 of any actual or alleged act, error, or omission that occurred 26 within the scope of Commission employment, duties, or responsibilities, or that such person had a reasonable basis for 27 28 believing occurred within the scope of Commission employment, 29 duties, or responsibilities, provided that the actual or alleged 30 act, error, or omission did not result from the intentional or

20230HB1930PN2462

- 23 -

1 willful or wanton misconduct of that person.

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

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

6. Nothing in this Compact shall be construed to be a waiver
 of sovereign immunity by the Member States or by the Commission.
 SECTION 10. DATA SYSTEM

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

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

20 C. Notwithstanding any other provision of State law to the 21 contrary, a Member State shall submit a uniform data set to the 22 Data System on all individuals to whom this Compact is 23 applicable as required by the Rules of the Commission,

24 including:

25 1. Identifying information;

26 2. Licensure data;

3. Adverse Actions against a license and information relatedthereto;

4. Non-confidential information related to Alternative
 Program participation, the beginning and ending dates of such

20230HB1930PN2462

- 24 -

1 participation, and other information related to such

2 participation;

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

6 6. The existence of Investigative Information;

7 7. The existence of Current Significant Investigative8 Information; and

9 8. Other information that may facilitate the administration 10 of this Compact or the protection of the public, as determined 11 by the Rules of the Commission.

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

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

F. It is the responsibility of the Member States to monitor the database to determine whether Adverse Action has been taken against such 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 contributing information to the Data System may designate information that may not be shared with the public without the express permission of the contributing State.

20230HB1930PN2462

- 25 -

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

5 SECTION 11. RULEMAKING

6 A. The Commission shall promulgate reasonable Rules in order 7 to effectively and efficiently implement and administer the 8 purposes and provisions of this Compact. A Rule shall be invalid and have no force or effect only if a court of competent 9 jurisdiction holds that the Rule is invalid because the 10 11 Commission exercised its rulemaking authority in a manner that is beyond the scope and purposes of this Compact, or the powers 12 13 granted hereunder, or based upon another applicable standard of 14 review.

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

C. The Commission shall exercise its rulemaking powers pursuant to the criteria set forth in this Article and the Rules adopted thereunder. Rules shall become binding as of the date specified by the Commission for each Rule.

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

20230HB1930PN2462

- 26 -

State or to any State applying to participate in this Compact.
 E. Rules shall be adopted at a regular or special meeting of
 the Commission.

F. Prior to adoption of a proposed Rule, the Commission shall 4 hold a public hearing and allow persons to provide oral and 5 written comments, data, facts, opinions, and arguments. 6 G. Prior to adoption of a proposed Rule by the Commission, 7 8 and at least thirty (30) days in advance of the meeting at which the Commission will hold a public hearing on the proposed Rule, 9 10 the Commission shall provide a notice of proposed rulemaking: 11 1. On the website of the Commission or other publicly accessible platform; 12

13 2. To persons who have requested notice of the Commission's
 14 notices of proposed rulemaking; and

In such other way(s) as the Commission may by Rule
 specify.

H. The notice of proposed rulemaking shall include:

 The time, date, and location of the public hearing at
 which the Commission will hear public comments on the proposed
 Rule and, if different, the time, date, and location of the
 meeting where the Commission will consider and vote on the
 proposed Rule;

2. If the hearing is held via telecommunication, video
 24 conference, or other electronic means, the Commission shall
 25 include the mechanism for access to the hearing in the notice of
 26 proposed rulemaking;

3. The text of the proposed Rule and the reason therefor;
4. A request for comments on the proposed Rule from any
interested person; and

30 5. The manner in which interested persons may submit written 20230HB1930PN2462 - 27 - 1 comments.

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

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

9 K. The Commission shall, by majority vote of all members, 10 take final action on the proposed Rule based on the rulemaking 11 record and the full text of the Rule.

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

15 2. The Commission shall provide an explanation of the reasons 16 for substantive changes made to the proposed Rule as well as 17 reasons for substantive changes not made that were recommended 18 by commenters.

19 3. The Commission shall determine a reasonable effective date 20 for the Rule. Except for an emergency as provided in Article 21 11.L, the effective date of the Rule shall be no sooner than 22 forty-five (45) days after the Commission issuing the notice 23 that it adopted or amended the Rule.

L. Upon determination that an emergency exists, the Commission may consider and adopt an emergency Rule with five (5) days' notice, with opportunity to comment, provided that the usual rulemaking procedures provided in this Compact and in this Article shall be retroactively applied to the Rule as soon as reasonably possible, in no event later than ninety (90) days after the effective date of the Rule. For the purposes of this

20230HB1930PN2462

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- 28 -
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1 provision, an emergency Rule is one that must be adopted 2 immediately to:

3 1. Meet an imminent threat to public health, safety, or4 welfare;

5 2. Prevent a loss of Commission or Member State funds;
6 3. Meet a deadline for the promulgation of a Rule that is
7 established by federal law or rule; or

8 4. Protect public health and safety.

M. The Commission or an authorized committee of the 9 Commission may direct revisions to a previously adopted Rule for 10 11 purposes of correcting typographical errors, errors in format, 12 errors in consistency, or grammatical errors. Public notice of 13 any revisions shall be posted on the website of the Commission. 14 The revision shall be subject to challenge by any person for a 15 period of thirty (30) days after posting. The revision may be 16 challenged only on grounds that the revision results in a material change to a Rule. A challenge shall be made in writing 17 18 and delivered to the Commission prior to the end of the notice 19 period. If no challenge is made, the revision will take effect 20 without further action. If the revision is challenged, the 21 revision may not take effect without the approval of the 22 Commission.

N. No Member State's rulemaking requirements shall applyunder this Compact.

25 SECTION 12. OVERSIGHT, DISPUTE RESOLUTION, AND ENFORCEMENT26 A. Oversight

The executive and judicial branches of State government in
 each Member State shall enforce this Compact and take all
 actions necessary and appropriate to implement this Compact.
 Venue is proper and judicial proceedings by or against the

20230HB1930PN2462

- 29 -

1 Commission shall be brought solely and exclusively in a court of 2 competent jurisdiction where the principal office of the 3 Commission is located. The Commission may waive venue and jurisdictional defenses to the extent it adopts or consents to 4 participate in alternative dispute resolution proceedings. 5 Nothing herein shall affect or limit the selection or propriety 6 of venue in any action against a Licensee for professional 7 8 malpractice, misconduct or any such similar matter.

9 3. The Commission shall be entitled to receive service of 10 process in any proceeding regarding the enforcement or 11 interpretation of this Compact and shall have standing to 12 intervene in such a proceeding for all purposes. Failure to 13 provide the Commission service of process shall render a 14 judgment or order void as to the Commission, this Compact, or 15 promulgated Rules.

B. Default, Technical Assistance, and Termination 16 17 1. If the Commission determines that a Member State has 18 defaulted in the performance of its obligations or 19 responsibilities under this Compact or the promulgated Rules, 20 the Commission shall provide written notice to the defaulting State. The notice of default shall describe the default, the 21 proposed means of curing the default, and any other action that 22 23 the Commission may take, and shall offer training and specific 24 technical assistance regarding the default.

25 2. The Commission shall provide a copy of the notice of26 default to the other Member States.

3. If a State in default fails to cure the default, the defaulting State may be terminated from this Compact upon an affirmative vote of a majority of the delegates of the Member States, and all rights, privileges and benefits conferred on

20230HB1930PN2462

- 30 -

1 that State by this Compact may be terminated on the effective 2 date of termination. A cure of the default does not relieve the 3 offending State of obligations or liabilities incurred during 4 the period of default.

5 4. Termination of membership in this Compact shall be imposed 6 only after all other means of securing compliance have been 7 exhausted. Notice of intent to suspend or terminate shall be 8 given by the Commission to the governor, the majority and 9 minority leaders of the defaulting State's legislature, the 10 defaulting State's State Licensing Authority and each of the 11 Member States' State Licensing Authority.

12 5. A State that has been terminated is responsible for all 13 assessments, obligations, and liabilities incurred through the 14 effective date of termination, including obligations that extend 15 beyond the effective date of termination.

6. Upon the termination of a State's membership from this Compact, that State shall immediately provide notice to all Licensees who hold a Multistate License within that State of such termination. The terminated State shall continue to recognize all licenses granted pursuant to this Compact for a minimum of one hundred eighty (180) days after the date of said notice of termination.

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

8. The defaulting State may appeal the action of the
 Commission by petitioning the United States District Court for
 the District of Columbia or the federal district where the
 Commission has its principal offices. The prevailing party shall

20230HB1930PN2462

- 31 -

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

3 C. Dispute Resolution

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

10 D. Enforcement

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

14 2. By majority vote as provided by Commission Rule, the Commission may initiate legal action against a Member State in 15 default in the United States District Court for the District of 16 Columbia or the federal district where the Commission has its 17 principal offices to enforce compliance with the provisions of 18 19 this Compact and its promulgated Rules. The relief sought may 20 include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing party shall be 21 awarded all costs of such litigation, including reasonable 22 attorney's fees. The remedies herein shall not be the exclusive 23 24 remedies of the Commission. The Commission may pursue any other 25 remedies available under federal or the defaulting Member 26 State's law.

3. A Member State may initiate legal action against the Commission in the United States District Court for the District of Columbia or the federal district where the Commission has its principal offices to enforce compliance with the provisions of

20230HB1930PN2462

- 32 -

1 this Compact and its promulgated Rules. The relief sought may 2 include both injunctive relief and damages. In the event 3 judicial enforcement is necessary, the prevailing party shall be 4 awarded all costs of such litigation, including reasonable 5 attorney's fees.

6 4. No individual or entity other than a Member State may7 enforce this Compact against the Commission.

8 SECTION 13. EFFECTIVE DATE, WITHDRAWAL, AND AMENDMENT
9 A. This Compact shall come into effect on the date on which
10 this Compact statute is enacted into law in the seventh Member
11 State.

12 1. On or after the effective date of this Compact, the 13 Commission shall convene and review the enactment of each of the 14 Charter Member States to determine if the statute enacted by 15 each such Charter Member State is materially different than the 16 model Compact statute.

a. A Charter Member State whose enactment is found to be 17 18 materially different from the model Compact statute shall be 19 entitled to the default process set forth in Article 12. 20 b. If any Member State is later found to be in default, or is terminated or withdraws from this Compact, the Commission shall 21 remain in existence and this Compact shall remain in effect even 22 23 if the number of Member States should be less than seven (7). 24 2. Member States enacting this Compact subsequent to the 25 Charter Member States shall be subject to the process set forth 26 in Article 9.C.24 to determine if their enactments are 27 materially different from the model Compact statute and whether 28 they qualify for participation in this Compact.

3. All actions taken for the benefit of the Commission or infurtherance of the purposes of the administration of this

20230HB1930PN2462

- 33 -

Compact prior to the effective date of this Compact or the
 Commission coming into existence shall be considered to be
 actions of the Commission unless specifically repudiated by the
 Commission.

5 4. Any State that joins this Compact shall be subject to the 6 Commission's Rules and bylaws as they exist on the date on which 7 this Compact becomes law in that State. Any Rule that has been 8 previously adopted by the Commission shall have the full force 9 and effect of law on the day this Compact becomes law in that 10 State.

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

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

17 2. Withdrawal shall not affect the continuing requirement of 18 the withdrawing State's State Licensing Authority to comply with 19 the investigative and Adverse Action reporting requirements of 20 this Compact prior to the effective date of withdrawal.

21 3. Upon the enactment of a statute withdrawing from this Compact, a State shall immediately provide notice of such 22 23 withdrawal to all Licensees within that State. Notwithstanding 24 any subsequent statutory enactment to the contrary, such 25 withdrawing State shall continue to recognize all licenses granted pursuant to this Compact for a minimum of one hundred 26 eighty (180) days after the date of such notice of withdrawal. 27 28 C. Nothing contained in this Compact shall be construed to 29 invalidate or prevent any licensure agreement or other cooperative arrangement between a Member State and a non-Member 30

20230HB1930PN2462

- 34 -

State that does not conflict with the provisions of this
 Compact.

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

7 SECTION 14. CONSTRUCTION AND SEVERABILITY

A. This Compact and the Commission's rulemaking authority 9 shall be liberally construed so as to effectuate the purposes, 10 and the implementation and administration of this Compact. 11 Provisions of this Compact expressly authorizing or requiring 12 the promulgation of Rules shall not be construed to limit the 13 Commission's rulemaking authority solely for those purposes.

14 B. The provisions of this Compact shall be severable and if 15 any phrase, clause, sentence or provision of this Compact is 16 held by a court of competent jurisdiction to be contrary to the constitution of any Member State, a State seeking participation 17 18 in this Compact, or of the United States, or the applicability 19 thereof to any government, agency, person or circumstance is 20 held to be unconstitutional by a court of competent jurisdiction, the validity of the remainder of this Compact and 21 the applicability thereof to any other government, agency, 22 23 person or circumstance shall not be affected thereby.

C. Notwithstanding Article 14.B, the Commission may deny a State's participation in this Compact or, in accordance with the requirements of Article 12, terminate a Member State's participation in this Compact, if it determines that a constitutional requirement of a Member State is a material departure from this Compact. Otherwise, if this Compact shall be held to be contrary to the constitution of any Member State,

20230HB1930PN2462

- 35 -

1 this Compact shall remain in full force and effect as to the 2 remaining Member States and in full force and effect as to the 3 Member State affected as to all severable matters.

4 SECTION 15. CONSISTENT EFFECT AND CONFLICT WITH OTHER STATE LAWS
5 A. Nothing herein shall prevent or inhibit the enforcement of
6 any other law of a Member State that is not inconsistent with
7 this Compact.

B. Any laws, statutes, regulations, or other legal
9 requirements in a Member State in conflict with this Compact are
10 superseded to the extent of the conflict.

11 C. All permissible agreements between the Commission and the 12 Member States are binding in accordance with their terms. 13 Section 3. Operation.

14 General rule.--When the Governor executes the compact on (a) 15 behalf of the Commonwealth and files a verified copy thereof 16 with the Secretary of the Commonwealth and when the compact is ratified by one or more other states, the compact shall become 17 18 operative and effective between the Commonwealth and such other 19 state or states. The Governor is hereby authorized and directed 20 to take such action as may be necessary to complete the exchange 21 of official documents between the Commonwealth and any other 22 state ratifying the compact.

23 (b) Notice in Pennsylvania Bulletin. -- The Secretary of the 24 Commonwealth shall transmit a notice to the Legislative 25 Reference Bureau for publication in the next available issue of 26 the Pennsylvania Bulletin when the conditions specified in subsection (a) are satisfied and shall include in the notice the 27 28 date on which the compact became effective and operative between 29 the Commonwealth and any other state or states in accordance with this act. 30

20230HB1930PN2462

- 36 -

1 Section 4. Compensation and expenses of compact administrator. 2 The compact administrator who represents the Commonwealth, as provided for in the compact, shall not be entitled to any 3 additional compensation for the duties and responsibilities as 4 compact administrator but shall be entitled to reimbursement for 5 reasonable expenses actually incurred in connection with the 6 duties and responsibilities as compact administrator in the same 7 manner as for expenses incurred in connection with other duties 8 9 and responsibilities of the office or employment.

10 Section 5. Effective date.

11 This act shall take effect in 60 days.