

HOUSE BILL REPORT

HB 1023

As Reported by House Committee On:
Postsecondary Education & Workforce
Appropriations

Title: An act relating to the cosmetology licensure compact.

Brief Description: Adopting the cosmetology licensure compact.

Sponsors: Representatives Ryu, Leavitt, Schmidt, Jacobsen, Reed, Eslick, Doglio, Simmons, Berg, Reeves and Donaghy.

Brief History:

Committee Activity:

Postsecondary Education & Workforce: 1/15/25, 1/21/25 [DP];
Appropriations: 1/29/25, 2/5/25 [DPS].

Brief Summary of Substitute Bill

- Enacts the Cosmetology Licensure Compact.

HOUSE COMMITTEE ON POSTSECONDARY EDUCATION & WORKFORCE

Majority Report: Do pass. Signed by 17 members: Representatives Paul, Chair; Nance, Vice Chair; Ybarra, Ranking Minority Member; McEntire, Assistant Ranking Minority Member; Entenman, Graham, Keaton, Leavitt, Ley, Mendoza, Pollet, Reed, Richards, Rude, Salahuddin, Schmidt and Timmons.

Staff: Saranda Ross (786-7068).

Background:

Cosmetologists.

A cosmetologist is a person who is licensed to engage in the practice of cosmetology, which

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includes arranging, dressing, cutting, trimming, styling, shampooing, and other specified activities relating to hair and facial services. To be licensed as a cosmetologist, a person must:

- submit an application and pay a fee;
- be at least 17 years old;
- have graduated from a licensed cosmetology school after completing the minimum number of hours of training, or have successfully completed a state-approved apprenticeship program; and
- have passed the appropriate licensing exam.

Summary of Bill:

Compact Establishment.

The Cosmetology Licensure Compact (Compact) is established, which allows licensed cosmetologists to practice across state lines in Compact states with a multistate license.

Compact Commission.

The Compact is administered by a Compact commission (Commission), which is a joint government agency whose membership consists of all member states that have enacted the Compact. Membership of the Commission consists of one delegate selected by each member state's licensing authority. The delegate must be an administrator of the state's licensing authority or their designated staff.

Duties of the Commission include:

- establishing bylaws;
- establishing a code of conduct;
- maintaining financial records;
- initiating and concluding legal proceedings and actions in the name of the Commission; and
- hiring employees and electing officers.

The Commission must establish an executive committee. The executive committee's duties include recommending changes to rules or bylaws, preparing and recommending a budget, monitoring Compact compliance, and other duties provided in the bylaws.

The Commission and executive committee must meet at least once every year. With limited exceptions, all meetings of the Commission and executive committee are open to the public. Notice shall be provided on the Commission's website at least 30 days prior to the meeting. The Commission must keep minutes of its meetings. The Commission may close meetings to the public to discuss certain matters, including noncompliance by participating states, employment matters, litigation, disclosure of trade secrets, law enforcement investigative records, and matters specifically exempt from disclosure by federal or state law.

The Commission may levy an annual assessment on Compact states and levy fees on licensees to cover the costs of operations and activities.

Other Compact provisions relating to the Commission include provisions relating to:

- financing the Commission; and
- qualified immunity, defense, and indemnification of Commission members.

Data System.

The Commission must establish a coordinated data and reporting system containing licensure, adverse action, and the presence of significant investigative information. Participating states must submit a uniform data set to the data system. Participating states may designate information that may not be shared without the states' permission. Any information that is subsequently required to be expunged by the laws of a participating state must be removed from the system.

State Membership Requirements.

To be eligible for Compact membership, a state must:

- license and regulate cosmetology;
- have a mechanism in place for receiving and investigating complaints against licensees and license applicants;
- require cosmetologists pass a cosmetology competency exam prior to being licensed;
- implement procedures for considering criminal history, disciplinary history, or a background check;
- participate in the data system;
- share information related to adverse actions with the Commission and the member states;
- notify the Commission of any significant investigative information regarding a licensee; and
- comply with the Commission's rules.

Multistate License Requirements.

To be eligible for and maintain a multistate license, a licensee must:

- hold an active and unencumbered single-state license to practice cosmetology in their home state;
- pay all required fees;
- agree to abide by the rules of the state licensing authority and the state's scope of practice laws; and
- comply with the Commission's rules.

Adverse Actions.

A licensee's home state has exclusive power to impose an adverse action against a licensee's multistate license issued by the home state. A home state may take adverse action on a multistate license based on the investigative information or adverse action of a remote

state. Each remote state has the power to take adverse action against a licensee's authorization to practice cosmetology through the multistate license in that member state, provided that only the licensee's home state has the power to take adverse action against the multistate license. A home state's licensing authority must give the same priority and effect when evaluating reported conduct as it would if such conduct had occurred within the home state. Member states may participate in joint investigations.

Oversight, Dispute Resolution, and Enforcement.

The executive and judicial branches of the participating states must enforce the Compact. If the Commission determines a state is in default, it must provide written notice to that state that describes the default and the proposed means of curing the default. If a state fails to cure the default, and after all other means of securing compliance have been exhausted, a defaulting state may be terminated from the Compact through a vote of the majority of Commission members.

Joining and Withdrawing.

The Compact comes into effect on the date when the seventh state joins. States that enact the Compact before the Compact comes into effect are subject to review after the effective date of the Compact. A state may withdraw from the Compact by repealing its enacting statute, but the withdrawal is not effective until 180 days after the statute's repeal.

Severability.

State laws in conflict with the Compact are superseded to the extent of the Compact. The Compact does not prevent the enforcement of any other law of a participating state that is not inconsistent with the Compact. Permissible agreements between the Commission and the participating states are binding. If the Compact conflicts with the constitution of a participating state, the Compact is ineffective to the extent of that conflict. If the constitutional provision in question is a material departure from the Compact, the state may be terminated from the Compact.

Active Military Members and Their Spouses.

An active military member or their spouse must designate a home state where the individual has a current license to practice cosmetology in good standing.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This compact is a long-term, enduring solution for the states and military spouses. Many military families relocate every two or three years. It can take spouses months or even years to go through the current process of obtaining their cosmetology license. This bill increases quality of life for military families by allowing spouses the ability to start working right away, which is necessary for many military households that cannot survive on the military member's income alone. This compact will also help domestic violence survivors and climate refugees, who need to be able to move and immediately start working. All states have similar curriculum and rules in regard to public safety. Because there is such a narrow focus for this license, exams across the country are identical in terms of how they address and assess health and public safety, including infection control.

(Opposed) None.

(Other) The increase in mobility this compact offers seems useful in theory but there is no substantive data illustrating Washington's performance on interstate reciprocity or expedited military liaison turnaround. There is concern for the Department of Licensing to implement the infrastructure necessary for this compact. Rather than hiring six more full-time equivalents as the fiscal note indicates, Washington should recognize licenses in other states. No negotiations would be necessary—anyone with a valid license in another state would be able to practice in Washington. We should eliminate barriers and create opportunities for people who have skills to share.

Persons Testifying: (In support) Representative Cindy Ryu, prime sponsor; Leslie Roste, Future of the Professional Beauty Industry Coalition; Matthew Shillingburg; and Tammie Perreault, Department of Defense .

(Other) D'Arcy Harrison, COSMETOLOGISTS OF WASHINGTON UNITED; Keith Buckhout, The Council of State Governments; and Todd Myers, Washington Policy Center.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 31 members: Representatives Ormsby, Chair; Gregerson, Vice Chair; Macri, Vice Chair; Couture, Ranking Minority Member; Connors, Assistant Ranking Minority Member; Penner, Assistant Ranking Minority Member; Schmick, Assistant Ranking Minority Member; Berg, Bergquist, Burnett, Caldier, Callan, Corry, Cortes, Doglio, Dye, Fitzgibbon, Keaton, Leavitt, Lekanoff, Manjarrez, Marshall, Peterson, Pollet, Rude, Ryu, Springer, Stonier, Street, Thai and Tharinger.

Staff: Xianyu Li (786-7094).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Postsecondary Education & Workforce:

The amendment adds a new section, section three, to clarify that revenues and costs generated by home state cosmetology licenses and multistate licenses under the Cosmetology Licensure Compact are tracked and managed by the Department of Licensing separately.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) This bill helps companies that hire cosmetologists to have a larger pool of employees and cosmetologists from other states to start their careers in Washington State quicker, including military spouses who need to relocate often. This bill also reduces license fraud.

(Opposed) This bill might not be effective, because only eight states joined the compact so far. This bill also shifts control of the licensing away from the state and increases bureaucracy. It excludes professions such as hair stylists.

(Other) The fiscal note for this bill is higher than other states' expenditure on this compact. The cost of the compact may cause burden for current licensees.

Persons Testifying: (In support) Representative Cindy Ryu, prime sponsor; and Leslie Roste, Future of the Beauty Industry Coalition.

(Opposed) Ray Motameni, Aveda Institute Portland Vancouver Campus.

(Other) D'Arcy Harrison, Cosmetologists of Washington United; and Keith Buckhout, The Council of State Governments.

Persons Signed In To Testify But Not Testifying: None.