

SENATE BILL REPORT

SHB 1023

As Reported by Senate Committee On:
Labor & Commerce, April 1, 2025

Title: An act relating to the cosmetology licensure compact.

Brief Description: Adopting the cosmetology licensure compact.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Ryu, Leavitt, Schmidt, Jacobsen, Reed, Eslick, Doglio, Simmons, Berg, Reeves and Donaghy).

Brief History: Passed House: 3/7/25, 96-1.

Committee Activity: Labor & Commerce: 3/24/25, 4/01/25 [DPA, w/oRec].

Brief Summary of Amended Bill

- Enacts the Cosmetology Licensure Compact.

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass as amended.

Signed by Senators Saldaña, Chair; Conway, Vice Chair; King, Ranking Member; Alvarado, MacEwen, Ramos and Stanford.

Minority Report: That it be referred without recommendation.

Signed by Senators Braun and Schoesler.

Staff: Susan Jones (786-7404)

Background: Cosmetologists. A cosmetologist is a person who is licensed to engage in the practice of cosmetology. To be licensed as a cosmetologist, a person must:

- submit an application to the Department of Licensing (DOL) and pay a fee;
- be at least 17 years old;
- have graduated from a licensed cosmetology school after completing the minimum

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- number of hours of training, or have successfully completed a state-approved apprenticeship program; and
- have passed the appropriate licensing exam.

The "practice of cosmetology" means:

- arranging, dressing, cutting, trimming, styling, shampooing, permanent waving, chemical relaxing, straightening, curling, bleaching, lightening, coloring, waxing, tweezing, shaving, and mustache and beard design of the hair of the face, neck, and scalp;
- temporary removal of superfluous hair by use of depilatories, waxing, or tweezing; manicuring and pedicuring, limited to cleaning, shaping, polishing, decorating, and caring for and treatment of the cuticles and nails of the hands and feet, excluding the application and removal of sculptured or otherwise artificial nails;
- esthetics limited to toning the skin of the scalp, stimulating the skin of the body by the use of preparations, tonics, lotions, or creams; and
- tinting eyelashes and eyebrows.

Summary of Amended Bill: Cosmetology Licensure Compact Enacted. The Cosmetology Licensure Compact (Compact) is enacted. The Compact allows cosmetologists with a multistate license to practice across state lines in member states, those states which have adopted the Compact.

A multistate license is a license issued by and subject to the enforcement jurisdiction of the state licensing authority in a licensee's home state, which authorizes the practice of cosmetology in member states and includes authorizations to practice cosmetology in all remote states pursuant to the Compact. Remote states are all states that are members of the Compact, other than the home state.

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 and meet educational or training requirements 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 Compact Commission (Commission) and the member states;
- notify the Commission of any significant investigative information regarding a licensee;
- comply with the Commission's rules; and
- accept licenses from other member states.

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 any member state licensing authority and the state's scope of practice laws where the license is providing services; and
- comply with the Commission's rules.

Within a reasonable time after granting a multistate license, the home state must inform all members states. Requirements are provided for reissuance of a multistate license when a licensee moves to a different member state.

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.

Compact Commission. The Compact is administered by a 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.

Powers of the Commission include:

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

With respect to rulemaking, if a majority of member state Legislatures reject a rule or portion of a rule within four years of adoption, the rule has no further effect.

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.

The Commission may not define the educational or professional requirements for a cosmetology license. The member states retain sole jurisdiction over the requirements.

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.

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 and share information.

If an adverse action is taken by the home state against a licensee's multistate license, the authorization to practice in all other member states is deactivated until the revocation or suspension is removed by the home state.

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.

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.

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.

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.

Tracking Revenue and Costs. In administering and managing home state cosmetology licenses and multistate licenses under the Compact, DOL must track and manage revenues and costs generated by each license separately.

Public Records Act Exemption. Information contributed or shared pursuant to the Compact is exempt from disclosure under the Public Records Act.

EFFECT OF LABOR & COMMERCE COMMITTEE AMENDMENT(S):

- Provides Washington State is adopting the Compact as of the effective date by enacting the Compact, .
- Establishes that the Compact only applies to multistate licenses for the practice of cosmetology.
- Exempts information contributed or shared pursuant to the Compact from disclosure under the Public Records Act.
- Makes the act effective June 1, 2028.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: The bill takes effect on June 1, 2028.

Staff Summary of Public Testimony on Substitute House Bill: *The committee recommended a different version of the bill than what was heard.* PRO: This bill will have the Washington State Department of Licensing enter into the Cosmetology Licensure Compact. The Council of State Governments partnered with the U.S. Department of Defense to support the mobility of licensed cosmetologists. This interstate compact provides an additional licensing path, reciprocity, and reduces the barriers to licensing. This bill allows a relocating military spouse who is a cosmetologist to go to work much sooner. It will also help domestic violence survivors and climate refugees who need to be able to move and to immediately start working.

A longer implementation timeline will ensure Washington State has the opportunity to work through the cost considerations and address the policy implementation. The compact only applies to the cosmetologist license, not barbers or estheticians. The bill allows member states to mark licensee data as confidential.

We support this bill for greater occupational licensure portability for military spouses. Washington is home to 23,000 active duty military spouses. State compacts are considered the gold standard to help our military spouses with licensure portability, . This second source of income is vital to meeting a family's basic needs. It not only supports a strong workforce, but also strengthens our military readiness. Washington State is already a member of 11 occupational licensure compacts. Many have been extensively successful in the state.

OTHER: I support reducing barriers for occupational licensing and allowing military spouses and others who have skills in other states to come to Washington State. This bill has a fiscal note of about \$2 million. Washington does not need to join the cosmetology compact to recognize licenses in other states, especially for the members of the cosmetology compact. Virtually all health standards across the country whether they are part of the compact or not are identical. We can immediately recognize those licenses in other states that are part of the compact.

We support the intent of this legislation and the ability for workers to move from state to state and practice cosmetology. The concern is about the cost burden. The cost of administering a professional and business licensing program must be funded by those in the industry. The additional fees to these licensees could be anywhere from \$500 to \$1,000. Current license fees are \$61. That potential increase is very significant for the industry. We believe the expenses are only intended to be on those who are seeking this multistate license But it's not clear. If there's anything that can be done to clarify in the bill that those costs won't be passed on we'd appreciate it.

Persons Testifying: PRO: Representative Cindy Ryu, Prime Sponsor; Maria Tobin, South Sound Military and Communities Partnership; Tammie Perreault, Department of Defense.

OTHER: Todd Myers, Washington Policy Center; Brooke Davies, Cosmetologists of

Washington United.

Persons Signed In To Testify But Not Testifying: No one.