



January 18, 2024

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## HOUSE BILL No. 1135

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DIGEST OF HB 1135 (Updated January 18, 2024 10:36 am - DI 141)

**Citations Affected:** IC 25-8; IC 25-43.5; IC 34-30.

**Synopsis:** Cosmetology licensure and apprenticeships. Establishes a cosmetology apprenticeship program (program). Sets certain requirements for cosmetologists offering a program and apprentice cosmetologists enrolled in the program. Establishes the cosmetology licensure compact (compact). Provides the requirements states must follow in order to participate in the compact. Provides that a cosmetologist may practice in member states so long as the cosmetologist meets certain criteria. Establishes a governing commission and sets out its powers, duties, financing, and liability. Provides various mechanisms for the member states and the governing commission to regulate the interstate practice of cosmetology. Provides for various contingencies, including the process to effect, amend, enforce, withdraw from, or terminate the compact. Makes conforming changes.

**Effective:** July 1, 2024.

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## Wesco, Pfaff, Criswell

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January 8, 2024, read first time and referred to Committee on Employment, Labor and Pensions.

January 18, 2024, amended, reported — Do Pass. Referred to Committee on Ways and Means pursuant to Rule 127.

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HB 1135—LS 6528/DI 153





January 18, 2024

Second Regular Session of the 123rd General Assembly (2024)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2023 Regular Session of the General Assembly.

## HOUSE BILL No. 1135

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A BILL FOR AN ACT to amend the Indiana Code concerning professions and occupations.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 25-8-2-1.9 IS ADDED TO THE INDIANA CODE  
2 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2024]: **Sec. 1.9. "Apprentice cosmetologist" means an individual**  
4 **who is:**

5 (1) **learning cosmetology; and**  
6 (2) **under the direction or immediate supervision of a**  
7 **cosmetologist.**

8 SECTION 2. IC 25-8-2-3.6 IS ADDED TO THE INDIANA CODE  
9 AS A **NEW** SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
10 1, 2024]: **Sec. 3.6. "Certificate of registration" means a certificate**  
11 **granted by the board that authorizes an individual to act as an**  
12 **apprentice cosmetologist.**

13 SECTION 3. IC 25-8-3-23, AS AMENDED BY P.L.158-2016,  
14 SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
15 JULY 1, 2024]: **Sec. 23. (a) The board shall adopt rules under**  
16 **IC 4-22-2 to:**

17 (1) **prescribe sanitary requirements for:**

**HB 1135—LS 6528/DI 153**



- 1 (A) beauty culture salons; and  
 2 (B) beauty culture schools;  
 3 (2) establish standards for the practice of cosmetology and the  
 4 operation of:  
 5 (A) beauty culture salons; and  
 6 (B) beauty culture schools;  
 7 (3) implement the licensing system under this article and provide  
 8 for a staggered renewal system for licenses; ~~and~~  
 9 (4) establish requirements for beauty culture school uniforms for  
 10 students and instructors; **and**  
 11 **(5) establish requirements for a holder of a certificate of**  
 12 **registration to sit for the examination described in**  
 13 **IC 25-8-9-3.**  
 14 (b) The board shall adopt rules under IC 4-22-2 to specify whether  
 15 the definition set forth in IC 25-8-2-5 includes the use of a straight  
 16 razor.  
 17 (c) The board may adopt rules under IC 4-22-2 to establish the  
 18 following for the practice of cosmetology, barbering, electrology,  
 19 esthetics, or manicuring in a mobile salon:  
 20 (1) Sanitation standards.  
 21 (2) Safety requirements.  
 22 (3) Permanent address requirements at which the following are  
 23 located:  
 24 (A) Records of appointments.  
 25 (B) License numbers of employees.  
 26 (C) If applicable, the vehicle identification number of the  
 27 license holder's self-contained facility.  
 28 (4) Enforcement actions to ensure compliance with the  
 29 requirements under this article and all local laws and ordinances.  
 30 SECTION 4. IC 25-8-4-2.8 IS ADDED TO THE INDIANA CODE  
 31 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 32 1, 2024]: **Sec. 2.8. (a) Only a cosmetologist may operate a**  
 33 **cosmetology apprenticeship program.**  
 34 **(b) A cosmetologist who wishes to operate a cosmetology**  
 35 **apprenticeship program must apply to the board. The application**  
 36 **must state the following:**  
 37 (1) The cosmetologist's state cosmetology license number and  
 38 status.  
 39 (2) The cosmetologist's years of experience in cosmetology.  
 40 (3) Any relevant certifications or awards obtained by the  
 41 cosmetologist.  
 42 (4) Any other information that the board considers relevant



- 1 for determining whether to place apprentices with the  
2 cosmetologist.
- 3 (c) If a cosmetologist is approved by the board under subsection  
4 (b), the cosmetologist must do the following with regard to an  
5 apprentice cosmetologist enrolled in the program:
- 6 (1) Keep a daily attendance record and submit a copy of the  
7 record to the board monthly.
- 8 (2) Ensure that the apprentice cosmetologist practices on the  
9 general public only after the apprentice cosmetologist  
10 completes at least three hundred fifty (350) hours of  
11 instruction in the cosmetology curriculum, including both  
12 theory and practical hours.
- 13 (3) Personally supervise the apprentice cosmetologist.
- 14 (4) Conduct all program supervision and training at the  
15 cosmetologist's principal place of business.
- 16 (d) A cosmetology apprenticeship program may not require an  
17 apprentice cosmetologist to attend more than forty (40) hours per  
18 week.
- 19 (e) A cosmetology apprenticeship program may train not more  
20 than one (1) apprentice cosmetologist at a time. However, a  
21 cosmetology program may train up to two (2) apprentice  
22 cosmetologists at the same time if an individual who completed the  
23 program becomes a cosmetologist.
- 24 (f) If a cosmetologist who operates a cosmetology apprentice  
25 program changes the location of the cosmetologist's principal place  
26 of business, the cosmetologist must notify the board of the change  
27 and receive the board's approval to continue the program at the  
28 new location.
- 29 SECTION 5. IC 25-8-4-7, AS AMENDED BY P.L.170-2013,  
30 SECTION 25, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
31 JULY 1, 2024]: Sec. 7. (a) Each applicant must pass a final practical  
32 demonstration examination of the acts permitted by the license. The  
33 applicant's beauty culture school following shall administer the final  
34 practical demonstration examination:
- 35 (1) The applicant's beauty culture school.
- 36 (2) The applicant's cosmetology apprentice program  
37 supervisor.
- 38 (b) The board shall conduct a written examination of the students  
39 enrolled in beauty culture school or applicants for a beauty culture  
40 professional license. The written examinations described in this  
41 section:
- 42 (1) shall be conducted at the times and places determined by the



- 1 board;  
 2 (2) may be administered through computer based testing;  
 3 (3) may be conducted before graduation from beauty culture  
 4 school; and  
 5 (4) shall be conducted at times set by the board.

6 SECTION 6. IC 25-8-9-3, AS AMENDED BY P.L.158-2016,  
 7 SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 8 JULY 1, 2024]: Sec. 3. The application described in section 2 of this  
 9 chapter must state that the applicant:

- 10 (1) is at least seventeen (17) years of age;  
 11 (2) has successfully completed the tenth grade or received the  
 12 equivalent of tenth grade education;  
 13 (3) has graduated from a beauty culture school **or completed a**  
 14 **board approved cosmetology apprenticeship program;**  
 15 (4) has received a satisfactory grade (as defined by IC 25-8-4-9)  
 16 on an examination for cosmetologist license applicants prescribed  
 17 by the board;  
 18 (5) has not committed an act for which the applicant could be  
 19 disciplined under IC 25-8-14; and  
 20 (6) has paid the fee set forth in IC 25-8-13-7 for the issuance of a  
 21 license under this chapter.

22 SECTION 7. IC 25-8-9-4 IS AMENDED TO READ AS FOLLOWS  
 23 [EFFECTIVE JULY 1, 2024]: Sec. 4. The board may waive the  
 24 requirement for applicants under section 3(2) **or 15(b)(1)(B)** of this  
 25 chapter if:

- 26 (1) the applicant petitions the board for a waiver; and  
 27 (2) the board determines that the requirement would result in  
 28 extreme hardship to the applicant if enforced.

29 SECTION 8. IC 25-8-9-15 IS ADDED TO THE INDIANA CODE  
 30 AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY**  
 31 **1, 2024]: Sec. 15. (a) A person must obtain a certificate of**  
 32 **registration to act as an apprentice cosmetologist.**

33 **(b) A person who wishes to obtain a certificate of registration**  
 34 **must apply to the board. The application must:**

- 35 **(1) state that the applicant:**  
 36 **(A) is at least seventeen (17) years of age;**  
 37 **(B) has successfully completed the tenth grade or received**  
 38 **the equivalent of a tenth grade education;**  
 39 **(C) has not committed an act for which the applicant could**  
 40 **be disciplined under IC 25-8-14; and**  
 41 **(D) has paid the fee set forth in IC 25-8-13-7 for the**  
 42 **issuance of a certificate of registration under this chapter;**



- 1                   **and**  
 2                   **(2) contain a statement signed by a cosmetologist:**  
 3                   **(A) that the applicant:**  
 4                   **(i) is employed by the cosmetologist; and**  
 5                   **(ii) will work under the direct and immediate personal**  
 6                   **supervision of the cosmetologist; and**  
 7                   **(B) that the cosmetologist operates a board approved**  
 8                   **cosmetology apprenticeship program.**  
 9                   **(c) A certificate of registration shall be in effect:**  
 10                   **(1) for two (2) years; or**  
 11                   **(2) until the holder is issued a cosmetologist license.**  
 12                   **(d) A certificate of registration must be displayed according to**  
 13                   **the requirements of IC 25-8-4-13.**  
 14                   **(e) Except as provided IC 25-8-13-7, a person may not be**  
 15                   **charged a fee to participate in a cosmetology apprenticeship**  
 16                   **program.**  
 17                   **(f) An apprentice cosmetologist may perform services only:**  
 18                   **(1) on the general public (as provided in IC 25-8-4-2.8(c)(2));**  
 19                   **(2) for which the apprentice cosmetologist has received**  
 20                   **technical training; and**  
 21                   **(3) under the direct and immediate supervision and**  
 22                   **employment of a cosmetologist who has been approved by the**  
 23                   **board under IC 25-8-4-2.8.**  
 24                   SECTION 9. IC 25-8-13-7, AS AMENDED BY P.L.177-2015,  
 25                   SECTION 23, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
 26                   JULY 1, 2024]: Sec. 7. (a) The board shall charge a fee established by  
 27                   the board under IC 25-1-8-2 for providing an examination to an  
 28                   applicant for a cosmetologist license.  
 29                   (b) The board shall charge a fee established by the board under  
 30                   IC 25-1-8-2 for issuing or renewing a cosmetologist license.  
 31                   IC 25-1-2-6(e) applies to the issuance and renewal of a cosmetologist  
 32                   license.  
 33                   (c) The board shall charge a fee established under IC 25-1-8-6 for  
 34                   reinstating a cosmetologist license.  
 35                   (d) The board shall charge a fee established by the board under  
 36                   IC 25-1-8-2 for issuing an Indiana cosmetologist license to a person  
 37                   who holds a license from another jurisdiction that meets the  
 38                   requirements set forth in IC 25-8-4-2.  
 39                   **(e) The board shall charge a fee established by the board under**  
 40                   **IC 25-1-8-2 for issuing a certificate of registration to an apprentice**  
 41                   **cosmetologist as set forth in IC 25-8-9-15.**  
 42                   SECTION 10. IC 25-43.5 IS ADDED TO THE INDIANA CODE



1 AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY  
2 1, 2024]:

3 **ARTICLE 43.5. COSMETOLOGY LICENSURE COMPACT**

4 **Chapter 1. Purpose**

5 **Sec. 1. The purpose of this compact is to facilitate the interstate**  
6 **practice and regulation of cosmetology with the goal of improving**  
7 **public access to, and the safety of, cosmetology services and**  
8 **reducing unnecessary burdens related to cosmetology licensure.**  
9 **Through this compact, the member states seek to establish a**  
10 **regulatory framework which provides for a new multistate**  
11 **licensing program. Through this new licensing program, the**  
12 **member states seek to provide increased value and mobility to**  
13 **licensed cosmetologists in the member states, while ensuring the**  
14 **provision of safe, effective, and reliable services to the public.**

15 **Sec. 2. This compact is designed to achieve the following**  
16 **objectives, and the member states hereby ratify the same intentions**  
17 **by adopting this compact:**

18 (1) **Provide opportunities for interstate practice by**  
19 **cosmetologists who meet uniform requirements for multistate**  
20 **licensure.**

21 (2) **Enhance the abilities of member states to protect public**  
22 **health and safety and prevent fraud and unlicensed activity**  
23 **within the profession.**

24 (3) **Ensure and encourage cooperation between member states**  
25 **in the licensure and regulation of the practice of cosmetology.**

26 (4) **Support relocating military members and their spouses.**

27 (5) **Facilitate the exchange of information between member**  
28 **states related to the licensure, investigation, and discipline of**  
29 **the practice of cosmetology.**

30 (6) **Provide for the licensure and mobility of the workforce in**  
31 **the profession, while addressing the shortage of workers and**  
32 **lessening the associated burdens on the member states.**

33 **Chapter 2. Definitions**

34 **Sec. 0.5. The definitions in this chapter apply throughout this**  
35 **article, unless the context requires otherwise.**

36 **Sec. 1. "Active military member" means any person with**  
37 **full-time duty status in the armed forces of the United States,**  
38 **including members of the national guard and reserve.**

39 **Sec. 2. "Adverse action" means any administrative, civil,**  
40 **equitable, or criminal action permitted by a member state's laws**  
41 **which is imposed by a state licensing authority or other regulatory**  
42 **body against a cosmetologist, including actions against an**





1 individual's license or authorization to practice such as revocation,  
2 suspension, probation, monitoring of the licensee, limitation of the  
3 licensee's practice, or any other encumbrance on a license affecting  
4 an individual's ability to participate in the cosmetology industry,  
5 including the issuance of a cease and desist order.

6 Sec. 3. "Alternative program" means a nondisciplinary  
7 monitoring or prosecutorial diversion program approved by a  
8 member state's state licensing authority.

9 Sec. 4. "Authorization to practice" means a legal authorization  
10 associated with a multistate license permitting the practice of  
11 cosmetology in that remote state, which shall be subject to the  
12 enforcement jurisdiction of the state licensing authority in that  
13 remote state.

14 Sec. 5. "Background check" means the submission of  
15 information for an applicant for the purpose of obtaining that  
16 applicant's criminal history record information, as further defined  
17 in 28 CFR 20.3(d), from the Federal Bureau of Investigation and  
18 the agency responsible for retaining state criminal or disciplinary  
19 history in the applicant's home state.

20 Sec. 6. "Charter member state" means a member state that has  
21 enacted legislation to adopt this compact where such legislation  
22 predates the effective date of this compact as defined in  
23 IC 25-43.5-13.

24 Sec. 7. "Commission" means the government agency whose  
25 membership consists of all states that have enacted this compact,  
26 which is known as the cosmetology licensure compact commission,  
27 as defined in IC 25-43.5-9, and which shall operate as an  
28 instrumentality of the member states.

29 Sec. 8. "Cosmetologist" means an individual licensed in their  
30 home state to practice cosmetology.

31 Sec. 9. "Cosmetology", "cosmetology services", and the  
32 "practice of cosmetology" mean the care and services provided by  
33 a cosmetologist as set forth in the member state's statutes and  
34 regulations in the state where the services are being provided.

35 Sec. 10. "Current significant investigative information" means  
36 investigative information that:

- 37 (1) a state licensing authority, after an inquiry or investigation  
38 that complies with a member state's due process  
39 requirements, has reason to believe is not groundless and, if  
40 proved true, would indicate a violation of that state's laws  
41 regarding fraud or the practice of cosmetology; or  
42 (2) indicates that a licensee has engaged in fraud or represents



1           an immediate threat to public health and safety, regardless of  
2           whether the licensee has been notified and had an opportunity  
3           to respond.

4           **Sec. 11. "Data system"** means a repository of information about  
5           licensees, including, but not limited to, license status, investigative  
6           information, and adverse actions.

7           **Sec. 12. "Disqualifying event"** means any event which shall  
8           disqualify an individual from holding a multistate license under  
9           this compact, which the commission may by rule or order specify.

10          **Sec. 13. "Encumbered license"** means a license in which an  
11          adverse action restricts the practice of cosmetology by a licensee,  
12          or where the adverse action has been reported to the commission.

13          **Sec. 14. "Encumbrance"** means a revocation or suspension of,  
14          or any limitation on, the full and unrestricted practice of  
15          cosmetology by a state licensing authority.

16          **Sec. 15. "Executive committee"** means a group of delegates  
17          elected or appointed to act on behalf of, and within the powers  
18          granted to them by, the commission.

19          **Sec. 16. "Home state"** means the member state which is a  
20          licensee's primary state of residence, and where that licensee holds  
21          an active and unencumbered license to practice cosmetology.

22          **Sec. 17. "Investigative information"** means information,  
23          records, or documents received or generated by a state licensing  
24          authority pursuant to an investigation or other inquiry.

25          **Sec. 18. "Jurisprudence requirement"** means the assessment of  
26          an individual's knowledge of the laws and rules governing the  
27          practice of cosmetology in a state.

28          **Sec. 19. "Licensee"** means an individual who currently holds a  
29          license from a member state to practice as a cosmetologist.

30          **Sec. 20. "Member state"** means any state that has adopted this  
31          compact.

32          **Sec. 21. "Multistate license"** means a license issued by and  
33          subject to the enforcement jurisdiction of the state licensing  
34          authority in a licensee's home state, which authorizes the practice  
35          of cosmetology in member states and includes authorizations to  
36          practice cosmetology in all remote states pursuant to this compact.

37          **Sec. 22. "Remote state"** means any member state, other than the  
38          licensee's home state.

39          **Sec. 23. "Rule"** means any rule or regulation promulgated by  
40          the commission under this compact which has the force of law.

41          **Sec. 24. "Single-state license"** means a cosmetology license  
42          issued by a member state that authorizes practice of cosmetology



1 only within the issuing state and does not include any authorization  
2 outside of the issuing state.

3 Sec. 25. "State" means a state, territory, or possession of the  
4 United States and the District of Columbia.

5 Sec. 26. "State licensing authority" means a member state's  
6 regulatory body responsible for issuing cosmetology licenses or  
7 otherwise overseeing the practice of cosmetology in that state.

8 **Chapter 3. Member State Requirements**

9 Sec. 1. To be eligible to join this compact, and to maintain  
10 eligibility as a member state, a state must:

- 11 (1) license and regulate cosmetology;
- 12 (2) have a mechanism or entity in place to receive and
- 13 investigate complaints about licensees practicing in that state;
- 14 (3) require that licensees within the state pass a cosmetology
- 15 competency examination prior to being licensed to provide
- 16 cosmetology services to the public in that state;
- 17 (4) require that licensees satisfy educational or training
- 18 requirements in cosmetology prior to being licensed to
- 19 provide cosmetology services to the public in that state;
- 20 (5) implement procedures for considering one (1) or more of
- 21 the following categories of information from applicants for
- 22 licensure: criminal history; disciplinary history; or
- 23 background check. Such procedures may include the
- 24 submission of information by applicants for the purpose of
- 25 obtaining an applicant's background check as defined in this
- 26 article;
- 27 (6) participate in the data system, including through the use
- 28 of unique identifying numbers;
- 29 (7) share information related to adverse actions with the
- 30 commission and other member states, both through the data
- 31 system and otherwise;
- 32 (8) notify the commission and other member states, in
- 33 compliance with the terms of the compact and rules of the
- 34 commission, of the existence of investigative information or
- 35 current significant investigative information in the state's
- 36 possession regarding a licensee practicing in that state;
- 37 (9) comply with rules enacted by the commission to
- 38 administer the compact; and
- 39 (10) accept licensees from other member states as established
- 40 in this article.

41 Sec. 2. Member states may charge a fee for granting a license to  
42 practice cosmetology.



1           **Sec. 3. Individuals not residing in a member state shall continue**  
2 **to be able to apply for a member state's single-state license as**  
3 **provided under the laws of each member state. However, the**  
4 **single-state license granted to these individuals shall not be**  
5 **recognized as granting a multistate license to provide services in**  
6 **any other member state.**

7           **Sec. 4. Nothing in this compact shall affect the requirements**  
8 **established by a member state for the issuance of a single-state**  
9 **license.**

10           **Sec. 5. A multistate license issued to a licensee by a home state**  
11 **to a resident of that state shall be recognized by each member state**  
12 **as authorizing a licensee to practice cosmetology in each member**  
13 **state.**

14           **Sec. 6. At no point shall the commission have the power to**  
15 **define the educational or professional requirements for a license to**  
16 **practice cosmetology. The member states shall retain sole**  
17 **jurisdiction over the provision of these requirements.**

#### 18           **Chapter 4. Multistate License**

19           **Sec. 1. To be eligible to apply to their home state's state licensing**  
20 **authority for an initial multistate license under this compact, a**  
21 **licensee must hold an active and unencumbered single-state license**  
22 **to practice cosmetology in their home state.**

23           **Sec. 2. Upon the receipt of an application for a multistate**  
24 **license, according to the rules of the commission, a member state's**  
25 **state licensing authority shall ascertain whether the applicant**  
26 **meets the requirements for a multistate license under this compact.**

27           **Sec. 3. If an applicant meets the requirements for a multistate**  
28 **license under this compact and any applicable rules of the**  
29 **commission, the state licensing authority in receipt of the**  
30 **application shall, within a reasonable time, grant a multistate**  
31 **license to that applicant, and inform all member states of the grant**  
32 **of the multistate license.**

33           **Sec. 4. A multistate license to practice cosmetology issued by a**  
34 **member state's state licensing authority shall be recognized by**  
35 **each member state as authorizing the practice of cosmetology as**  
36 **though that licensee held a single-state license to do so in each**  
37 **member state, subject to the restrictions in this article.**

38           **Sec. 5. A multistate license granted pursuant to this compact**  
39 **may be effective for a definite period of time, concurrent with the**  
40 **license renewal period in the home state.**

41           **Sec. 6. To maintain a multistate license under this compact, a**  
42 **licensee must:**



- 1           **(1) agree to abide by the rules of the state licensing authority,**
- 2           **and the state scope of practice laws governing the practice of**
- 3           **cosmetology, of any member state in which the licensee**
- 4           **provides services;**
- 5           **(2) pay all required fees related to the application and process,**
- 6           **and any other fees which the commission may by rule require;**
- 7           **and**
- 8           **(3) comply with any and all other requirements regarding**
- 9           **multistate licenses which the commission may by rule provide.**
- 10          **Sec. 7. A licensee practicing in a member state is subject to all**
- 11          **scope of practice laws governing cosmetology services in that state.**
- 12          **Sec. 8. The practice of cosmetology under a multistate license**
- 13          **granted pursuant to this compact will subject the licensee to the**
- 14          **jurisdiction of the state licensing authority, the courts, and the laws**
- 15          **of the member state in which the cosmetology services are**
- 16          **provided.**
- 17          **Chapter 5. Reissuance of a Multistate License by a New Home**
- 18          **State**
- 19          **Sec. 1. A licensee may hold a multistate license, issued by their**
- 20          **home state, in only one (1) member state at any given time.**
- 21          **Sec. 2. If a licensee changes their home state by moving between**
- 22          **two (2) member states, the following apply:**
- 23               **(1) The licensee shall immediately apply for the reissuance of**
- 24               **their multistate license in their new home state. The licensee**
- 25               **shall pay all applicable fees and notify the prior home state in**
- 26               **accordance with the rules of the commission.**
- 27               **(2) Upon receipt of an application to reissue a multistate**
- 28               **license, the new home state shall verify that the multistate**
- 29               **license is active, unencumbered, and eligible for reissuance**
- 30               **under the terms of the compact and the rules of the**
- 31               **commission. The multistate license issued by the prior home**
- 32               **state will be deactivated and all member states notified in**
- 33               **accordance with the applicable rules adopted by the**
- 34               **commission.**
- 35               **(3) If required for initial licensure, the new home state may**
- 36               **require a background check as specified in the laws of that**
- 37               **state or the compliance with any jurisprudence requirements**
- 38               **of the new home state.**
- 39               **(4) Notwithstanding any other provision of this compact, if a**
- 40               **licensee does not meet the requirements set forth in this**
- 41               **compact for the reissuance of a multistate license by the new**
- 42               **home state, then the licensee shall be subject to the new home**



1 state requirements for the issuance of a single-state license in  
2 that state.

3 **Sec. 3. If a licensee changes their primary state of residence by**  
4 **moving from a member state to a nonmember state, or from a**  
5 **nonmember state to a member state, then the licensee shall be**  
6 **subject to the state requirements for the issuance of a single-state**  
7 **license in the new home state.**

8 **Sec. 4. Nothing in this compact shall interfere with a licensee's**  
9 **ability to hold a single-state license in multiple states. However, for**  
10 **the purposes of this compact, a licensee shall have only one (1)**  
11 **home state and only one (1) multistate license.**

12 **Sec. 5. Nothing in this compact shall interfere with the**  
13 **requirements established by a member state for the issuance of a**  
14 **single-state license.**

15 **Chapter 6. Authority of the Compact Commission and Member**  
16 **State Licensing Authorities**

17 **Sec. 1. Nothing in this compact, nor any rule or regulation of the**  
18 **commission, shall be construed to limit, restrict, or in any way**  
19 **reduce the ability of a member state to enact and enforce laws,**  
20 **regulations, or other rules related to the practice of cosmetology in**  
21 **that state, where those laws, regulations, or other rules are not**  
22 **inconsistent with the provisions of this compact.**

23 **Sec. 2. Insofar as practical, a member state's state licensing**  
24 **authority shall cooperate with the commission and with each entity**  
25 **exercising independent regulatory authority over the practice of**  
26 **cosmetology according to the provisions of this compact.**

27 **Sec. 3. Discipline shall be the sole responsibility of the state in**  
28 **which cosmetology services are provided. Accordingly, each**  
29 **member state's state licensing authority shall be responsible for**  
30 **receiving complaints about individuals practicing cosmetology in**  
31 **that state and for communicating all relevant investigative**  
32 **information about any such adverse action to the other member**  
33 **states through the data system in addition to any other methods the**  
34 **commission may by rule require.**

35 **Chapter 7. Adverse Actions**

36 **Sec. 1. A licensee's home state shall have exclusive power to**  
37 **impose an adverse action against a licensee's multistate license**  
38 **issued by the home state.**

39 **Sec. 2. A home state may take adverse action on a multistate**  
40 **license based on the investigative information, current significant**  
41 **investigative information, or adverse action of a remote state.**

42 **Sec. 3. In addition to the powers conferred by state law, each**



1 remote state's state licensing authority shall have the power to do  
2 the following:

3 (1) Take adverse action against a licensee's authorization to  
4 practice cosmetology through the multistate license in that  
5 member state, provided that:

6 (A) only the licensee's home state shall have the power to  
7 take adverse action against the multistate license issued by  
8 the home state; and

9 (B) for the purposes of taking adverse action, the home  
10 state's state licensing authority shall give the same priority  
11 and effect to reported conduct received from a remote  
12 state as the home state would if such conduct had occurred  
13 within the home state. In so doing, the home state shall  
14 apply its own state laws to determine the appropriate  
15 action.

16 (2) Issue cease and desist orders or impose an encumbrance  
17 on a licensee's authorization to practice within that member  
18 state.

19 (3) Complete any pending investigations of a licensee who  
20 changes their primary state of residence during the course of  
21 such an investigation. The state licensing authority shall also  
22 be empowered to report the results of such an investigation to  
23 the commission through the data system as described in this  
24 article.

25 (4) Issue subpoenas for both hearings and investigations that  
26 require the attendance and testimony of witnesses, as well as  
27 the production of evidence. Subpoenas issued by a state  
28 licensing authority in a member state for the attendance and  
29 testimony of witnesses or the production of evidence from  
30 another member state shall be enforced in the latter state by  
31 any court of competent jurisdiction, according to the practice  
32 and procedure of that court applicable to subpoenas issued in  
33 proceedings before it. The issuing state licensing authority  
34 shall pay any witness fees, travel expenses, mileage, and other  
35 fees required by the service statutes of the state in which the  
36 witnesses or evidence are located.

37 (5) If otherwise permitted by state law, recover from the  
38 affected licensee the costs of investigations and disposition of  
39 cases resulting from any adverse action taken against that  
40 licensee.

41 (6) Take adverse action against the licensee's authorization to  
42 practice in that state based on the factual findings of another



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remote state.  
Sec. 4. A licensee's home state shall complete any pending investigation of a cosmetologist who changes their primary state of residence during the course of the investigation. The home state shall also have the authority to take appropriate action and shall promptly report the conclusions of the investigations to the data system.

Sec. 5. If an adverse action is taken by the home state against a licensee's multistate license, the licensee's authorization to practice in all other member states shall be deactivated until all encumbrances have been removed from the home state license. All home state disciplinary orders that impose an adverse action against a licensee's multistate license shall include a statement that the cosmetologist's authorization to practice is deactivated in all member states during the pendency of the order.

Sec. 6. 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.

Sec. 7. (a) 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.

(b) Member states shall share any investigative, litigation, or compliance materials in furtherance of any joint or individual investigation initiated under the compact.

**Chapter 8. Active Military Members and Their Spouses**

Sec. 1. 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 their home state designation during any period of service when that individual or their spouse is on active duty assignment.

**Chapter 9. Establishment and Operation of the Cosmetology Licensure Compact Commission**

Sec. 1. The compact member states create and establish a joint government agency whose membership consists of all member states that have enacted the compact known as the cosmetology licensure compact commission. The commission is an instrumentality of the compact member states acting jointly and not an instrumentality of any one (1) state. The commission shall come into existence on or after the effective date of the compact as





1 set forth in IC 25-43.5-13.

2 **Sec. 2. (a) Each member state shall have and be limited to one**  
 3 **(1) delegate selected by that member state's state licensing**  
 4 **authority.**

5 **(b) The delegate shall be an administrator of the state licensing**  
 6 **authority of the member state or their designee.**

7 **(c) The commission shall by rule or bylaw establish a term of**  
 8 **office for delegates and may by rule or bylaw establish term limits.**

9 **(d) The commission may recommend removal or suspension of**  
 10 **any delegate from office.**

11 **(e) A member state's state licensing authority shall fill any**  
 12 **vacancy of its delegate occurring on the commission within sixty**  
 13 **(60) days of the vacancy.**

14 **(f) Each delegate shall be entitled to one (1) vote on all matters**  
 15 **that are voted on by the commission.**

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

20 **Sec. 3. The commission shall have the following powers:**

21 **(1) Establish the fiscal year of the commission.**

22 **(2) Establish code of conduct and conflict of interest policies.**

23 **(3) Adopt rules and bylaws.**

24 **(4) Maintain its financial records in accordance with the**  
 25 **bylaws.**

26 **(5) Meet and take such actions as are consistent with the**  
 27 **provisions of this compact, the commission's rules, and the**  
 28 **bylaws.**

29 **(6) Initiate and conclude legal proceedings or actions in the**  
 30 **name of the commission, provided that the standing of any**  
 31 **state licensing authority to sue or be sued under applicable**  
 32 **law shall not be affected.**

33 **(7) Maintain and certify records and information provided to**  
 34 **a member state as the authenticated business records of the**  
 35 **commission, and designate an agent to do so on the**  
 36 **commission's behalf.**

37 **(8) Purchase and maintain insurance and bonds.**

38 **(9) Borrow, accept, or contract for services of personnel,**  
 39 **including, but not limited to, employees of a member state.**

40 **(10) Conduct an annual financial review.**

41 **(11) Hire employees, elect or appoint officers, fix**  
 42 **compensation, define duties, grant such individuals**



- 1 appropriate authority to carry out the purposes of the  
2 compact, and establish the commission's personnel policies  
3 and programs relating to conflicts of interest, qualifications  
4 of personnel, and other related personnel matters.
- 5 (12) As set forth in the commission rules, charge a fee to a  
6 licensee for the grant of a multistate license and thereafter, as  
7 may be established by commission rule, charge the licensee a  
8 multistate license renewal fee for each renewal period.  
9 Nothing in this article shall be construed to prevent a home  
10 state from charging a licensee a fee for a multistate license or  
11 renewals of a multistate license, or a fee for the jurisprudence  
12 requirement if the member state imposes such a requirement  
13 for the grant of a multistate license.
- 14 (13) Assess and collect fees.
- 15 (14) Accept any and all appropriate gifts, donations, grants of  
16 money, other sources of revenue, equipment, supplies,  
17 materials, and services, and receive, utilize, and dispose of the  
18 items or services. At all times the commission shall avoid any  
19 appearance of impropriety or conflict of interest when  
20 accepting, receiving, utilizing, or disposing of the items or  
21 services.
- 22 (15) Lease, purchase, retain, own, hold, improve, or use any  
23 property, real, personal, or mixed, or any undivided interest  
24 in the property.
- 25 (16) Sell, convey, mortgage, pledge, lease, exchange, abandon,  
26 or otherwise dispose of any property real, personal, or mixed.
- 27 (17) Establish a budget and make expenditures.
- 28 (18) Borrow money.
- 29 (19) Appoint committees, including standing committees,  
30 composed of members, state regulators, state legislators or  
31 their representatives, and consumer representatives, and  
32 other interested persons designated in this compact and the  
33 bylaws.
- 34 (20) Provide and receive information from, and cooperate  
35 with, law enforcement agencies.
- 36 (21) Elect a chair, vice chair, secretary, and treasurer and  
37 other officers of the commission as provided in the  
38 commission's bylaws.
- 39 (22) Establish and elect an executive committee, including a  
40 chair and a vice chair.
- 41 (23) Adopt and provide to the member states an annual  
42 report.



- 1           **(24) Determine whether a state's adopted language is**  
 2           **materially different from the model compact language such**  
 3           **that the state would not qualify for participation in the**  
 4           **compact.**
- 5           **(25) Perform other functions necessary or appropriate to**  
 6           **achieve the purposes of this compact.**
- 7           **Sec. 4. (a) The executive committee shall have the power to act**  
 8           **on behalf of the commission according to the terms of this compact.**  
 9           **The powers, duties, and responsibilities of the executive committee**  
 10           **shall include:**
- 11           **(1) overseeing the day-to-day activities of the administration**  
 12           **of the compact including compliance with the provisions of**  
 13           **the compact, the commission's rules and bylaws, and other**  
 14           **duties deemed necessary;**
- 15           **(2) recommending to the commission changes to the rules or**  
 16           **bylaws, changes to this compact legislation, fees charged to**  
 17           **compact member states, fees charged to licensees, and other**  
 18           **fees;**
- 19           **(3) ensuring compact administration services are**  
 20           **appropriately provided, including by contract;**
- 21           **(4) preparing and recommending the budget;**
- 22           **(5) maintaining financial records on behalf of the commission;**
- 23           **(6) monitoring compact compliance of member states and**  
 24           **providing compliance reports to the commission;**
- 25           **(7) establishing additional committees as necessary;**
- 26           **(8) exercising the powers and duties of the commission during**  
 27           **the interim between commission meetings, except for adopting**  
 28           **or amending rules, adopting or amending bylaws, and**  
 29           **exercising any other powers and duties expressly reserved to**  
 30           **the commission by rule or bylaw; and**
- 31           **(9) other duties as provided in the rules or bylaws of the**  
 32           **commission.**
- 33           **(b) The executive committee shall be composed of up to seven (7)**  
 34           **voting members as follows:**
- 35           **(1) The chair and vice chair of the commission and any other**  
 36           **members of the commission who serve on the executive**  
 37           **committee shall be voting members of the executive**  
 38           **committee; and**
- 39           **(2) Other than the chair, vice chair, secretary, and treasurer,**  
 40           **the commission shall elect three (3) voting members from the**  
 41           **current membership of the commission.**
- 42           **(3) The commission may elect ex officio, nonvoting members**



1 from a recognized national cosmetology professional  
 2 association as approved by the commission. The commission's  
 3 bylaws shall identify qualifying organizations and the manner  
 4 of appointment if the number of organizations seeking to  
 5 appoint an ex officio member exceeds the number of members  
 6 specified in this chapter.

7 (c) The commission may remove any member of the executive  
 8 committee as provided in the commission's bylaws.

9 Sec. 5. (a) The executive committee shall meet at least annually.

10 (b) Annual executive committee meetings, as well as any  
 11 executive committee meeting at which it does not take or intend to  
 12 take formal action on a matter for which a commission vote would  
 13 otherwise be required, shall be open to the public, except that the  
 14 executive committee may meet in a closed, nonpublic session of a  
 15 public meeting when dealing with any of the matters covered under  
 16 section 7(d) of this chapter.

17 (c) The executive committee shall give five (5) business days  
 18 advance notice of its public meetings, posted on its website and as  
 19 determined to provide notice to persons with an interest in the  
 20 public matters the executive committee intends to address at those  
 21 meetings.

22 (d) The executive committee may hold an emergency meeting  
 23 when acting for the commission to:

- 24 (1) meet an imminent threat to public health, safety, or  
 25 welfare;
- 26 (2) prevent a loss of commission or member state funds; or
- 27 (3) protect public health and safety.

28 Sec. 6. The commission shall adopt and provide to the member  
 29 states an annual report.

30 Sec. 7. (a) All meetings of the commission that are not closed  
 31 pursuant to this section shall be open to the public. Notice of public  
 32 meetings shall be posted on the commission's website at least thirty  
 33 (30) days prior to the public meeting.

34 (b) Notwithstanding subsection (a), the commission may  
 35 convene an emergency public meeting by providing at least  
 36 twenty-four (24) hours prior notice on the commission's website,  
 37 and any other means as provided in the commission's rules, for any  
 38 of the reasons it may dispense with notice of proposed rulemaking  
 39 under IC 25-43.5-11-4. The commission's legal counsel shall certify  
 40 that one (1) of the reasons justifying an emergency public meeting  
 41 has been met.

42 (c) Notice of all commission meetings shall provide the time,



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

5 (d) The commission may convene in a closed, nonpublic meeting  
6 for the commission to discuss:

7 (1) noncompliance of a member state with its obligations  
8 under the compact;

9 (2) the employment, compensation, discipline or other  
10 matters, practices, or procedures related to specific employees  
11 or other matters related to the commission's internal  
12 personnel practices and procedures;

13 (3) current or threatened discipline of a licensee by the  
14 commission or by a member state's licensing authority;

15 (4) current, threatened, or reasonably anticipated litigation;

16 (5) negotiation of contracts for the purchase, lease, or sale of  
17 goods, services, or real estate;

18 (6) accusing any person of a crime or formally censuring any  
19 person;

20 (7) trade secrets or commercial or financial information that  
21 is privileged or confidential;

22 (8) information of a personal nature where disclosure would  
23 constitute a clearly unwarranted invasion of personal privacy;

24 (9) investigative records compiled for law enforcement  
25 purposes;

26 (10) information related to any investigative reports prepared  
27 by or on behalf of or for use of the commission or other  
28 committee charged with responsibility of investigation or  
29 determination of compliance issues pursuant to the compact;

30 (11) legal advice;

31 (12) matters specifically exempted from disclosure to the  
32 public by federal or member state law; or

33 (13) other matters as promulgated by the commission by rule.

34 (e) If a meeting, or portion of a meeting, is closed, the presiding  
35 officer shall state that the meeting will be closed and reference each  
36 relevant exempting provision, and such reference shall be recorded  
37 in the minutes.

38 (f) The commission shall keep minutes that fully and clearly  
39 describe all matters discussed in a meeting and shall provide a full  
40 and accurate summary of actions taken, and the reasons therefore,  
41 including a description of the views expressed. All documents  
42 considered in connection with an action shall be identified in the



1 minutes. All minutes and documents of a closed meeting shall  
2 remain under seal, subject to release only by a majority vote of the  
3 commission or order of a court of competent jurisdiction.

4 Sec. 8. (a) The commission shall pay, or provide for the payment  
5 of, the reasonable expenses of its establishment, organization, and  
6 ongoing activities.

7 (b) The commission may accept any and all appropriate sources  
8 of revenue, donations, and grants of money, equipment, supplies,  
9 materials, and services.

10 (c) The commission may levy on and collect an annual  
11 assessment from each member state and impose fees on licensees  
12 of member states to whom it grants a multistate license to cover the  
13 cost of the operations and activities of the commission and its staff,  
14 which must be in a total amount sufficient to cover its annual  
15 budget as approved each year for which revenue is not provided by  
16 other sources. The aggregate annual assessment amount for  
17 member states shall be allocated based upon a formula that the  
18 commission shall promulgate by rule.

19 (d) The commission shall not incur obligations of any kind prior  
20 to securing the funds adequate to meet the obligations; nor shall  
21 the commission pledge the credit of any member states, except by  
22 and with the authority of the member state.

23 (e) The commission shall keep accurate accounts of all receipts  
24 and disbursements. The receipts and disbursements of the  
25 commission shall be subject to the financial review and accounting  
26 procedures established under its bylaws. All receipts and  
27 disbursements of funds handled by the commission shall be subject  
28 to an annual financial review by a certified or licensed public  
29 accountant, and the report of the financial review shall be included  
30 in and become part of the annual report of the commission.

31 Sec. 9. (a) The members, officers, executive director, employees,  
32 and representatives of the commission shall be immune from suit  
33 and liability, both personally and in their official capacity, for any  
34 claim for damage to or loss of property or personal injury or other  
35 civil liability caused by or arising out of any actual or alleged act,  
36 error, or omission that occurred, or that the person against whom  
37 the claim is made had a reasonable basis for believing occurred  
38 within the scope of commission employment, duties, or  
39 responsibilities; provided that nothing in this subsection shall be  
40 construed to protect any such person from suit or liability for any  
41 damage, loss, injury, or liability caused by the intentional or willful  
42 or wanton misconduct of that person. The procurement of



1 insurance of any type by the commission shall not in any way  
2 compromise or limit the immunity granted under this section.

3 (b) The commission shall defend any member, officer, executive  
4 director, employee, and representative of the commission in any  
5 civil action seeking to impose liability arising out of any actual or  
6 alleged act, error, or omission that occurred within the scope of  
7 commission employment, duties, or responsibilities, or as  
8 determined by the commission that the person against whom the  
9 claim is made had a reasonable basis for believing occurred within  
10 the scope of commission employment, duties, or responsibilities;  
11 provided that nothing in this subsection shall be construed to  
12 prohibit that person from retaining their own counsel at their own  
13 expense; and provided further, that the actual or alleged act, error,  
14 or omission did not result from that person's intentional or willful  
15 or wanton misconduct.

16 (c) The commission shall indemnify and hold harmless any  
17 member, officer, executive director, employee, and representative  
18 of the commission for the amount of any settlement or judgment  
19 obtained against that person arising out of any actual or alleged  
20 act, error, or omission that occurred within the scope of  
21 commission employment, duties, or responsibilities, or that such  
22 person had a reasonable basis for believing occurred within the  
23 scope of commission employment, duties, or responsibilities,  
24 provided that the actual or alleged act, error, or omission did not  
25 result from the intentional or willful or wanton misconduct of that  
26 person.

27 (d) Nothing in this article shall be construed as a limitation on  
28 the liability of any licensee for professional malpractice or  
29 misconduct, which shall be governed solely by any other applicable  
30 state laws.

31 (e) Nothing in this compact shall be interpreted to waive or  
32 otherwise abrogate a member state's state action immunity or state  
33 action affirmative defense with respect to antitrust claims under  
34 the Sherman Act (15 U.S.C. 1 et seq.), Clayton Act (15 U.S.C. 12 et  
35 seq.), or any other state or federal antitrust or anticompetitive law  
36 or regulation.

37 (f) Nothing in this compact shall be construed to be a waiver of  
38 sovereign immunity by the member states or by the commission.

#### 39 Chapter 10. Data System

40 Sec. 1. The commission shall provide for the development,  
41 maintenance, operation, and utilization of a coordinated database  
42 and reporting system.



1           **Sec. 2. The commission shall assign each applicant for a**  
2 **multistate license a unique identifier, as determined by the rules of**  
3 **the commission.**

4           **Sec. 3. Notwithstanding any other provision of state law to the**  
5 **contrary, a member state shall submit a uniform data set to the**  
6 **data system on all individuals to whom this compact is applicable**  
7 **as required by the rules of the commission, including:**

8           **(1) identifying information;**

9           **(2) licensure data;**

10           **(3) adverse actions against a license and information related**  
11 **to the adverse actions;**

12           **(4) nonconfidential information related to alternative**  
13 **program participation, the beginning and ending dates of such**  
14 **participation, and other information related to such**  
15 **participation;**

16           **(5) any denial of application for licensure, and the reason for**  
17 **such denial (excluding the reporting of any criminal history**  
18 **record information where prohibited by law);**

19           **(6) the existence of investigative information;**

20           **(7) the existence of current significant investigative**  
21 **information; and**

22           **(8) other information that may facilitate the administration of**  
23 **this compact or the protection of the public, as determined by**  
24 **the rules of the commission.**

25           **Sec. 4. The records and information provided to a member state**  
26 **pursuant to this compact or through the data system, when**  
27 **certified by the commission or an agent thereof, shall constitute the**  
28 **authenticated business records of the commission, and shall be**  
29 **entitled to any associated hearsay exception in any relevant**  
30 **judicial, quasi-judicial, or administrative proceedings in a member**  
31 **state.**

32           **Sec. 5. The existence of current significant investigative**  
33 **information and the existence of investigative information**  
34 **pertaining to a licensee in any member state will only be available**  
35 **to other member states.**

36           **Sec. 6. It is the responsibility of the member states to monitor**  
37 **the database to determine whether adverse action has been taken**  
38 **against such a licensee or license applicant. Adverse action**  
39 **information pertaining to a licensee or license applicant in any**  
40 **member state will be available to any other member state.**

41           **Sec. 7. Member states contributing information to the data**  
42 **system may designate information that may not be shared with the**





1 public without the express permission of the contributing state.

2 Sec. 8. Any information submitted to the data system that is  
3 subsequently expunged pursuant to federal law or the laws of the  
4 member state contributing the information shall be removed from  
5 the data system.

6 Chapter 11. Rulemaking

7 Sec. 1. (a) The commission shall promulgate reasonable rules in  
8 order to effectively and efficiently implement and administer the  
9 purposes and provisions of the compact. A rule shall be invalid and  
10 have no force or effect only if a court of competent jurisdiction  
11 holds that the rule is invalid because the commission exercised its  
12 rulemaking authority in a manner that is beyond the scope and  
13 purposes of the compact, or the powers granted under the compact,  
14 or based upon another applicable standard of review.

15 (b) The rules of the commission shall have the force of law in  
16 each member state, provided however that where the rules of the  
17 commission conflict with the laws of the member state that  
18 establish the member state's scope of practice laws governing the  
19 practice of cosmetology as held by a court of competent  
20 jurisdiction, the rules of the commission shall be ineffective in that  
21 state to the extent of the conflict.

22 (c) The commission shall exercise its rulemaking powers  
23 pursuant to the criteria set forth in this chapter and the rules  
24 adopted under this chapter. Rules shall become binding as of the  
25 date specified by the commission for each rule.

26 (d) If a majority of the legislatures of the member states rejects  
27 a rule or portion of a rule, by enactment of a statute or resolution  
28 in the same manner used to adopt the compact within four (4)  
29 years of the date of adoption of the rule, then such rule shall have  
30 no further force and effect in any member state or to any state  
31 applying to participate in the compact.

32 Sec. 2. (a) Rules shall be adopted at a regular or special meeting  
33 of the commission.

34 (b) Prior to adoption of a proposed rule, the commission shall  
35 hold a public hearing and allow persons to provide oral and  
36 written comments, data, facts, opinions, and arguments.

37 (c) Prior to adoption of a proposed rule by the commission, and  
38 at least thirty (30) days in advance of the meeting at which the  
39 commission will hold a public hearing on the proposed rule, the  
40 commission shall provide a notice of proposed rulemaking:

41 (1) on the website of the commission or other publicly  
42 accessible platform;



- 1           (2) to persons who have requested notice of the commission's  
2           notices of proposed rulemaking; and  
3           (3) in such other way as the commission may by rule specify.  
4       **(d) The notice of proposed rulemaking shall include:**  
5           (1) the time, date, and location of the public hearing at which  
6           the commission will hear public comments on the proposed  
7           rule and, if different, the time, date, and location of the  
8           meeting where the commission will consider and vote on the  
9           proposed rule;  
10          (2) if the hearing is held via telecommunication, video  
11          conference, or other electronic means, the commission shall  
12          include the mechanism for access to the hearing in the notice  
13          of proposed rulemaking;  
14          (3) the text of the proposed rule and the reason for the  
15          proposed rule;  
16          (4) a request for comments on the proposed rule from any  
17          interested person; and  
18          (5) the manner in which interested persons may submit  
19          written comments.  
20       **(e) All hearings will be recorded. A copy of the recording and all**  
21       **written comments and documents received by the commission in**  
22       **response to the proposed rule shall be available to the public.**  
23       **Sec. 3. (a) Nothing in this chapter shall be construed as**  
24       **requiring a separate hearing on each rule. Rules may be grouped**  
25       **for the convenience of the commission at hearings required by this**  
26       **chapter.**  
27       **(b) The commission shall, by majority vote of all members, take**  
28       **final action on the proposed rule based on the rulemaking record**  
29       **and the full text of the rule.**  
30       **(c) The commission may adopt changes to the proposed rule**  
31       **provided the changes do not enlarge the original purpose of the**  
32       **proposed rule.**  
33       **(d) The commission shall provide an explanation of the reasons**  
34       **for substantive changes made to the proposed rule as well as**  
35       **reasons for substantive changes not made that were recommended**  
36       **by commenters.**  
37       **(e) The commission shall determine a reasonable effective date**  
38       **for the rule. Except for an emergency as provided in section 4 of**  
39       **this chapter, the effective date of the rule shall be no earlier than**  
40       **forty-five (45) days after the commission issuing the notice that it**  
41       **adopted or amended the rule.**  
42       **Sec. 4. Upon determination that an emergency exists, the**



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

8 (1) meet an imminent threat to public health, safety, or  
 9 welfare;

10 (2) prevent a loss of commission or member state funds;

11 (3) meet a deadline for the promulgation of a rule that is  
 12 established by federal law or rule; or

13 (4) protect public health and safety.

14 Sec. 5. The commission or an authorized committee of the  
 15 commission may direct revisions to a previously adopted rule for  
 16 purposes of correcting typographical errors, errors in format,  
 17 errors in consistency, or grammatical errors. Public notice of any  
 18 revisions shall be posted on the website of the commission. The  
 19 revision shall be subject to challenge by any person for a period of  
 20 thirty (30) days after posting. The revision may be challenged only  
 21 on grounds that the revision results in a material change to a rule.  
 22 A challenge shall be made in writing and delivered to the  
 23 commission prior to the end of the notice period. If no challenge is  
 24 made, the revision will take effect without further action. If the  
 25 revision is challenged, the revision may not take effect without the  
 26 approval of the commission.

27 Sec. 6. No member state's rulemaking requirements shall apply  
 28 under this compact.

29 Chapter 12. Oversight, Dispute Resolution, and Enforcement

30 Sec. 1. (a) The executive and judicial branches of state  
 31 government in each member state shall enforce this compact and  
 32 take all actions necessary and appropriate to implement the  
 33 compact.

34 (b) Venue is proper and judicial proceedings by or against the  
 35 commission shall be brought solely and exclusively in a court of  
 36 competent jurisdiction where the principal office of the commission  
 37 is located. The commission may waive venue and jurisdictional  
 38 defenses to the extent it adopts or consents to participate in  
 39 alternative dispute resolution proceedings. Nothing in this  
 40 subsection shall affect or limit the selection or propriety of venue  
 41 in any action against a licensee for professional malpractice,  
 42 misconduct or any such similar matter.



1           (c) The commission shall be entitled to receive service of process  
2 in any proceeding regarding the enforcement or interpretation of  
3 the compact and shall have standing to intervene in such a  
4 proceeding for all purposes. Failure to provide the commission  
5 service of process shall render a judgment or order void as to the  
6 commission, this compact, or promulgated rules.

7           Sec. 2. (a) If the commission determines that a member state has  
8 defaulted in the performance of its obligations or responsibilities  
9 under this compact or the promulgated rules, the commission shall  
10 provide written notice to the defaulting state. The notice of default  
11 shall describe the default, the proposed means of curing the  
12 default, and any other action that the commission may take, and  
13 shall offer training and specific technical assistance regarding the  
14 default.

15           (b) The commission shall provide a copy of the notice of default  
16 to the other member states.

17           (c) If a state in default fails to cure the default, the defaulting  
18 state may be terminated from the compact upon an affirmative  
19 vote of a majority of the delegates of the member states, and all  
20 rights, privileges, and benefits conferred on that state by this  
21 compact may be terminated on the effective date of termination. A  
22 cure of the default does not relieve the offending state of  
23 obligations or liabilities incurred during the period of default.

24           (d) Termination of membership in the compact shall be imposed  
25 only after all other means of securing compliance have been  
26 exhausted. Notice of intent to suspend or terminate shall be given  
27 by the commission to the governor, the majority and minority  
28 leaders of the defaulting state's legislature, the defaulting state's  
29 state licensing authority, and each of the member states' state  
30 licensing authority.

31           (e) A state that has been terminated is responsible for all  
32 assessments, obligations, and liabilities incurred through the  
33 effective date of termination, including obligations that extend  
34 beyond the effective date of termination.

35           (f) Upon the termination of a state's membership from this  
36 compact, that state shall immediately provide notice to all licensees  
37 who hold a multistate license within that state of such termination.  
38 The terminated state shall continue to recognize all licenses  
39 granted pursuant to this compact for a minimum of one hundred  
40 eighty (180) days after the date of the notice of termination.

41           (g) The commission shall not bear any costs related to a state  
42 that is found to be in default or that has been terminated from the



1 compact, unless agreed upon in writing between the commission  
2 and the defaulting state.

3 (h) The defaulting state may appeal the action of the commission  
4 by petitioning the United States District Court for the District of  
5 Columbia or the federal district where the commission has its  
6 principal offices. The prevailing party shall be awarded all costs of  
7 such litigation, including reasonable attorney's fees.

8 Sec. 3. (a) Upon request by a member state, the commission  
9 shall attempt to resolve disputes related to the compact that arise  
10 among member states and between member and nonmember  
11 states.

12 (b) The commission shall promulgate a rule providing for both  
13 mediation and binding dispute resolution for disputes as  
14 appropriate.

15 Sec. 4. (a) The commission, in the reasonable exercise of its  
16 discretion, shall enforce the provisions of this compact and the  
17 commission's rules.

18 (b) By majority vote as provided by commission rule, the  
19 commission may initiate legal action against a member state in  
20 default in the United States District Court for the District of  
21 Columbia or the federal district where the commission has its  
22 principal offices to enforce compliance with the provisions of the  
23 compact and its promulgated rules. The relief sought may include  
24 both injunctive relief and damages. In the event judicial  
25 enforcement is necessary, the prevailing party shall be awarded all  
26 costs of such litigation, including reasonable attorney's fees. The  
27 remedies in this section shall not be the exclusive remedies of the  
28 commission. The commission may pursue any other remedies  
29 available under federal or the defaulting member state's law.

30 (c) A member state may initiate legal action against the  
31 commission in the United States District Court for the District of  
32 Columbia or the federal district where the commission has its  
33 principal offices to enforce compliance with the provisions of the  
34 compact and its promulgated rules. The relief sought may include  
35 both injunctive relief and damages. In the event judicial  
36 enforcement is necessary, the prevailing party shall be awarded all  
37 costs of such litigation, including reasonable attorney's fees.

38 (d) No individual or entity other than a member state may  
39 enforce this compact against the commission.

40 Chapter 13. Effective Date, Withdrawal, and Amendment

41 Sec. 1. The compact shall come into effect on the date on which  
42 the compact statute is enacted into law in the seventh member



1 state.

2       **Sec. 2. (a) On or after the effective date of the compact, the**  
3 **commission shall convene and review the enactment of each of the**  
4 **charter member states to determine if the statute enacted by each**  
5 **such charter member state is materially different than the model**  
6 **compact statute.**

7       **(b) A charter member state whose enactment is found to be**  
8 **materially different from the model compact statute shall be**  
9 **entitled to the default process set forth in IC 25-43.5-12.**

10       **(c) If any member state is later found to be in default, or is**  
11 **terminated or withdraws from the compact, the commission shall**  
12 **remain in existence and the compact shall remain in effect even if**  
13 **the number of member states should be less than seven (7).**

14       **(d) Member states enacting the compact subsequent to the**  
15 **charter member states shall be subject to the process set forth in**  
16 **IC 25-43.5-9-3(24) to determine if their enactments are materially**  
17 **different from the model compact statute and whether they qualify**  
18 **for participation in the compact.**

19       **(e) All actions taken for the benefit of the commission or in**  
20 **furtherance of the purposes of the administration of the compact**  
21 **prior to the effective date of the compact or the commission coming**  
22 **into existence shall be considered to be actions of the commission**  
23 **unless specifically repudiated by the commission.**

24       **(f) Any state that joins the compact shall be subject to the**  
25 **commission's rules and bylaws as they exist on the date on which**  
26 **the compact becomes law in that state. Any rule that has been**  
27 **previously adopted by the commission shall have the full force and**  
28 **effect of law on the day the compact becomes law in that state.**

29       **Sec. 3. (a) Any member state may withdraw from this compact**  
30 **by enacting a statute repealing that state's enactment of the**  
31 **compact.**

32       **(b) A member state's withdrawal shall not take effect until one**  
33 **hundred eighty (180) days after enactment of the repealing statute.**

34       **(c) Withdrawal shall not affect the continuing requirement of**  
35 **the withdrawing state's state licensing authority to comply with the**  
36 **investigative and adverse action reporting requirements of this**  
37 **compact prior to the effective date of withdrawal.**

38       **(d) Upon the enactment of a statute withdrawing from this**  
39 **compact, a state shall immediately provide notice of such**  
40 **withdrawal to all licensees within that state. Notwithstanding any**  
41 **subsequent statutory enactment to the contrary, the withdrawing**  
42 **state shall continue to recognize all licenses granted pursuant to**



1 this compact for a minimum of one hundred eighty (180) days after  
2 the date of the notice of withdrawal.

3 **Sec. 4. Nothing contained in this compact shall be construed to**  
4 **invalidate or prevent any licensure agreement or other cooperative**  
5 **arrangement between a member state and a nonmember state that**  
6 **does not conflict with the provisions of this compact.**

7 **Sec. 5. This compact may be amended by the member states. No**  
8 **amendment to this compact shall become effective and binding**  
9 **upon any member state until it is enacted into the laws of all**  
10 **member states.**

11 **Chapter 14. Construction and Severability**

12 **Sec. 1. The compact and the commission's rulemaking authority**  
13 **shall be liberally construed so as to effectuate the purposes, and the**  
14 **implementation and administration of the compact. Provisions of**  
15 **the compact expressly authorizing or requiring the promulgation**  
16 **of rules shall not be construed to limit the commission's**  
17 **rulemaking authority solely for those purposes.**

18 **Sec. 2. The provisions of this compact shall be severable and if**  
19 **any phrase, clause, sentence, or provision of this compact is held by**  
20 **a court of competent jurisdiction to be contrary to the constitution**  
21 **of any member state, a state seeking participation in the compact,**  
22 **or of the United States, or the applicability thereof to any**  
23 **government, agency, person, or circumstance is held to be**  
24 **unconstitutional by a court of competent jurisdiction, the validity**  
25 **of the remainder of this compact and the applicability thereof to**  
26 **any other government, agency, person, or circumstance shall not**  
27 **be affected thereby.**

28 **Sec. 3. Notwithstanding section 2 of this chapter, the commission**  
29 **may deny a state's participation in the compact or, in accordance**  
30 **with the requirements of IC 25-43.5-12, terminate a member state's**  
31 **participation in the compact, if it determines that a constitutional**  
32 **requirement of a member state is a material departure from the**  
33 **compact. Otherwise, if this compact shall be held to be contrary to**  
34 **the constitution of any member state, the compact shall remain in**  
35 **full force and effect as to the remaining member states and in full**  
36 **force and effect as to the member state affected as to all severable**  
37 **matters.**

38 **Chapter 15. Consistent Effect and Conflict with Other State**  
39 **Laws**

40 **Sec. 1. (a) Nothing in this article shall prevent or inhibit the**  
41 **enforcement of any other law of a member state that is not**  
42 **inconsistent with the compact.**



1           **(b) Any laws, statutes, regulations, or other legal requirements**  
2 **in a member state in conflict with the compact are superseded to**  
3 **the extent of the conflict.**  
4           **(c) All permissible agreements between the commission and the**  
5 **member states are binding in accordance with their terms.**  
6           SECTION 11. IC 34-30-2.1-391.7 IS ADDED TO THE INDIANA  
7 CODE AS A NEW SECTION TO READ AS FOLLOWS  
8 [EFFECTIVE JULY 1, 2024]: **Sec. 391.7. IC 25-43.5-9-9 (Concerning**  
9 **the members, officers, executive director, employees, and**  
10 **representatives of the cosmetology licensure compact commission).**





## COMMITTEE REPORT

Mr. Speaker: Your Committee on Employment, Labor and Pensions, to which was referred House Bill 1135, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 5, after line 41, begin a new paragraph and insert:

"SECTION 10. IC 25-43.5 IS ADDED TO THE INDIANA CODE AS A NEW ARTICLE TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]:

**ARTICLE 43.5. COSMETOLOGY LICENSURE COMPACT**  
**Chapter 1. Purpose**

**Sec. 1. The purpose of this compact is to facilitate the interstate practice and regulation of cosmetology with the goal of improving public access to, and the safety of, cosmetology services and reducing unnecessary burdens related to cosmetology licensure. Through this compact, the member states seek to establish a regulatory framework which provides for a new multistate licensing program. Through this new licensing program, the member states seek to provide increased value and mobility to licensed cosmetologists in the member states, while ensuring the provision of safe, effective, and reliable services to the public.**

**Sec. 2. This compact is designed to achieve the following objectives, and the member states hereby ratify the same intentions by adopting this compact:**

- (1) Provide opportunities for interstate practice by cosmetologists 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.**
- (3) Ensure and encourage cooperation between member states in the licensure and regulation of the practice of cosmetology.**
- (4) Support relocating military members and their spouses.**
- (5) Facilitate the exchange of information between member states related to the licensure, investigation, and discipline of the practice of cosmetology.**
- (6) 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.**

**Chapter 2. Definitions**

**Sec. 0.5. The definitions in this chapter apply throughout this article, unless the context requires otherwise.**



**Sec. 1. "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.**

**Sec. 2. "Adverse action" means any administrative, civil, equitable, or criminal action permitted by a member state's laws which is imposed by a state licensing authority or other regulatory body against a cosmetologist, including actions against an individual's license or authorization to practice such as revocation, suspension, probation, monitoring of the licensee, limitation of the licensee's practice, or any other encumbrance on a license affecting an individual's ability to participate in the cosmetology industry, including the issuance of a cease and desist order.**

**Sec. 3. "Alternative program" means a nondisciplinary monitoring or prosecutorial diversion program approved by a member state's state licensing authority.**

**Sec. 4. "Authorization to practice" means a legal authorization associated with a multistate license permitting the practice of cosmetology in that remote state, which shall be subject to the enforcement jurisdiction of the state licensing authority in that remote state.**

**Sec. 5. "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 CFR 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.**

**Sec. 6. "Charter member state" means a member state that has enacted legislation to adopt this compact where such legislation predates the effective date of this compact as defined in IC 25-43.5-13.**

**Sec. 7. "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 IC 25-43.5-9, and which shall operate as an instrumentality of the member states.**

**Sec. 8. "Cosmetologist" means an individual licensed in their home state to practice cosmetology.**

**Sec. 9. "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.**

**Sec. 10. "Current significant investigative information" means**



investigative information that:

- (1) a state licensing authority, after an inquiry or investigation that complies with a member state's due process requirements, has reason to believe is not groundless and, if proved true, would indicate a violation of that state's laws regarding fraud or the practice of cosmetology; or
- (2) indicates that a licensee has engaged in fraud or represents an immediate threat to public health and safety, regardless of whether the licensee has been notified and had an opportunity to respond.

**Sec. 11. "Data system"** means a repository of information about licensees, including, but not limited to, license status, investigative information, and adverse actions.

**Sec. 12. "Disqualifying event"** means any event which shall disqualify an individual from holding a multistate license under this compact, which the commission may by rule or order specify.

**Sec. 13. "Encumbered license"** means a license in which an adverse action restricts the practice of cosmetology by a licensee, or where the adverse action has been reported to the commission.

**Sec. 14. "Encumbrance"** means a revocation or suspension of, or any limitation on, the full and unrestricted practice of cosmetology by a state licensing authority.

**Sec. 15. "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.

**Sec. 16. "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.

**Sec. 17. "Investigative information"** means information, records, or documents received or generated by a state licensing authority pursuant to an investigation or other inquiry.

**Sec. 18. "Jurisprudence requirement"** means the assessment of an individual's knowledge of the laws and rules governing the practice of cosmetology in a state.

**Sec. 19. "Licensee"** means an individual who currently holds a license from a member state to practice as a cosmetologist.

**Sec. 20. "Member state"** means any state that has adopted this compact.

**Sec. 21. "Multistate license"** means 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 this compact.

**Sec. 22. "Remote state"** means any member state, other than the licensee's home state.

**Sec. 23. "Rule"** means any rule or regulation promulgated by the commission under this compact which has the force of law.

**Sec. 24. "Single-state license"** means a cosmetology license issued by a member state that authorizes practice of cosmetology only within the issuing state and does not include any authorization outside of the issuing state.

**Sec. 25. "State"** means a state, territory, or possession of the United States and the District of Columbia.

**Sec. 26. "State licensing authority"** means a member state's regulatory body responsible for issuing cosmetology licenses or otherwise overseeing the practice of cosmetology in that state.

### **Chapter 3. Member State Requirements**

**Sec. 1. To be eligible to join this compact, and to maintain eligibility as a member state, a state must:**

- (1) license and regulate cosmetology;**
- (2) have a mechanism or entity in place to receive and investigate complaints about licensees practicing in that state;**
- (3) 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;**
- (4) require that licensees satisfy educational or training requirements in cosmetology prior to being licensed to provide cosmetology services to the public in that state;**
- (5) implement procedures for considering one (1) 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 in this article;**
- (6) participate in the data system, including through the use of unique identifying numbers;**
- (7) share information related to adverse actions with the commission and other member states, both through the data system and otherwise;**
- (8) notify the commission and other member states, in compliance with the terms of the 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 rules enacted by the commission to administer the compact; and  
 (10) accept licensees from other member states as established in this article.

**Sec. 2.** Member states may charge a fee for granting a license to practice cosmetology.

**Sec. 3.** Individuals not residing in a member state shall continue to be able to apply for a member state's single-state license as provided under the laws of each member state. However, the single-state license granted to these individuals shall not be recognized as granting a multistate license to provide services in any other member state.

**Sec. 4.** Nothing in this compact shall affect the requirements established by a member state for the issuance of a single-state license.

**Sec. 5.** 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.

**Sec. 6.** At no point shall the commission have the power to define the educational or professional requirements for a license to practice cosmetology. The member states shall retain sole jurisdiction over the provision of these requirements.

#### **Chapter 4. Multistate License**

**Sec. 1.** To be eligible to apply to their home state's state licensing authority for an initial multistate license under this compact, a licensee must hold an active and unencumbered single-state license to practice cosmetology in their home state.

**Sec. 2.** Upon the receipt of an application for a multistate license, according to the rules of the commission, a member state's state licensing authority shall ascertain whether the applicant meets the requirements for a multistate license under this compact.

**Sec. 3.** If an applicant meets the requirements for a multistate license under this compact and any applicable rules of the commission, the state licensing authority in receipt of the application shall, within a reasonable time, grant a multistate license to that applicant, and inform all member states of the grant of the multistate license.

**Sec. 4.** 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 do so in each member state, subject to the restrictions in this article.

**Sec. 5.** 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.

**Sec. 6.** To maintain a multistate license under this compact, a licensee must:

- (1) 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 which the commission may by rule require; and
- (3) comply with any and all other requirements regarding multistate licenses which the commission may by rule provide.

**Sec. 7.** A licensee practicing in a member state is subject to all scope of practice laws governing cosmetology services in that state.

**Sec. 8.** 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.

#### **Chapter 5. Reissuance of a Multistate License by a New Home State**

**Sec. 1.** A licensee may hold a multistate license, issued by their home state, in only one (1) member state at any given time.

**Sec. 2.** If a licensee changes their home state by moving between two (2) member states, the following apply:

- (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 the compact and the rules of the commission. The multistate license issued by the prior home state will be 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



require a background check as specified in the laws of that state or the compliance with any jurisprudence requirements of 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.

**Sec. 3.** If a licensee changes their primary state of residence by moving from a member state to a nonmember state, or from a nonmember state to a member state, then the licensee shall be subject to the state requirements for the issuance of a single-state license in the new home state.

**Sec. 4.** 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 (1) home state and only one (1) multistate license.

**Sec. 5.** Nothing in this compact shall interfere with the requirements established by a member state for the issuance of a single-state license.

#### **Chapter 6. Authority of the Compact Commission and Member State Licensing Authorities**

**Sec. 1.** 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 cosmetology in that state, where those laws, regulations, or other rules are not inconsistent with the provisions of this compact.

**Sec. 2.** 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.

**Sec. 3.** Discipline shall be the sole responsibility of the state in which cosmetology services are provided. Accordingly, each member state's state licensing authority shall be responsible for receiving complaints about individuals practicing cosmetology in that state and for communicating all relevant investigative information about any such adverse action to the other member states through the data system in addition to any other methods the commission may by rule require.

#### **Chapter 7. Adverse Actions**



**Sec. 1. 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.**

**Sec. 2. 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.**

**Sec. 3. In addition to the powers conferred by state law, each remote state's state licensing authority shall have the power to do the following:**

**(1) Take adverse action against a licensee's authorization to practice cosmetology through the multistate license in that member state, provided that:**

**(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 the home state 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 in this article.**

**(4) Issue subpoenas for both hearings and investigations that require the attendance and testimony of witnesses, as well as the production of evidence. Subpoenas issued by a state licensing authority in a member state for the attendance and testimony of witnesses or the production of evidence from another member state shall be enforced in the latter state by any court of competent jurisdiction, according to the practice and procedure of that court applicable to subpoenas issued in proceedings before it. The issuing state licensing authority shall pay any witness fees, travel expenses, mileage, and other fees required by the service statutes of the state in which the**





witnesses or evidence are located.

(5) If otherwise permitted 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.

(6) Take adverse action against the licensee's authorization to practice in that state based on the factual findings of another remote state.

**Sec. 4.** A licensee's home state shall complete any pending investigation of a cosmetologist who changes their primary state of residence during the course of the investigation. The home state shall also have the authority to take appropriate action and shall promptly report the conclusions of the investigations to the data system.

**Sec. 5.** If an adverse action is taken by the home state against a licensee's multistate license, the licensee's authorization to practice in all other member states shall be deactivated until all encumbrances have been removed from the home state license. All home state disciplinary orders that impose an adverse action against a licensee's multistate license shall include a statement that the cosmetologist's authorization to practice is deactivated in all member states during the pendency of the order.

**Sec. 6.** 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.

**Sec. 7. (a)** 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.

**(b)** Member states shall share any investigative, litigation, or compliance materials in furtherance of any joint or individual investigation initiated under the compact.

#### **Chapter 8. Active Military Members and Their Spouses**

**Sec. 1.** 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 their home state designation during any period of service when that individual or their spouse is on active duty assignment.

#### **Chapter 9. Establishment and Operation of the Cosmetology Licensure Compact Commission**



**Sec. 1. The compact member states create and establish a joint government agency whose membership consists of all member states that have enacted the compact known as the cosmetology licensure compact commission. The commission is an instrumentality of the compact member states acting jointly and not an instrumentality of any one (1) state. The commission shall come into existence on or after the effective date of the compact as set forth in IC 25-43.5-13.**

**Sec. 2. (a) Each member state shall have and be limited to one (1) delegate selected by that member state's state licensing authority.**

**(b) The delegate shall be an administrator of the state licensing authority of the member state or their designee.**

**(c) The commission shall by rule or bylaw establish a term of office for delegates and may by rule or bylaw establish term limits.**

**(d) The commission may recommend removal or suspension of any delegate from office.**

**(e) A member state's state licensing authority shall fill any vacancy of its delegate occurring on the commission within sixty (60) days of the vacancy.**

**(f) Each delegate shall be entitled to one (1) vote on all matters that are voted on by the commission.**

**(g) 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.**

**Sec. 3. 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.**

**(3) Adopt rules and bylaws.**

**(4) Maintain its financial records in accordance with the bylaws.**

**(5) Meet and take such actions as are consistent with the provisions of this compact, the commission's rules, and the 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.**

**(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 the compact, and establish the commission's personnel policies and programs relating to conflicts of interest, qualifications of personnel, and other related personnel matters.**

**(12) As set forth in the commission rules, charge a fee to a licensee for the grant of a multistate license and thereafter, as may be established by commission rule, charge the licensee a multistate license renewal fee for each renewal period. Nothing in this article shall be construed to prevent a home state from charging a licensee a fee for a multistate license or renewals of a multistate license, or a fee for the jurisprudence requirement if the member state imposes such a requirement for the grant of a multistate license.**

**(13) Assess and collect fees.**

**(14) Accept any and all appropriate gifts, donations, grants of money, other sources of revenue, equipment, supplies, materials, and services, and receive, utilize, and dispose of the items or services. At all times the commission shall avoid any appearance of impropriety or conflict of interest when accepting, receiving, utilizing, or disposing of the items or services.**

**(15) Lease, purchase, retain, own, hold, improve, or use any property, real, personal, or mixed, or any undivided interest in the property.**

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

**(17) Establish a budget and make expenditures.**

**(18) Borrow money.**

**(19) Appoint committees, including standing committees, composed of members, state regulators, state legislators or their representatives, and consumer representatives, and other interested persons designated in this compact and the bylaws.**

**(20) Provide and receive information from, and cooperate with, law enforcement agencies.**



(21) Elect a chair, vice chair, secretary, and treasurer and other officers of the commission as provided in the commission's bylaws.

(22) Establish and elect an executive committee, including a chair and a vice chair.

(23) Adopt and provide to the member states an annual report.

(24) Determine whether a state's adopted language is materially different from the model compact language such that the state would not qualify for participation in the compact.

(25) Perform other functions necessary or appropriate to achieve the purposes of this compact.

Sec. 4. (a) 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:

(1) overseeing the day-to-day activities of the administration of the compact including compliance with the provisions of the compact, the commission's rules and bylaws, and other duties deemed necessary;

(2) 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 fees;

(3) ensuring compact administration services are appropriately provided, including by contract;

(4) preparing and recommending the budget;

(5) maintaining financial records on behalf of the commission;

(6) monitoring compact compliance of member states and providing compliance reports to the commission;

(7) establishing additional committees as necessary;

(8) exercising the powers and duties of the commission during the interim between commission meetings, except for adopting or amending rules, adopting or amending bylaws, and exercising any other powers and duties expressly reserved to the commission by rule or bylaw; and

(9) other duties as provided in the rules or bylaws of the commission.

(b) The executive committee shall be composed of up to seven (7) voting members as follows:

(1) 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

(2) Other than the chair, vice chair, secretary, and treasurer, the commission shall elect three (3) voting members from the current membership of the commission.

(3) 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 chapter.

(c) The commission may remove any member of the executive committee as provided in the commission's bylaws.

**Sec. 5. (a)** The executive committee shall meet at least annually.

(b) Annual executive committee meetings, as well as any executive committee meeting at which it does not take or intend to take formal action on a matter for which a commission vote would otherwise be required, shall be open to the public, except that the executive committee may meet in a closed, nonpublic session of a public meeting when dealing with any of the matters covered under section 7(d) of this chapter.

(c) The executive committee shall give five (5) 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.

(d) The executive committee may hold an emergency meeting when acting for the commission to:

(1) meet an imminent threat to public health, safety, or welfare;

(2) prevent a loss of commission or member state funds; or

(3) protect public health and safety.

**Sec. 6.** The commission shall adopt and provide to the member states an annual report.

**Sec. 7. (a)** All meetings of the commission that are not closed pursuant to this section 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.

(b) Notwithstanding subsection (a), the commission may convene an emergency public meeting by providing at least



twenty-four (24) hours prior notice on the commission's website, and any other means as provided in the commission's rules, for any of the reasons it may dispense with notice of proposed rulemaking under IC 25-43.5-11-4. The commission's legal counsel shall certify that one (1) of the reasons justifying an emergency public meeting has been met.

(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 accessible via telecommunication, video conference, or other electronic means, the notice shall include the mechanism for access to the meeting.

(d) The commission may convene in a closed, nonpublic meeting for the commission to discuss:

- (1) noncompliance of a member state with its obligations under the compact;
- (2) 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;
- (3) current or threatened discipline of a licensee by the commission or by a member state's licensing authority;
- (4) current, threatened, or reasonably anticipated litigation;
- (5) negotiation of contracts for the purchase, lease, or sale of goods, services, or real estate;
- (6) accusing any person of a crime or formally censuring any person;
- (7) trade secrets or commercial or financial information that is privileged or confidential;
- (8) information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy;
- (9) investigative records compiled for law enforcement purposes;
- (10) 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 the compact;
- (11) legal advice;
- (12) matters specifically exempted from disclosure to the public by federal or member state law; or
- (13) other matters as promulgated by the commission by rule.

(e) If a meeting, or portion of a meeting, is closed, the presiding officer shall state that the meeting will be closed and reference each



relevant exempting provision, and such reference shall be recorded in the minutes.

(f) The commission shall keep minutes that fully and clearly describe all matters discussed in a meeting and shall provide a full and accurate summary of actions taken, and the reasons therefore, including a description of the views expressed. All documents considered in connection with an action shall be identified in the minutes. All minutes and documents of a closed meeting shall remain under seal, subject to release only by a majority vote of the commission or order of a court of competent jurisdiction.

Sec. 8. (a) The commission shall pay, or provide for the payment of, the reasonable expenses of its establishment, organization, and ongoing activities.

(b) The commission may accept any and all appropriate sources of revenue, donations, and grants of money, equipment, supplies, materials, and services.

(c) The commission may levy on and collect an annual assessment from each member state and impose fees on licensees of member states to whom it 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 amount sufficient to cover its annual budget as approved each year for which revenue is not provided by other sources. The aggregate annual assessment amount for member states shall be allocated based upon a formula that the commission shall promulgate by rule.

(d) The commission shall not incur obligations of any kind prior to securing the funds adequate to meet the obligations; nor shall the commission pledge the credit of any member states, except by and with the authority of the member state.

(e) The commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the commission shall be subject to the financial review and accounting procedures established under its bylaws. All receipts and disbursements of funds handled by the commission shall be subject to an annual financial review by a certified or licensed public accountant, and the report of the financial review shall be included in and become part of the annual report of the commission.

Sec. 9. (a) The members, officers, executive director, employees, and representatives of the commission shall be immune from suit and liability, both 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 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 for believing occurred within the scope of commission employment, duties, or responsibilities; provided that nothing in this subsection 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 under this section.

(b) The commission shall defend any member, officer, executive director, employee, and representative of the commission in any civil action seeking to impose liability arising out of any actual or alleged act, error, or omission that occurred within the scope of commission employment, duties, or responsibilities, or as determined by the commission that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities; provided that nothing in this subsection shall be construed to prohibit that person from retaining their own counsel at their own expense; and provided further, that the actual or alleged act, error, or omission did not result from that person's intentional or willful or wanton misconduct.

(c) The commission shall indemnify and hold harmless any member, officer, executive director, employee, and representative of the commission for the amount of any settlement or judgment obtained against that person arising out of any actual or alleged act, error, or omission that occurred within the scope of commission employment, duties, or responsibilities, or that such person had a reasonable basis for believing occurred within the scope of commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from the intentional or willful or wanton misconduct of that person.

(d) Nothing in this article 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.

(e) Nothing in this compact shall be interpreted to 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 (15 U.S.C. 1 et seq.), Clayton Act (15 U.S.C. 12 et seq.), or any other state or federal antitrust or anticompetitive law





or regulation.

(f) Nothing in this compact shall be construed to be a waiver of sovereign immunity by the member states or by the commission.

#### **Chapter 10. Data System**

**Sec. 1.** The commission shall provide for the development, maintenance, operation, and utilization of a coordinated database and reporting system.

**Sec. 2.** The commission shall assign each applicant for a multistate license a unique identifier, as determined by the rules of the commission.

**Sec. 3.** Notwithstanding any other provision of state law to the contrary, a member state shall submit a uniform data set to the data system on all individuals to whom this compact is applicable as required by the rules of the commission, including:

- (1) identifying information;
- (2) licensure data;
- (3) adverse actions against a license and information related to the adverse actions;
- (4) nonconfidential information related to alternative program participation, the beginning and ending dates of such participation, and other information related to such participation;
- (5) any denial of application for licensure, and the reason for such denial (excluding the reporting of any criminal history record information where prohibited by law);
- (6) the existence of investigative information;
- (7) the existence of current significant investigative information; and
- (8) other information that may facilitate the administration of this compact or the protection of the public, as determined by the rules of the commission.

**Sec. 4.** 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.

**Sec. 5.** 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.



**Sec. 6.** 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.

**Sec. 7.** 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.

**Sec. 8.** 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.

#### **Chapter 11. Rulemaking**

**Sec. 1. (a)** The commission shall promulgate reasonable rules in order to effectively and efficiently implement and administer the purposes and provisions of the compact. A rule shall be invalid and have 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 the compact, or the powers granted under the compact, or based upon another applicable standard of 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 chapter and the rules adopted under this chapter. 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 the 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 state or to any state applying to participate in the compact.

**Sec. 2. (a)** Rules shall be adopted at a regular or special meeting of the commission.

**(b)** Prior to adoption of a proposed rule, the commission shall hold a public hearing and allow persons to provide oral and



written comments, data, facts, opinions, and arguments.

(c) Prior to adoption of a proposed rule by the commission, and at least thirty (30) days in advance of the meeting at which the commission will hold a public hearing on the proposed rule, the commission shall provide a notice of proposed rulemaking:

- (1) on the website of the commission or other publicly accessible platform;
- (2) to persons who have requested notice of the commission's notices of proposed rulemaking; and
- (3) in such other way as the commission may by rule specify.

(d) The notice of proposed rulemaking shall include:

- (1) 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 conference, or other electronic means, the commission shall include the mechanism for access to the hearing in the notice of proposed rulemaking;
- (3) the text of the proposed rule and the reason for the proposed rule;
- (4) a request for comments on the proposed rule from any interested person; and
- (5) the manner in which interested persons may submit written comments.

(e) 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.

Sec. 3. (a) Nothing in this chapter 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 chapter.

(b) The commission shall, by majority vote of all members, take final action on the proposed rule based on the rulemaking record and the full text of the rule.

(c) The commission may adopt changes to the proposed rule provided the changes do not enlarge the original purpose of the proposed rule.

(d) The commission shall provide an explanation of the reasons for substantive changes made to the proposed rule as well as reasons for substantive changes not made that were recommended



by commenters.

(e) The commission shall determine a reasonable effective date for the rule. Except for an emergency as provided in section 4 of this chapter, the effective date of the rule shall be no earlier than forty-five (45) days after the commission issuing the notice that it adopted or amended the rule.

Sec. 4. 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 the compact and in this chapter 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 provision, an emergency rule is one that must be adopted immediately to:

- (1) meet an imminent threat to public health, safety, or welfare;
- (2) prevent a loss of commission or member state funds;
- (3) meet a deadline for the promulgation of a rule that is established by federal law or rule; or
- (4) protect public health and safety.

Sec. 5. The commission or an authorized committee of the commission may direct revisions to a previously adopted rule for purposes of correcting typographical errors, errors in format, errors in consistency, or grammatical errors. Public notice of any revisions shall be posted on the website of the commission. The revision shall be subject to challenge by any person for a period of thirty (30) days after posting. The revision may be challenged only on grounds that the revision results in a material change to a rule. A challenge shall be made in writing and delivered to the commission prior to the end of the notice period. If no challenge is made, the revision will take effect without further action. If the revision is challenged, the revision may not take effect without the approval of the commission.

Sec. 6. No member state's rulemaking requirements shall apply under this compact.

#### Chapter 12. Oversight, Dispute Resolution, and Enforcement

Sec. 1. (a) 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 the compact.

(b) Venue is proper and judicial proceedings by or against the commission shall be brought solely and exclusively in a court of



competent jurisdiction where the principal office of the commission is located. The commission may waive venue and jurisdictional defenses to the extent it adopts or consents to participate in alternative dispute resolution proceedings. Nothing in this subsection shall affect or limit the selection or propriety of venue in any action against a licensee for professional malpractice, misconduct or any such similar matter.

(c) The commission shall be entitled to receive service of process in any proceeding regarding the enforcement or interpretation of the compact and shall have standing to intervene in such a proceeding for all purposes. Failure to provide the commission service of process shall render a judgment or order void as to the commission, this compact, or promulgated rules.

Sec. 2. (a) If the commission determines that a member state has defaulted in the performance of its obligations or responsibilities under this compact or the promulgated rules, the commission shall provide written notice to the defaulting state. The notice of default shall describe the default, 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.

(b) The commission shall provide a copy of the notice of default to the other member states.

(c) If a state in default fails to cure the default, the defaulting state may be terminated from the compact upon 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 does not relieve the offending state of obligations or liabilities incurred during the period of default.

(d) Termination of membership in the compact shall be imposed only after all other means of securing compliance have been exhausted. Notice of intent to suspend or terminate shall be given by the commission to the governor, the majority and minority leaders of the defaulting state's legislature, the defaulting state's state licensing authority, and each of the member states' state licensing authority.

(e) 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.

(f) 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 the notice of termination.

(g) The commission shall not bear any costs related to a state that is found to be in default or that has been terminated from the compact, unless agreed upon in writing between the commission and the defaulting state.

(h) 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 be awarded all costs of such litigation, including reasonable attorney's fees.

Sec. 3. (a) Upon request by a member state, the commission shall attempt to resolve disputes related to the compact that arise among member states and between member and nonmember states.

(b) The commission shall promulgate a rule providing for both mediation and binding dispute resolution for disputes as appropriate.

Sec. 4. (a) The commission, in the reasonable exercise of its discretion, shall enforce the provisions of this compact and the commission's rules.

(b) By majority vote as provided by commission rule, the commission may initiate legal action against a member state in default 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 the compact and its promulgated rules. The relief sought may include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing party shall be awarded all costs of such litigation, including reasonable attorney's fees. The remedies in this section shall not be the exclusive remedies of the commission. The commission may pursue any other remedies available under federal or the defaulting member state's law.

(c) 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 the compact and its promulgated rules. The relief sought may include both injunctive relief and damages. In the event judicial



enforcement is necessary, the prevailing party shall be awarded all costs of such litigation, including reasonable attorney's fees.

(d) No individual or entity other than a member state may enforce this compact against the commission.

#### **Chapter 13. Effective Date, Withdrawal, and Amendment**

**Sec. 1.** The compact shall come into effect on the date on which the compact statute is enacted into law in the seventh member state.

**Sec. 2. (a)** On or after the effective date of the compact, the commission shall convene and review the enactment of each of the charter member states to determine if the statute enacted by each such charter member state is materially different than the model compact statute.

(b) A charter member state whose enactment is found to be materially different from the model compact statute shall be entitled to the default process set forth in IC 25-43.5-12.

(c) If any member state is later found to be in default, or is terminated or withdraws from the compact, the commission shall remain in existence and the compact shall remain in effect even if the number of member states should be less than seven (7).

(d) Member states enacting the compact subsequent to the charter member states shall be subject to the process set forth in IC 25-43.5-9-3(24) to determine if their enactments are materially different from the model compact statute and whether they qualify for participation in the compact.

(e) All actions taken for the benefit of the commission or in furtherance of the purposes of the administration of the compact prior to the effective date of the compact or the commission coming into existence shall be considered to be actions of the commission unless specifically repudiated by the commission.

(f) Any state that joins the compact shall be subject to the commission's rules and bylaws as they exist on the date on which the compact becomes law in that state. Any rule that has been previously adopted by the commission shall have the full force and effect of law on the day the compact becomes law in that state.

**Sec. 3. (a)** Any member state may withdraw from this compact by enacting a statute repealing that state's enactment of the compact.

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

(c) Withdrawal shall not affect the continuing requirement of the withdrawing state's state licensing authority to comply with the



investigative and adverse action reporting requirements of this compact prior to the effective date of withdrawal.

(d) Upon the enactment of a statute withdrawing from this compact, a state shall immediately provide notice of such withdrawal to all licensees within that state. Notwithstanding any subsequent statutory enactment to the contrary, the withdrawing 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 the notice of withdrawal.

Sec. 4. Nothing contained in this compact shall be construed to invalidate or prevent any licensure agreement or other cooperative arrangement between a member state and a nonmember state that does not conflict with the provisions of this compact.

Sec. 5. 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.

#### Chapter 14. Construction and Severability

Sec. 1. The compact and the commission's rulemaking authority shall be liberally construed so as to effectuate the purposes, and the implementation and administration of the compact. Provisions of the compact expressly authorizing or requiring the promulgation of rules shall not be construed to limit the commission's rulemaking authority solely for those purposes.

Sec. 2. The provisions of this compact shall be severable and if any phrase, clause, sentence, or provision of this compact is held by a court of competent jurisdiction to be contrary to the constitution of any member state, a state seeking participation in the compact, or of the United States, or the applicability thereof to any government, agency, person, or circumstance is held to be unconstitutional by a court of competent jurisdiction, the validity of the remainder of this compact and the applicability thereof to any other government, agency, person, or circumstance shall not be affected thereby.

Sec. 3. Notwithstanding section 2 of this chapter, the commission may deny a state's participation in the compact or, in accordance with the requirements of IC 25-43.5-12, terminate a member state's participation in the compact, if it determines that a constitutional requirement of a member state is a material departure from the compact. Otherwise, if this compact shall be held to be contrary to the constitution of any member state, the compact shall remain in full force and effect as to the remaining member states and in full





force and effect as to the member state affected as to all severable matters.

**Chapter 15. Consistent Effect and Conflict with Other State Laws**

**Sec. 1. (a) Nothing in this article shall prevent or inhibit the enforcement of any other law of a member state that is not inconsistent with the compact.**

**(b) Any laws, statutes, regulations, or other legal requirements in a member state in conflict with the compact are superseded to the extent of the conflict.**

**(c) All permissible agreements between the commission and the member states are binding in accordance with their terms.**

SECTION 11. IC 34-30-2.1-391.7 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2024]: **Sec. 391.7. IC 25-43.5-9-9 (Concerning the members, officers, executive director, employees, and representatives of the cosmetology licensure compact commission)."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to HB 1135 as introduced.)

VANNATTER

Committee Vote: yeas 9, nays 3.

