OFFICE OF THE ASSISTANT SECRETARY OF DEFENSE



1500 DEFENSE PENTAGON WASHINGTON, D.C. 20301-1500

February 4, 2025

The Honorable Senator Keohokalole Chair, Senate Committee on Commerce and Consumer Protection Hawaii State Capitol 415 South Beretania Street Honolulu, HI 96813

RE: Senate Bill 1619 (Cosmetology Licensure Compact)

Dear Chair Keohokalole, Vice Chair Fukunaga, and Members of the Committee:

On behalf of the U.S. Department of Defense and military families stationed in Hawai'i, I am writing in support of the policy changes expressed in SB 1619, a measure to enact the Cosmetology Interstate Compact.

Professional licensure has been an enduring problem for military spouses. Military spouses are a cross-section of the American population, although a greater percentage of them are in licensed occupations than their civilian counterparts, and they are significantly more mobile. The short duration of military assignments, coupled with lengthy relicensing processes, can discourage military spouses from seeking relicensure, causing them to quit an occupation or pause their career, or the Service member to leave the military. States have committed to using interstate compacts, which establish common understanding of competency and its measurement within the occupation, to resolve the interstate issue of license portability.

Interstate licensure compacts, to include the Cosmetology Compact, provide seamless reciprocity for military spouses in their occupation as they move locations in support of their active-duty spouse and family. We also believe that interstate licensing compacts, such as the Cosmetology Compact, provide significant benefit to both professionals and the community in Hawai'i by contributing to workforce and economic assets in the State, available to serve the local community.

In closing, we are grateful for the tremendous efforts that Hawai'i has historically taken to support our military members and their families. We appreciate the opportunity to support the provisions reflected in SB 1619 and would especially like to thank the bill sponsors for spearheading this effort. Please feel free to contact me with any questions you might have.

Sincerely,

DOUGLAS.KELLI.MA Digitally signed by Y.1143289490

DOUGLAS.KELLI.MAY.1143289490 Date: 2025.02.04 20:41:42 -08'00'

Kelli May Douglas Pacific Southwest Regional Liaison Defense-State Liaison Office 571-265-0075

Testimony of the Hawaii Board of Barbering and Cosmetology

Before the Senate Committee on Commerce and Consumer Protection Friday, February 7, 2025 9:50 a.m. Conference Room 229 and Videoconference

On the following measure: S.B. 1619, RELATING TO THE COSMETOLOGY LICENSURE COMPACT

Chair Keohokalole and Members of the Committees:

My name is Kerrie Shahan, and I am the Executive Officer of Board of Barbering and Cosmetology (Board). The Board offers comments on this bill.

The purposes of this bill are to: (1) authorize the Governor to enter into a Cosmetology Licensure Compact (Compact) on behalf of the State to provide a streamlined process that allows cosmetologists to obtain a multistate license enabling them to practice cosmetology in another state without obtaining a separate license under the laws of that state; (2) require the Department of Commerce and Consumer Affairs to adopt rules to implement and administer the Compact; and (3) authorizes the Governor to enter into the Compact effective January 1, 2026.

While the Board has not had the opportunity to review this bill, the Board appreciates the intent of the Compact and will provide further comments after reviewing the measure at its next publicly noticed meeting on February 11, 2025.

Thank you for this opportunity to testify on this bill.



Chair Keohokalole, Vice Chair Fukunaga and Committee Members -

My name is Leslie Roste with the Future of the Beauty Industry Coalition in support of SB 1619.

I represent many employers in your state who hire cosmetologist and often have difficulty being able to stay fully staffed as well as the many cosmetologists licensed in Hawaii or coming to Hawaii. This legislation, that is considered the gold standard for license mobility allows employers to draw from a larger pool of employees, allows cosmetologists who come to Hawaii to get to work immediately and reduces workload related to reciprocity applications for the regulatory agency. In addition, the compact's use of a required comprehensive database, may also reduce license fraud and therefore improve health and public safety for your consumers.

Currently, to move to Hawaii as a licensee from another state you must complete a lengthy application (see attached), pay a \$165.00 fee and wait for approval of the application. As a part of the application, you must also provide transcripts of your education, your full work history with experience verification by your employers and proof of completing the NIC written exam. Once this application is approved, you receive notice that you are eligible to take the Beauty Operators Licensing exam that is given 3 times per year. After passing the exam, your application is reviewed at a monthly board meeting before your license is issued. While these items may not seem cumbersome, waiting for employers to complete a form and obtaining all of your transcripts is time consuming and most licensees cannot forgo work for weeks or months while they complete the multiple steps in the reciprocity process. For a military spouse trying to use the SCRA or Service Member Civil Relief Act pathway, there is no expediting of licensure or exceptions to work history requirements based on the fact that they may have moved frequently.

Hawaii also requires 1800 hours of training or 3600 hours of apprenticeship, which is significantly higher than 95% of other US states (see map attached) and it is unclear how those hours are bridged for someone who was trained in another state. I understand that Hawaii may be concerned about maintaining their standards and subsequent consumer protection. I am a nurse by training and worked as an Infection Control nurse prior to coming the professional beauty industry 15 years ago. Since that time, I have worked as a subject matter expert on health & public safety in the professional beauty industry during which I helped over 30 states evaluate and update health & public safety rules and curriculum. I also served as an item writer

and evaluator for a national licensure exam and wrote science content, including infection control for both major textbooks used in cosmetology theory education. My experience across the states can attest to the fact that all states have similar curriculum, and in fact rules, when it comes to health & public safety. For example, infection control in this industry has almost no variance from state to state because the options for how to properly clean & disinfect in a professional beauty setting are extremely limited. This narrow focus means that the exams taken across the country are identical in terms of how they address and assess health & public safety including infection control. The two major exams are developed solely from content in the textbooks and there is no difference in content for those states with 1000 hours or those with 1800 hours. Hawaii at 1800 hours of training is one of three states that require 1500 or more hours, and while 8 states only require 1000 hours, they pass the same exams as the higher hour states to become licensed.

If the compact were passed, you would enact the only form of license mobility that is bidirectional and is considered the gold standard for mobility by the military. In fact, it is the only form of mobility that would benefit your actual constituents, allowing them the same benefits you currently give to licensees coming into your state. While no state likes their citizens to leave, there are simply times when it must happen, and this compact would benefit that resident tremendously.

While some of the benefits of the compact are obvious for licensees, including the military spouse and even the state, by reducing reciprocity processing and providing a licensure database, some of the other potential beneficiaries may not be so obvious but are very important. We have heard extensive testimony over the last year about the very real benefits to survivors of domestic violence and licensees displaced by natural disasters. For survivors of domestic violence the ability to move quickly and anonymously may be lifesaving and in this industry which is 85% female, the compact would provide the ability to work today and with tips, have money in your pocket tonight - which can provide groceries, a meal or even a hotel while they get on their feet. In addition, as we have all seen lately, natural disasters like the Lahaina fires, hurricane Helena and the current California wildfires create a displacement of people who need to work and may have resources like family in Hawaii where they could move and not only begin working, but also fill vacancies that currently exist in.

The compact currently has 8 enacted states (see attached map) and legislation pending in 15 states. Our commission will be seated this summer, so should Hawaii pass legislation this session, you would have a commissioner on the charter commission where the bylaws, rules and executive board will be determined.

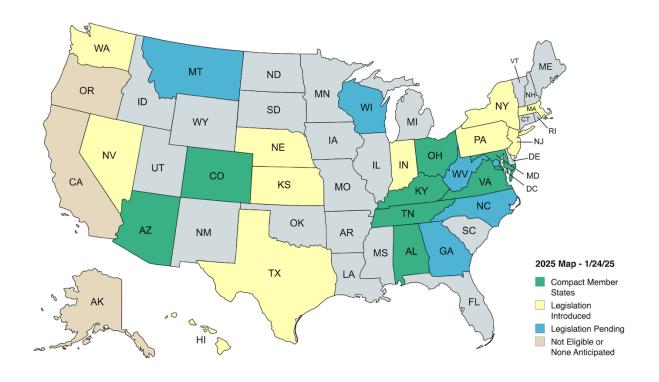
In your packets, I have provided some supporting materials including letters from the Professional Beauty Association and various employers as well as a map of our currently enacted states.

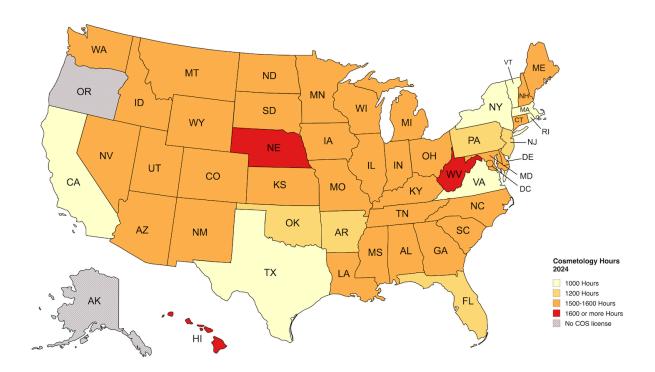
The compact approach to license mobility provides clear benefits to licensees moving to your state, businesses in your state and even the state itself, but most importantly to your own constituents.

Respectfully Submitted,

Leslie Roste, RN Vice President, Government Affairs

Leslie.roste@fbic.org 816-955-1643





Potential Benefits/Beneficiaries - HI

Military Spouses: For military spouses that work in a licensed profession (36%), the unemployment rate is 25%. With frequent moves, it is often impractical or impossible to get a license in the new state within a reasonable period of time. Although a 2021 modification to the SCRA required states to expedite licensure for military spouses, the modifications did little to improve licensure in a new state. States still require letters of certification from other states worked in as well as proof of education and testing, after which they will expedite the licensure process. Obtaining those records and letters is the most time-consuming part of the application process often taking several months before they can even apply in the new state. The cosmetology compact would allow these military family members to begin work immediately upon moving to HI as well as allowing HI trained/licensed military spouses to begin working immediately in their new state upon relocation.

Domestic Violence Survivors: The cosmetology industry is one of the few industries where a licensee can work today and have money in their pocket at the end of the day to buy a meal or get a hotel room. For a survivor of DV the ability to move anonymously and work immediately can be life critical. The cosmetology industry is 85% female, and the compact would provide an immediate means of mobility for DV survivors when they need it most.

Displaced Workers: With the increasingly devastating natural disasters, we have heard numerous stories of cosmetologists who need to work in another state due to loss of their places of business or home. The compact would allow these licensees to work immediately in another state to ensure financial stability in a time of need.

Tracking of Fraudulent Schools: The compact database provides member states with the ability to track licenses from their inception – including educational path. This oversight along with the information from other member states will give visibility to potentially problematic schools.

Tracking of License Fraud: The compact database provides member states with the ability to trach licenses from their inception. The history this provides combined with the ability for member states to perform joint investigations will make identification of fraudulent licensees more possible.

Joint Investigations: The compact, by law, allows states to perform joint investigations when licensees work in multiple states. This added communication and enforcement pathway creates a greater ability to ensure that problems in HI are adequately communicated to other states and that HI has the information they need to handle problem licensees within your state.



February 3, 2025

Chair Keohokalole & Vice Chair Fukunaga Hawaii State Capitol Commerce & Consumer Protection Committee Conference Room 229 Honolulu, Hawaii

RE: SB 1619 Adopt the Cosmetology Licensure Compact

Dear Chairman Keohokalole, Vice Chair Fukunaga, and Honorable Members of the Senate Commerce & Consumer Protection Committee,

Thank you for your consideration of SB 1619, creating the Interstate Cosmetology Licensure Compact. I appreciate the opportunity to express support for SB 1619 on behalf of the Professional Beauty Association (PBA) and our members.

PBA has existed for over one hundred years and is the only national non-profit organization representing licensed beauty professionals, small business salon and barbershop owners, distributors, and manufacturers. PBA strives to support the professional beauty industry by giving back to the community through our charitable foundation programs, education, mentorship, and advocacy.

The Interstate Cosmetology Licensure Compact will ease the complexity and process for licensed beauty professionals moving to Hawaii. Many students aspire to move out of state once they complete their program. Licensed beauty professionals would welcome the opportunity to be able to call Hawaii home.

The collaborative action and leadership of Hawaii can help shape the direction and oversight for the Interstate Compact. This cooperative participation will support economic growth, and public safety while allowing for true license mobility without the deterrent of extra steps in what could be a very lengthy process.

The expected employment growth for professionals in the beauty industry coupled with the Interstate Cosmetology Licensure Compact will create a simple and welcoming invitation to new licensed professionals to pursue their career path in the state of Hawaii.

The Professional Beauty Association and our members encourage you to successfully pass SB 1619 out of committee, allowing the state of Hawaii to be a leader with the Interstate Cosmetology Licensure Compact.

Myra Y. Reddy Director of Government Affairs Professional Beauty Association





Testimony of Keith Buckhout, Policy Analyst, The Council of State Governments Subject: Senate Bill 1619 – The Cosmetology Licensure Compact Before the Hawaii Senate Committee on Commerce and Consumer Protection Hearing Date: Friday, February 7, 2025

Good morning, Chair Keohokalole and Committee members. Thank you for the opportunity to be here today. My name is Keith Buckhout, and I am a Policy Analyst for The Council of State Governments (CSG).

As a representative of CSG, we serve all elected and appointed state officials, so my testimony on SB 1619, the Cosmetology Licensure Compact, is neutral. However, we appreciate Senator Kim's sponsorship and the committee's consideration of the legislation.

In 2020, CSG entered into a cooperative agreement with the Department of Defense to fund the development of new interstate compacts for occupational licensure.

The cosmetology profession was selected through a competitive Request for Proposal (RFP) process. Between March 2021 and December 2022, CSG, and our project partner, the Future of the Beauty Industry Coalition (FBIC), convened subject matter experts to review state policies, identify best practices, determine the needs of the profession and draft the model legislation contained in SB 1619. The subject matter experts included state licensure board officials, licensees, cosmetology educators, board attorneys, representatives from professional associations and officials with major beauty industry employers.

CSG and FBIC also hosted public review sessions that every state licensure board was invited to attend. We also published a survey and distributed it to state licensure boards, licensees, educators, employers and any other stakeholder we could, to solicit feedback from as many people in the cosmetology profession as possible. This extensive process ensures the legislation before you today contains comprehensive policies developed through an open, transparent and thorough process.

The purpose of this compact is to create an alternative, optional multistate license for cosmetologists.

The intent is that the multistate cosmetology license would function like a driver's license. The cosmetologist's home state would issue the license, and the other member states or remote states would recognize the multistate license as authorized for practice within their respective jurisdictions.

To be eligible to join the Cosmetology Licensure Compact, a state must:

- License and regulate cosmetology.
- Require that applicants for licensure pass a cosmetology competency examination.
- Require that applicants for licensure satisfy educational or training requirements in cosmetology.



• Implement and maintain procedures for considering one or more of the following categories of information from applicants: criminal history, license disciplinary history, or background check.

The Cosmetology Licensure Compact does not require a member states to perform a criminal background check. The compact permits states who currently require a criminal background check to continue and if Hawaii ever wishes to implement a criminal background check requirement for cosmetologists that would not jeopardize compliance. Hawaii's current cosmetology license application complies with the requirements of the compact by asking applicants to disclose criminal convictions and license discipline.

As Hawaii is a state with several significant military installations and, because it is home to many military service members, it is important for the Committee to know SB 1619 contains a provision allowing active military members and their spouses additional licensure mobility to ensure the compact meets the specific needs of highly mobile military families.

From a regulatory perspective, the Cosmetology Licensure Compact preserves the authority of each compact member state to protect public health and safety through the existing state regulatory structure. Any cosmetologist using the compact to provide services in Hawaii must abide by Hawaii's scope of practice rules. If a multistate licensee from another member state, violates Hawaii's laws and rules while practicing here, they can be disciplined and prohibited from practicing in Hawaii in the future. Hawaii also retains authority over initial licensing requirements.

This compact will be governed by a commission consisting of delegates appointed by each member state. Hawaii is already a member of the Interstate Medical Licensure Compact which uses the same commission structure. The commission's authority only extends to effectively administering the purposes in the compact. It cannot dictate licensing policy to states.

We don't anticipate substantial additional costs for states participating in the Cosmetology Licensure Compact. There may be some costs for the programming to connect Hawaii's existing cosmetology licensure data system to the compact's data system as well as travel cost(s) for Hawaii's delegate to attend the annual commission meeting in person if they wish.

Chair Keohokalole, thank you for the opportunity to attend the hearing and provide educational information on the compact. I would be happy to address any questions you or your committee members may have.



1050 Bishop St. #508 Honolulu, HI 96813 808-864-1776 info@grassrootinstitute.org

Removing barriers to Hawaii's prosperity

Feb. 7, 2025, 9:50 a.m.

Hawaii State Capitol

Conference Room 229 and Videoconference

LATE

To: Senate Committee on Commerce and Consumer Protection Sen. Jarrett Keohokalole, Chair Sen. Carol Fukunaga, Vice-Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: COMMENTS IN SUPPORT OF SB1619 — RELATING TO THE COSMETOLOGY LICENSURE COMPACT

Aloha Chair Keohokalole, Vice-Chair Fukunaga and other members of the Committee,

The Grassroot Institute of Hawaii would like to offer its **support** for <u>SB1619</u>, which would streamline the licensing process for out-of-state cosmetologists by allowing Hawaii to join the Cosmetology Licensure Compact.

This bill would make it easier for cosmetologists licensed in other states to practice in Hawaii while reducing the workload of the state Board of Barbering and Cosmetology.

A multi-state license obtained through the CLC works much like a driver's license, allowing its holder to practice in any compact state without having to go through separate licensure procedures.

This would be especially beneficial to military spouses, who may find it difficult to continually seek new licenses when moving in or out of Hawaii.

Similarly, license portability offers great potential for Hawaii residents, whether through compacts like the CLC or more general state license-recognition programs. Separate state requirements for occupational licenses — such as those required for cosmetology — do not make sense in terms of public health or safety needs.

As the Federal Trade Commission noted in a report on occupational licensing portability:

There is little justification for the burdensome, costly, and redundant licensing processes that many states impose on qualified, licensed, out-of-state applicants. Such requirements likely inhibit multistate practice and delay or even prevent licensees from working in their occupations upon relocation to a new state. Indeed, for occupations that have not implemented any form of license portability, the harm to competition from suppressed mobility may far outweigh any plausible consumer protection benefit from the failure to provide for license portability.¹

SB1619 offers the opportunity to remove unnecessary burdens on beauty workers in our state while expanding occupational freedom. We hope this will be the beginning of a new approach to licensing in Hawaii.

Thank you for the opportunity to testify.

Ted Kefalas

Director of Strategic Campaigns

Grassroot Institute of Hawaii

¹ Karen Goldman, "Options to Enhance Occupational License Portability." U.S. Federal Trade Commission, September 2018, p. 25.





<u>SB-1619</u> Submitted on: 2/7/2025 2:26:43 AM

Testimony for CPN on 2/7/2025 9:50:00 AM

Submitted By	Organization	Testifier Position	Testify
Angela Young	Testifying for CARES Community Advocacy Research Education Services	Support	Remotely Via Zoom

Comments:

Cares supports cosmetology industry with compact.

<u>SB-1619</u> Submitted on: 1/31/2025 7:44:55 PM

Testimony for CPN on 2/7/2025 9:50:00 AM

Submitted By	Organization	Testifier Position	Testify
Jacob Wiencek	Individual	Support	Written Testimony Only

Comments:

Aloha Committee Members,

Regulations are too much here. Cost of living is too high. Pass this bill to make life easier for working and middle class families.



SB-1619

Submitted on: 2/5/2025 9:15:29 PM

Testimony for CPN on 2/7/2025 9:50:00 AM

Submitted By	Organization	Testifier Position	Testify
Sara Yi	Individual	Support	Written Testimony Only

Comments:

I am in strong support of SB 1619.

Current licensing requirements for professions like cosmetology can be a significant barrier for many people, especially those with limited financial means. By reforming the system, we can make it easier for people to pursue careers in cosmetology and related fields, reducing financial hardships while still ensuring quality standards.

LATE

The Cosmetology Compact is an important step toward making the industry more accessible, reducing licensing barriers, and helping more people enter and succeed in the profession. It will also allow local workers to more easily move between states, opening new career opportunities.

Thank you for the opportunity to testify.