

Honolulu, Hawaii

MAR 20 2017

RE: H.B. No. 1081
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Twenty-Ninth State Legislature
Regular Session of 2017
State of Hawaii

Sir:

Your Committee on Commerce, Consumer Protection, and Health,
to which was referred H.B. No. 1081, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO CITATIONS FOR BEAUTY CULTURE
VIOLATIONS,"

begs leave to report as follows:

The purpose and intent of this measure is to:

- (1) Authorize the issuance of a citation for specific violations of beauty culture laws by licensees and permittees;
- (2) Set forth a process for licensees and permittees to contest the citation and provide for the assessment of fines for each violation; and
- (3) Establish requirements for persons selling or demonstrating beauty products or techniques for promotional purposes to adhere to licensing requirements, with certain exceptions.

Your Committee received testimony in support of this measure from the Airport Concessionaries Committee. Your Committee received testimony in opposition to this measure from the Retail Merchants of Hawaii. Your Committee received comments on this



measure from the Regulated Industries Complaints Office of the Department of Commerce and Consumer Affairs and Board of Barbering and Cosmetology.

Your Committee finds that this measure authorizes the Regulated Industries Complaints Office to issue citations to beauty culture licensees and permittees for specific violations of the beauty culture laws. This measure also requires a cosmetology license for persons who sell or demonstrate beauty products or techniques for promotional purposes, unless the person is not compensated and obtains written consent to provide the service from the person receiving the service. However, your Committee has heard testimony that the Hawaii Administrative Rules specifically exempt manufacturer's representatives or sales persons who sell beauty products or techniques for propositional purposes without compensation. Accordingly, there are concerns that this measure requires licensure for conduct that is not traditionally covered under Hawaii law. Your Committee has also heard concerns that the cosmetology licensing requirements proposed by this measure may have far-reaching unintended consequences for employees of retailers throughout the State.

Your Committee notes that the companion to this measure, S.B. No. 947, S.D. 2 (Regular Session of 2017), which was previously passed by the Senate, is a substantially similar measure that also authorizes the Regulated Industries Complaints Office to issue citations to beauty culture licensees and permittees for specific violations of the beauty culture laws. Your Committee concludes that the language in S.B. No. 947, S.D. 2, is preferable because it does not contain language that requires a cosmetology license for persons who sell or demonstrate beauty products or techniques for promotional purposes. Your Committee further finds that the language in S.B. No. 947, S.D. 2, expedites the Regulated Industries Complaints Office's enforcement of certain technical violations of the beauty culture laws, promotes swift compliance by licensees and permittees, and enables Regulated Industries Complaints Office staff to concentrate their efforts and resources on other violations.

Accordingly, your Committee has amended this measure by deleting its contents and inserting the contents of S.B. No. 947, S.D. 2, a substantially similar measure, which:



- (1) Authorizes the issuance of a citation for specific violations of beauty culture laws by licensees and permittees;
- (2) Sets forth a process for licensees and permittees to contest the citation and provides for the assessment of fines for each violation; and
- (3) Inserts an effective date of July 1, 2017.

As affirmed by the record of votes of the members of your Committee on Commerce, Consumer Protection, and Health that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1081, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1081, H.D. 2, S.D. 1, and be referred to your Committees on Judiciary and Labor and Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Commerce, Consumer
Protection, and Health,



ROSALYN H. BAKER, Chair



The Senate
 Twenty-Ninth Legislature
 State of Hawai'i

Record of Votes
Committee on Commerce, Consumer Protection, and Health
CPH

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1081, HD2	CPH, JDL/WAM	3/14/17		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
BAKER, Rosalyn H. (C)	/			
NISHIHARA, Clarence K. (VC)	/			
CHANG, Stanley	/			
ESPERO, Will	/			
IHARA, Jr., Les	/			
KIDANI, Michelle N.	/			
RUDERMAN, Russell E.	/			
TOTAL	7			
Recommendation:				
<input checked="" type="checkbox"/> Adopted		<input type="checkbox"/> Not Adopted		
Chair's or Designee's Signature:				
<i>Clarence K. Nishihara</i>				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes