

JAN 17 2025

A BILL FOR AN ACT

RELATING TO PHYSICIAN SHORTAGE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the State's
2 physician shortage is partially driven by the structure and cost
3 of its medical licensing process. The State's licensing fees
4 are among the highest in the United States with costs exceeding
5 \$1,000 for initial licensure and ongoing renewal fees that
6 burden many physicians, especially newer physicians with
7 significant student loan debt. The legislature further finds
8 that out-of-state physicians face additional economic obstacles
9 in obtaining a physician license when relocating to the State,
10 often involving extra steps not required in states with
11 reciprocal agreements.

12 Accordingly, the purpose of this Act is to address barriers
13 within the State's medical licensing process for physicians by
14 establishing a one-year pilot program to provide subsidized
15 licensing fees for new and out-of-state physicians applying for
16 initial licensure in the State.



1 SECTION 2. (a) There is established a physician licensing
2 subsidy pilot program within the professional and vocational
3 licensing division of the department of commerce and consumer
4 affairs to provide subsidized licensing fees for new and
5 out-of-state physicians applying for initial licensure in the
6 State.

7 (b) The pilot program shall establish a subsidized
8 licensing fee structure for physicians applying for initial
9 licensure in the State. To be eligible for the pilot program,
10 applicants shall be a person who has passed and has been found
11 to possess the necessary qualifications pursuant to section
12 453-4, Hawaii Revised Statutes, or out-of-state physician
13 applying for physician licensure in the State for the first
14 time.

15 (c) The subsidized licensing fee structure established for
16 the purposes of the pilot program shall reduce the total
17 licensing fees for eligible applicants applying for a doctor of
18 medicine license in the State to an amount not to exceed
19 one-half of the total licensing fees assessed for applicants
20 without the subsidy.



1 (d) The department of commerce and consumer affairs shall
2 collaborate with the department of health, university of Hawaii
3 John A. Burns school of medicine, and other physician
4 recruitment stakeholders to promote the pilot program.

5 (e) The department of commerce and consumer affairs shall
6 adopt rules without regard to chapter 91, Hawaii Revised
7 Statutes, necessary for the purposes of this pilot program.

8 (f) The department of commerce and consumer affairs shall
9 submit a report of its findings and recommendations, including
10 any proposed legislation, regarding the pilot program to the
11 legislature no later than twenty days prior to the convening of
12 the regular session of 2026. The report shall include at
13 minimum, the number of individuals who applied for the
14 subsidized licensing fee, number of applicants granted the
15 subsidized licensing fee; and number of applicants who were
16 granted the subsidized licensing fee that obtained a doctor of
17 medicine license in the State.

18 (g) The pilot program shall cease to exist on June 30,
19 2026.

20 SECTION 3. There is appropriated out of the general
21 revenues of the State of Hawaii the sum of \$ or so



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1 much thereof as may be necessary for fiscal year 2025-2026 for
2 the establishment and administration of the physician licensing
3 subsidy pilot program.

4 The sum appropriated shall be expended by the department of
5 commerce and consumer affairs for the purposes of this Act.

6 SECTION 4. This Act shall take effect on July 1, 2025.

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INTRODUCED BY: *Hunt M. Roberts* *CP*



S.B. NO. 764

Report Title:

PVLD; DCCA; Department of Health; JABSOM; Physician Shortage; Physician Licensing Subsidy; Pilot Program; Rules; Report; Appropriation

Description:

Establishes a 1-year Physician Licensing Subsidy Pilot Program within the Professional and Vocational Licensing Division of the Department of Commerce and Consumer Affairs to provide subsidized licensing fees for eligible medical school graduates and out-of-state physicians applying for initial licensure in the State. Requires the Department of Commerce and Consumer Affairs to collaborate with the Department of Health, University of Hawaii John A. Burns School of Medicine, and other stakeholders to promote the pilot program; adopt rules; and submit a report to the Legislature. Appropriates funds. Sunsets 6/30/2026.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

