# A BILL FOR AN ACT

RELATING TO THE INTERSTATE MEDICAL LICENSURE COMPACT.

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

1	SECTION 1. The Hawaii Revised Statutes is amended by
2	adding a new chapter to be appropriately designated and to read
3	as follows:
4	"CHAPTER
5	INTERSTATE MEDICAL LICENSURE COMPACT
6	§ -1 Short title. This chapter may be cited as the
7	Interstate Medical Licensure Compact.
8	§ −2 Terms and provisions of compact; authorization;
9	governor. The legislature hereby authorizes the governor to
10	enter into a compact on behalf of the State of Hawaii with any
11	other state legally joining therein, in the form substantially
12	as follows:
13	INTERSTATE MEDICAL LICENSURE COMPACT
14	SECTION 1. PURPOSE
15	In order to strengthen access to health care, and in
16	recognition of the advances in the delivery of health care, the
17	member states of the Interstate Medical Licensure Compact have

- 1 allied in common purpose to develop a comprehensive process that
- 2 complements the existing licensing and regulatory authority of
- 3 state medical boards and provides a streamlined process that
- 4 allows physicians to become licensed in multiple states, thereby
- 5 enhancing the portability of a medical license and ensuring the
- ${f 6}$  safety of patients. The compact creates another pathway for
- 7 licensure and does not otherwise change a state's existing
- 8 medical practice act. The compact also adopts the prevailing
- 9 standard for licensure and affirms that the practice of medicine
- 10 occurs where the patient is located at the time of the
- 11 physician-patient encounter, and therefore, requires the
- 12 physician to be under the jurisdiction of the state medical
- 13 board where the patient is located. State medical boards that
- 14 participate in the compact retain the jurisdiction to impose an
- 15 adverse action against a license to practice medicine in that
- 16 state issued to a physician through the procedures in the
- 17 compact.
- 18 SECTION 2. DEFINITIONS
- 20 (a) "Bylaws" means those bylaws established by the
- 21 interstate commission pursuant to section 11.

- 1 (b) "Commissioner" means the voting representative
- 2 appointed by each member board pursuant to section 11.
- 3 (c) "Conviction" means a finding by a court that an
- 4 individual is guilty of a criminal offense through adjudication,
- 5 or entry of a plea of guilt or no contest to the charge by the
- 6 offender. Evidence of an entry of a conviction of a criminal
- 7 offense by the court shall be considered final for purposes of
- 8 disciplinary action by a member board.
- 9 (d) "Expedited license" means a full and unrestricted
- 10 medical license granted by a member state to an eligible
- 11 physician through the process set forth in the compact.
- (e) "Interstate commission" means the interstate
- 13 commission created pursuant to section 11.
- (f) "License" means authorization by a member state for a
- 15 physician to engage in the practice of medicine, which would be
- 16 unlawful without authorization.
- 17 (g) "Medical practice act" means laws and regulations
- 18 governing the practice of allopathic and osteopathic medicine
- 19 within a member state.
- (h) "Member board" means a state agency in a member state
- 21 that acts in the sovereign interests of the state by protecting

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2	physicians as directed by the state government.
3	(i) "Member state" means a state that has enacted the
4	compact.
5	(j) "Practice of medicine" means that clinical prevention,
6	diagnosis, or treatment of human disease, injury, or condition
7	requiring a physician to obtain and maintain a license in
8	compliance with the medical practice act of a member state.
9	(k) "Physician" means any person who:
10	(1) Is a graduate of a medical school accredited by the
11	Liaison Committee on Medical Education, the Commission
12	on Osteopathic College Accreditation, or a medical
13	school listed in the International Medical Education

(2) Passed each component of the United State Medical

Licensing Examination (USMLE) or the Comprehensive

within three attempts, or any of its predecessor

equivalent examination for licensure purposes;

Osteopathic Medical Licensing Examination (COMLEX-USA)

examinations accepted by a state medical board as an

Directory or its equivalent;

the public through licensure, regulation, and education of

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1	(3)	successfully completed graduate medical education
2		approved by the Accreditation Council for Graduate
3		Medical Education or the American Osteopathic
4		Association;
5	(4)	Holds specialty certification or a time-unlimited
6		specialty certificate recognized by the American Board
7		of Medical Specialties or the American Osteopathic
8		Association's Bureau of Osteopathic Specialists;
9	(5)	Possesses a full and unrestricted license to engage in
10		the practice of medicine issued by a member board;
11	(6)	Has never been convicted, received adjudication,
12		deferred adjudication, community supervision, or
13		deferred disposition for any offense by a court of
14		appropriate jurisdiction;
15	(7)	Has never held a license authorizing the practice of
16		medicine subjected to discipline by a licensing agency
17		in any state, federal, or foreign jurisdiction,
18		excluding any action related to non-payment of fees
19		related to a license;

1	(8)	Has never had a controlled substance license or permit
2		suspended or revoked by a state or the United States
3		Drug Enforcement Administration; and

- 4 (9) Is not under active investigation by a licensing
  5 agency or law enforcement authority in any state,
  6 federal, or foreign jurisdiction.
- 7 (1) "Offense" means a felony, gross misdemeanor, or crime
  8 of moral turpitude.
- 9 (m) "Rule" means a written statement by the interstate
  10 commission promulgated pursuant to section 12 of the compact
  11 that is of general applicability, implements, interprets, or
  12 prescribes a policy or provision of the compact, or an
  13 organizational, procedural, or practice requirement of the
- 14 interstate commission, and has the force and effect of statutory
  15 law in a member state, and includes the amendment, repeal, or
- 16 suspension of an existing rule.
- (o) "State of principal license" means a member statewhere a physician holds a license to practice medicine and which

- 1 has been designated as such by the physician for purposes of
- 2 registration and participation in the compact.

#### 3 SECTION 3. ELIGIBILITY

- 4 (a) A physician must meet the eligibility requirements as
- 5 defined in section 2(k) to receive an expedited license under
- 6 the terms and provisions of the compact.
- 7 (b) A physician who does not meet the requirements of
- 8 section 2(k) may obtain a license to practice medicine in a
- 9 member state if the individual complies with all laws and
- 10 requirements, other than the compact, relating to the issuance
- 11 of a license to practice medicine in that state.

#### 12 SECTION 4. DESIGNATION OF STATE OF PRINCIPAL LICENSE

- 13 (a) A physician shall designate a member state as the
- 14 state of principal license for purposes of registration for
- 15 expedited licensure through the compact if the physician
- 16 possesses a full and unrestricted license to practice medicine
- 17 in that state, and the state is:
- 18 (1) The state of principal residence for the physician;
- 19 (2) The state where at least twenty five per cent of the
- practice of medicine occurs;
- 21 (3) The location of the physician's employer; or

- (4) If no state qualifies under paragraphs (1), (2), or
   (3), the state designated as state of residence for
- purpose of federal income tax.
- 4 (b) A physician may redesignate a member state as state of
- 5 principal license at any time, as long as the state meets the
- 6 requirements of subsection (a).
- 7 (c) The interstate commission is authorized to develop
- 8 rules to facilitate redesignation of another member state as the
- 9 state of principal license.

### 10 SECTION 5. APPLICATION AND ISSUANCE OF EXPEDITED LICENSURE

- 11 (a) A physician seeking licensure through the compact
- 12 shall file an application for an expedited license with the
- 13 member board of the state selected by the physician as the state
- 14 of principal license.
- 15 (b) Upon receipt of an application for an expedited
- 16 license, the member board within the state selected as the state
- 17 of principal license shall evaluate whether the physician is
- 18 eliqible for expedited licensure and issue a letter of
- 19 qualification, verifying or denying the physician's eligibility,
- 20 to the interstate commission.

1	(1)	Static qualifications, which include verification of
2		medical education, graduate medical education, results
3		of any medical or licensing examination, and other
4		qualifications as determined by the interstate
5		commission through rule, shall not be subject to
6		additional primary source verification where already
7		primary source verified by the state of principal
8		license.

- (2) The member board within the state selected as the state of principal license shall, in the course of verifying eligibility, perform a criminal background check of an applicant, including the use of the results of fingerprint or other biometric data checks compliant with the requirements of the Federal Bureau of Investigation, with the exception of federal employees who have suitability determination in accordance with title 5 Code of Federal Regulations section 731.202.
- (3) Appeal on the determination of eligibility shall be made to the member state where the application was filed and shall be subject to the law of that state.

- 1 (c) Upon verification in subsection (b), physicians
- 2 eligible for an expedited license shall complete the
- 3 registration process established by the interstate commission to
- 4 receive a license in a member state selected pursuant to
- 5 subsection (a), including the payment of any applicable fees.
- 6 (d) After receiving verification of eligibility under
- 7 subsection (b) and any fees under subsection (c), a member board
- 8 shall issue an expedited license to the physician. This license
- 9 shall authorize the physician to practice medicine in the
- 10 issuing state consistent with the medical practice act and all
- 11 applicable laws and regulations of the issuing member board and
- member state.
- (e) An expedited license shall be valid for a period
- 14 consistent with the licensure period in the member state and in
- 15 the same manner as required for other physicians holding a full
- 16 and unrestricted license within the member state.
- 17 (f) An expedited license obtained through the compact
- 18 shall be terminated if a physician fails to maintain a license
- 19 in the state of principal licensure for a non-disciplinary
- 20 reason, without redesignation of a new state of principal
- 21 licensure.

1	(g)	The interstate commission is authorized to develop
2	rules reg	arding the application process, including payment of
3	any appli	cable fees, and the issuance of an expedited license.
4		SECTION 6. FEES FOR EXPEDITED LICENSURE
5	(a)	A member state issuing an expedited license
6	authorizi	ng the practice of medicine in that state may impose a
7	fee for a	license issued or renewed through the compact.
8	(b)	The interstate commission is authorized to develop
9	rules reg	arding fees for expedited licenses.
10	;	SECTION 7. RENEWAL AND CONTINUED PARTICIPATION
11	(a)	A physician seeking to renew an expedited license
12	granted i	n a member state shall complete a renewal process with
13	the inter	state commission if the physician:
14	(1)	Maintains a full and unrestricted license in a state
15		of principal license;
16	(2)	Has not been convicted, received adjudication,
17		deferred adjudication, community supervision, or
18		deferred disposition for any offense by a court of
19		appropriate jurisdiction;
20	(3)	Has not had a license authorizing the practice of
21		medicine subject to discipline by a licensing agency

1		in any state, federal, or foreign jurisdiction,
2		excluding any action related to non-payment of fees
3		related to a license; and
4	(4)	Has not had a controlled substance license or permit
5		suspended or revoked by a state or the United States
6		Drug Enforcement Administration.
7	(b)	Physicians shall comply with all continuing
8	professio	nal development or continuing medical education
9	requireme	nts for renewal of a license issued by a member state.
10	(c)	The interstate commission shall collect any renewal
11	fees char	ged for the renewal of a license and distribute the

(d) Upon receipt of any renewal fees collected insubsection (c), a member board shall renew the physician's

fees to the applicable member board.

15 license.

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- (e) Physician information collected by the interstatecommission during the renewal process will be distributed to allmember boards.
- 19 (f) The interstate commission is authorized to develop
  20 rules to address renewal of licenses obtained through the
  21 compact.

### 1 SECTION 8. COORDINATED INFORMATION SYSTEM

- 2 (a) The interstate commission shall establish a database
- 3 of all physicians licensed, or who have applied for licensure,
- 4 under section 5.
- 5 (b) Notwithstanding any other provision of law, member
- 6 boards shall report to the interstate commission any public
- 7 action or complaints against a licensed physician who has
- 8 applied or received an expedited license through the compact.
- 9 (c) Member boards shall report disciplinary or
- 10 investigatory information determined as necessary and proper by
- 11 rule of the interstate commission.
- 12 (d) Member boards may report any non-public complaint,
- 13 disciplinary, or investigatory information not required by
- 14 subsection (c) to the interstate commission.
- 15 (e) Member boards shall share complaint or disciplinary
- 16 information about a physician upon request of another member
- 17 board.
- 18 (f) All information provided to the interstate commission
- 19 or distributed by member boards shall be confidential, filed
- 20 under seal, and used only for investigatory or disciplinary
- 21 matters.

- 1 (g) The interstate commission is authorized to develop
- 2 rules for mandated or discretionary sharing of information by
- 3 member boards.

### 4 SECTION 9. JOINT INVESTIGATIONS

- 5 (a) Licensure and disciplinary records of physicians are
- 6 deemed investigative.
- 7 (b) In addition to the authority granted to a member board
- 8 by its respective medical practice act or other applicable state
- 9 law, a member board may participate with other member boards in
- 10 joint investigations of physicians licensed by the member
- 11 boards.
- (c) A subpoena issued by a member state shall be
- 13 enforceable in other member states.
- 14 (d) Member boards may share any investigative, litigation,
- 15 or compliance materials in furtherance of any joint or
- 16 individual investigation initiate under the compact.
- 17 (e) Any member state may investigate actual or alleged
- 18 violations of the statutes authorizing the practice of medicine
- 19 in any other member state in which a physician holds a license
- 20 to practice medicine.

### 21 SECTION 10. DISCIPLINARY ACTIONS

- 1 (a) Any disciplinary action taken by any member board
- 2 against a physician licensed through the compact shall be deemed
- 3 unprofessional conduct that may be subject to discipline by
- 4 other member boards, in addition to any violation of the medical
- 5 practice act or regulations in that state.
- **6** (b) If a license granted to a physician by the member
- 7 board in the state of principal license is revoked, surrendered
- 8 or relinquished in lieu of discipline, or suspended, then all
- 9 licenses issued to the physician by member boards shall
- 10 automatically be placed, without further action necessary by any
- 11 member board, on the same status. If the member board in the
- 12 state of principal license subsequently reinstates the
- 13 physician's license, a license issued to the physician by any
- 14 other member board shall remain encumbered until that respective
- 15 member board takes action to reinstate the license in a manner
- 16 consistent with the medical practice act of that state.
- 17 (c) If disciplinary action is taken against a physician by
- 18 a member board not in the state of principal license, any other
- 19 member board may deem the action conclusive as to matter of law
- 20 and fact decided, and:

1	(1)	Impose the same or lesser sanction(s) against the
2		physician so long as such sanctions are consistent
3		with the medical practice act of that state; or
4	(2)	Pursue separate disciplinary action against the
5		physician under its respective medical practice act,
6		regardless of the action taken in other member states.
7	(d)	If a license granted to a physician by a member board
8	is revoke	d, surrendered or relinquished in lieu of discipline,
9	or suspen	ded, then any license(s) issued to the physician by any
10	other mem	ber board(s) shall be suspended, automatically and
11	immediate	ly without further action necessary by the other member
12	board(s),	for ninety days upon entry of the order by the
13	disciplin	ing board, to permit the member board(s) to investigate
14	the basis	for the action under the medical practice act of that
15	state. A	member board may terminate the automatic suspension of
16	the licen	se it issued prior to the completion of the ninety day
17	suspensio	n period in a manner consistent with the medical
18	practice	act of that state.
19	SECTION	N 11. INTERSTATE MEDICAL LICENSURE COMPACT COMMISSION
20	(a)	The member states hereby create the "Interstate
21	Medical L	icensure Compact Commission".

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- (b) The purpose of the interstate commission is the administration of the Interstate Medical Licensure Compact,
   which is a discretionary state function.
- 4 (c) The interstate commission shall be a body corporate
  5 and joint agency of the member states and shall have all the
  6 responsibilities, powers, and duties set forth in the compact,
  7 and such additional powers as may be conferred upon it by a
  8 subsequent concurrent action of the respective legislatures of
  9 the member states in accordance with the terms of the compact.
- 10 The interstate commission shall consist of two voting 11 representatives appointed by each member state who shall serve 12 as commissioners. In states where allopathic and osteopathic 13 physicians are regulated by separate member boards, or if the 14 licensing and disciplinary authority is split between separate 15 member boards, or if the licensing and disciplinary authority is 16 split between multiple member boards within a member state, the 17 member state shall appoint one representative from each member 18 board. A commissioner shall be:

1	(2)	An executive	director,	executive	secretary,	or	similar
2		executive of	a member 1	board; or			

- 3 (3) A member of the public appointed to a member board.
- 4 (e) The interstate commission shall meet at least once
- 5 each calendar year. A portion of this meeting shall be a
- 6 business meeting to address such matters as may properly come
- 7 before the commission, including the election of officers. The
- 8 chairperson may call additional meetings and shall call for a
- 9 meeting upon the request of a majority of the member states.
- 10 (f) The bylaws may provide for meetings of the interstate
  11 commission to be conducted by telecommunication or electronic
- 12 communication.
- 13 (g) Each commissioner participating at a meeting of the
- 14 interstate commission is entitled to one vote. A majority of
- 15 commissioners shall constitute a quorum for the transaction of
- 16 business, unless a larger quorum is required by the bylaws of
- 17 the interstate commission. A commissioner shall not delegate a
- 18 vote to another commissioner. In the absence of its
- 19 commissioner, a member state may delegate voting authority for a
- 20 specified meeting to another person from that state who shall
- 21 meet the requirements of subsection (d).

1	(h)	The interstate commission shall provide public notice
2	of all me	etings and all meetings shall be open to the public.
3	The inter	state commission may close a meeting, in full or in
4	portion,	where it determines by a two-thirds vote of the
5	commissio	ners present that an open meeting would be likely to:
6	(1)	Relate solely to the internal personnel practice and
7		procedures of the interstate commission;
8	(2)	Discuss matters specifically exempted from disclosure
9		by federal statute;
10	(3)	Discuss trade secrets, commercial, or financial
11		information that is privileged or confidential;
12	(4)	Involve accusing a person of a crime, or formally
13		censuring a person;
14	(5)	Discuss information of a personal nature where
15		disclosure would constitute a clearly unwarranted
16		invasion of personal privacy;
17	(6)	Discuss investigative records compiled for law
18		enforcement purposes; or
19	(7)	Specifically relate to the participation in a civil
20		action or other legal proceeding.

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- 1 (i) The interstate commission shall keep minutes that
- 2 shall fully describe all matters discussed in a meeting and
- 3 shall provide a full and accurate summary of actions taken,
- 4 including record of any roll call votes.
- 5 (j) The interstate commission shall make its information
- 6 and official records, to the extent not otherwise designated in
- 7 the compact or by its rules, available to the public for
- 8 inspection.
- 9 (k) The interstate commission shall establish an executive
- 10 committee, which shall include officers, members, and others as
- 11 determined by the bylaws. The executive committee shall have
- 12 the power to act on behalf of the interstate commission, with
- 13 the exception of rulemaking, during periods when the interstate
- 14 commission is not in session. When acting on behalf of the
- 15 interstate commission, the executive committee shall oversee the
- 16 administration of the compact, including enforcement and
- 17 compliance with the provisions of the compact, its bylaws and
- 18 rules, and other such duties as necessary.
- (1) The interstate commission shall establish other
- 20 committees for governance and administration of the compact.
- 21 SECTION 12. POWERS AND DUTIES OF THE INTERSTATE COMMISSION

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- 1 (a) Oversee and maintain the administration of the
- 2 compact.
- 3 (b) Promulgate rules, which shall be binding to the extent
- 4 and in the manner provided for in the compact.
- 5 (c) Issue, upon the request of a member state or member
- 6 board, advisory opinions concerning the meaning or
- 7 interpretation of the compact, its bylaws, rules, and actions.
- 8 (d) Enforce compliance with compact provisions, the rules
- 9 promulgated by the interstate commission, and the bylaws, using
- 10 all necessary and proper means, including but not limited to the
- 11 use of judicial process.
- 12 (e) Establish and appoint committees including, but not
- 13 limited to, an executive committee as required by section 11,
- 14 which shall have the power to act on behalf of the interstate
- 15 commission in carrying out its powers and duties.
- 16 (f) Pay, or provide for the payment of the expenses
- 17 related to the establishment, organization, and ongoing
- 18 activities of the interstate commission.
- 19 (g) Establish and maintain one or more offices.
- 20 (h) Borrow, accept, hire, or contract for services of
- 21 personnel.

- 1 (i) Purchase and maintain insurance and bonds.
- 2 (j) Employ an executive director who shall have such
- 3 powers to employ, select or appoint employees, agents, or
- 4 consultants, and to determine their qualifications, define their
- 5 duties, and fix their compensation.
- 6 (k) Establish personnel policies and programs relating to
- 7 conflicts of interest, rates of compensation, and qualifications
- 8 of personnel.
- 9 (1) Accept donations and grants of money, equipment,
- 10 supplies, materials, and services and to receive, utilize, and
- 11 dispose of it in a manner consistent with the conflict of
- 12 interest policies established by the interstate commission.
- 13 (m) Lease, purchase, accept contributions or donations of,
- 14 or otherwise to own, hold, improve, or use, any property, real,
- 15 personal, or mixed.
- 16 (n) Sell, convey, mortgage, pledge, lease, exchange,
- 17 abandon, or otherwise dispose of any property, real, personal,
- 18 or mixed.
- (o) Establish a budget and make expenditures.
- 20 (p) Adopt a seal and bylaws governing the management and
- 21 operation of the interstate commission.

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- 1 (q) Report annually to the legislatures and governors of
- 2 the member states concerning the activities of the interstate
- 3 commission during the preceding year. Such reports shall also
- 4 include reports of financial audits and any recommendations that
- 5 may have been adopted by the interstate commission.
- 6 (r) Coordinate education, training, and public awareness
- 7 regarding the compact, its implementation, and its operation.
- 8 (s) Maintain records in accordance with the bylaws.
- 9 (t) Seek and obtain trademarks, copyrights, and patents.
- (u) Perform such functions as may be necessary or
- 11 appropriate to achieve the purpose of the compact.

#### 12 SECTION 13. FINANCE POWERS

- 13 (a) The interstate commission may levy on and collect an
- 14 annual assessment from each member state to cover the cost of
- 15 the operations and activities of the interstate commission and
- 16 its staff. The total assessment must be sufficient to cover the
- 17 annual budget approved each year for which revenue is not
- 18 provided by other sources. The aggregate annual assessment
- 19 amount shall be allocated upon a formula to be determined by the
- 20 interstate commission, which shall promulgate a rule binding
- 21 upon all member states.

1	(b)	The	interstate	commission	shall	not	incur	obligatio

- 2 of any kind prior to securing the funds adequate to meet the
- 3 same.
- 4 (c) The interstate commission shall not pledge the credit
- 5 of any of the member states, except by, and with the authority
- 6 of, the member state.
- 7 (d) The interstate commission shall be subject to a yearly
- 8 financial audit conducted by a certified or licensed accountant
- 9 and the report of the audit shall be included in the annual
- 10 report of the interstate commission.

#### 11 SECTION 14. ORGANIZATION AND OPERATION OF THE INTERSTATE

### 12 COMMISSION

- 13 (a) The interstate commission shall, by a majority of
- 14 commissioners present and voting, adopt bylaws to govern its
- 15 conduct as may be necessary or appropriate to carry out the
- 16 purposes of the compact within twelve months of the first
- 17 interstate commission meeting.
- 18 (b) The interstate commission shall elect or appoint
- 19 annually from among its Commissioners a chairperson, a vice-
- 20 chairperson, and a treasurer, each of whom shall have such
- 21 authority and duties as may be specified in the bylaws. The

- 1 chairperson, or in the chairperson's absence or disability, the
- 2 vice-chairperson, shall preside at all meetings of the
- 3 interstate commission.
- 4 (c) Officers selected in subsection (b) shall serve
- 5 without remuneration for the interstate commission.
- 6 (d) The officers and employees of the interstate
- 7 commission shall be immune from suit and liability, either
- 8 personally or in their official capacity, for a claim for damage
- 9 to or loss of property or personal injury or other civil
- 10 liability caused or arising out of, or relating to, an actual or
- 11 alleged act, error, or omission that occurred, or that such
- 12 person had a reasonable basis for believing occurred, within the
- 13 scope of interstate commission employment, duties, or
- 14 responsibilities; provided that such person shall not be
- 15 protected from suit or liability for damage, loss, injury, or
- 16 liability caused by the intentional or willful and wanton
- 17 misconduct of such person.
- (e) The liability of the executive director and employees
- 19 of the interstate commission or representatives of the
- 20 interstate commission, acting within the scope of such person's
- 21 employment or duties for acts, errors, or omissions occurring

- 1 within such person's state, may not exceed the limits of
- 2 liability set forth under the constitution and laws of that
- 3 state for state officials, employees, and agents. The
- 4 interstate commission is considered to be an instrumentality of
- 5 the states for the purpose of any such action. Nothing in this
- 6 subsection shall be construed to protect such person from suit
- 7 or liability for damage, loss, injury, or liability caused by
- 8 the intentional or willful and wanton misconduct of such person.
- 9 (f) The interstate commission shall defend the executive
- 10 director, its employees, and subject to the approval of the
- 11 attorney general or other appropriate legal counsel of the
- 12 member state represented by an interstate commission
- 13 representative, shall defend such interstate commission
- 14 representative in any civil action seeking to impose liability
- 15 arising out of an actual or alleged act, error, or omission that
- 16 occurred within the scope of interstate commission employment,
- 17 duties, or responsibilities, or that the defendant had a
- 18 reasonable basis for believing occurred within the scope of
- 19 interstate commission employment, duties, or responsibilities;
- 20 provided that the actual or alleged act, error, or omission did

- 1 not result from intentional or willful and wanton misconduct on
- 2 the part of such person.
- 3 (g) To the extent not covered by the state involved,
- 4 member state, or the interstate commission, the representatives
- 5 or employees of the interstate commission shall be held harmless
- 6 in the amount of a settlement or judgement, including attorney's
- 7 fees and costs, obtained against such persons arising out of an
- 8 actual or alleged act, error, or omission that occurred within
- 9 the scope of the interstate commission employment, duties, or
- 10 responsibilities, or that such persons had a reasonable basis
- 11 for believing occurred within the scope of interstate commission
- 12 employment, duties, or responsibilities; provided that the
- 13 actual or alleged act, error, or omission did not result from
- 14 intentional or willful and wanton misconduct on the part of such
- 15 person.
- 16 SECTION 15. RULEMAKING FUNCTIONS OF THE INTERSTATE COMMISSION
- 17 (a) The interstate commission shall promulgate reasonable
- 18 rules in order to effectively and efficiently achieve the
- 19 purpose of the compact. Notwithstanding the foregoing, in the
- 20 event the interstate commission exercises its rulemaking
- 21 authority in a manner that is beyond the scope of the purposes

- 1 of the compact, or the powers granted hereunder, then such an
- 2 action by the interstate commission shall be invalid and have no
- 3 force or effect.
- 4 (b) Rules deemed appropriate for the operations of the
- 5 interstate commission shall be made pursuant to a rulemaking
- 6 process that substantially conforms to the Model State
- 7 Administrative Procedure Act of 2010, and subsequent amendments
- 8 thereto.
- 9 (c) Not later than thirty days after a rule is
- 10 promulgated, any person may file a petition for judicial review
- 11 of the rule in the United States District Court for the District
- 12 of Columbia or the federal district where the interstate
- 13 commission has its principal offices; provided that the filing
- 14 of such a petition shall not stay or otherwise prevent the rule
- 15 from becoming effective unless the court finds that the
- 16 petitioner has a substantial likelihood of success. The court
- 17 shall give deference to the actions of the interstate commission
- 18 consistent with applicable law and shall not find the rule to be
- 19 unlawful if the rule represents a reasonable exercise of the
- 20 authority granted to the interstate commission.
- 21 SECTION 16. OVERSIGHT OF INTERSTATE COMPACT

- 1 (a) The executive, legislative, and judicial branches of
- 2 state government in each member state shall enforce the compact
- 3 and shall take all actions necessary and appropriate to
- 4 effectuate the compact's purposes and intent. The provisions of
- 5 the compact and the rules promulgated hereunder shall have
- 6 standing as statutory law but shall not override existing state
- 7 authority to regulate the practice of medicine.
- 8 (b) All courts shall take judicial notice of the compact
- 9 and the rules in any judicial or administrative proceeding in a
- 10 member state pertaining to the subject matter of the compact
- 11 that may affect the powers, responsibilities or actions of the
- 12 interstate commission.
- 13 (c) The interstate commission shall be entitled to receive
- 14 all services of process in any such proceeding, and shall have
- 15 standing to intervene in the proceeding for all purposes.
- 16 Failure to provide service of process to the interstate
- 17 commission shall render a judgment or order void as to the
- 18 interstate commission, the compact, or promulgated rules.
- 19 SECTION 17. ENFORCEMENT OF INTERSTATE COMPACT

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- 1 (a) The interstate commission, in the reasonable exercise
- 2 of its discretion, shall enforce the provisions and rules of the
- 3 compact.
- 4 (b) The interstate commission may, by majority vote of the
- 5 commissioners, initiate legal action in the United States Court
- 6 for the District of Columbia, or, at the discretion of the
- 7 interstate commission, in the federal district where the
- 8 interstate commission has its principal offices, to enforce
- 9 compliance with the provisions of the compact, and its
- 10 promulgated rules and bylaws, against a member state in default.
- 11 The relief sought may include both injunctive relief and
- 12 damages. In the event judicial enforcement is necessary, the
- 13 prevailing party shall be awarded all costs of such litigation,
- 14 including reasonable attorney's fees.
- 15 (c) The remedies herein shall not be the exclusive
- 16 remedies of the interstate commission. The interstate
- 17 commission may avail itself of any other remedies available
- 18 under state law or regulation of a profession.
- 19 SECTION 18. DEFAULT PROCEDURES
- 20 (a) The grounds for default include but are not limited to
- 21 failure of a member state to perform such obligations or

- 1 responsibilities imposed upon it by the compact, or the rules
- 2 and bylaws of the interstate commission promulgated under the
- 3 compact.
- 4 (b) If the interstate commission determines that a member
- 5 state has defaulted in the performance of its obligations or
- 6 responsibilities under the compact, or the bylaws or promulgated
- 7 rules, the interstate commission shall:
- 8 (1) Provide written notice to the defaulting state and
- 9 other member states, of the nature of the default, the
- means of curing the default, and any action taken by
- 11 the interstate commission. The interstate commission
- shall specify the conditions by which the defaulting
- state must cure its default; and
- 14 (2) Provide remedial training and specific technical
- assistance regarding the default.
- 16 (c) If the defaulting state fails to cure the default, the
- 17 defaulting state shall be terminated from the compact upon an
- 18 affirmative vote of a majority of the commissioners and all
- 19 rights, privileges, and benefits conferred by the compact shall
- 20 terminate on the effective date of termination. A cure of the

- 1 default does not relieve the offending state of obligations or
- 2 liabilities incurred during the period of the default.
- 3 (d) Termination of membership in the compact shall be
- 4 imposed only after all other means of securing compliance have
- 5 been exhausted. Notice of intent to terminate shall be given by
- 6 the interstate commission to the governor, the majority and
- 7 minority leaders of the defaulting state's legislature, and each
- 8 of the member states.
- 9 (e) The interstate commission shall establish rules and
- 10 procedures to address licenses and physicians that are
- 11 materially impacted by the termination of a member state or the
- 12 withdrawal of a member state.
- 13 (f) The member state that has been terminated is
- 14 responsible for all dues, obligations, and liabilities incurred
- 15 through the effective date of termination including obligations,
- 16 the performance of which extends beyond the effective date of
- 17 termination.
- 18 (g) The interstate commission shall not bear any costs
- 19 relating to any state that has been found to be in default or
- 20 that has been terminated from the compact, unless otherwise

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

### 9 SECTION 19. DISPUTE RESOLUTION

- 10 (a) The interstate commission shall attempt, upon the
- 11 request of a member state, to resolve disputes that are subject
- 12 to the compact and that may arise among member states or member
- 13 boards.
- 14 (b) The interstate commission shall promulgate rules
- 15 providing for both mediation and binding dispute resolution, as
- 16 appropriate.
- 17 SECTION 20. MEMBER STATES, EFFECTIVE DATE, AND AMENDMENT
- 18 (a) Any state is eligible to become a member of the
- 19 compact.
- 20 (b) The compact shall become effective and binding upon
- 21 legislative enactment of the compact into law by no less than

- 1 seven states. Thereafter, it shall become effective and binding
- 2 on a state upon enactment of the compact into law by that state.
- 3 (c) The governors of non-member states, or their
- 4 designees, shall be invited to participate in the activities of
- 5 the interstate commission on a non-voting basis prior to
- 6 adoption of the compact by all states.
- 7 (d) The interstate commission may propose amendments to
- 8 the compact for enactment by the member states. No amendment
- 9 shall become effective and binding upon the interstate
- 10 commission and the member states unless and until it is enacted
- 11 into law by unanimous consent of the member states.
- 12 SECTION 21. WITHDRAWAL
- 13 (a) Once effective, the compact shall continue in force
- 14 and remain binding upon each and every member state; provided
- 15 that a member state may withdraw from the compact by
- 16 specifically repealing the statute that enacted the compact into
- 17 law.
- 18 (b) Withdrawal from the compact shall be by the enactment
- 19 of a statute repealing the same, but shall not take effect until
- 20 one year after the effective date of such statute and until

- 1 written notice of the withdrawal has been given by the
- 2 withdrawing state to the governor of each other member state.
- 3 (c) The withdrawing state shall immediately notify the
- 4 chairperson of the interstate commission in writing upon the
- 5 introduction of legislation repealing the compact in the
- 6 withdrawing state.
- 7 (d) The interstate commission shall notify the other
- 8 member states of the withdrawing state's intent to withdraw
- 9 within sixty days of its receipt of notice provided under
- 10 subsection (c).
- (e) The withdrawing state is responsible for all dues,
- 12 obligations, and liabilities incurred through the effective date
- 13 of withdrawal, including obligations, the performance of which
- 14 extend beyond the effective date of withdrawal.
- 15 (f) Reinstatement following withdrawal of a member state
- 16 shall occur upon the withdrawing date reenacting the compact or
- 17 upon such later date as determined by the interstate commission.
- 18 (g) The interstate commission is authorized to develop
- 19 rules to address the impact of the withdrawal of a member state
- 20 on licenses granted in other member states to physicians who

- 1 designated the withdrawing member state as the state of
- 2 principal license.

### 3 SECTION 22. DISSOLUTION

- 4 (a) The compact shall dissolve effective upon the date of
- 5 the withdrawal or default of the member state which reduces the
- 6 membership of the compact to one member state.
- 7 (b) Upon the dissolution of the compact, the compact
- 8 becomes null and void and shall be of no further force or
- 9 effect, and the business and affairs of the interstate
- 10 commission shall be concluded, and surplus funds shall be
- 11 distributed in accordance with the bylaws.

#### 12 SECTION 23. SEVERABILITY AND CONSTRUCTION

- 13 (a) The provisions of the compact shall be severable, and
- 14 if any phrase, clause, sentence, or provision is deemed
- 15 unenforceable, the remaining provisions of the compact shall be
- 16 enforceable.
- 17 (b) The provisions of the compact shall be liberally
- 18 construed to effectuate its purposes.
- (c) Nothing in the compact shall be construed to prohibit
- 20 the applicability of other interstate compacts to which the
- 21 member states are members.

#### 1 SECTION 24. BINDING EFFECT OF COMPACT AND OTHER LAWS

- 2 (a) Nothing herein prevents the enforcement of any other
- 3 law of a member state that is not inconsistent with the compact.
- 4 (b) All laws in a member state in conflict with the
- 5 compact are superseded to the extent of the conflict.
- 6 (c) All lawful actions of the interstate commission,
- 7 including all rules and bylaws promulgated by the interstate
- 8 commission, are binding upon the member states.
- 9 (d) All agreements between the interstate commission and
- 10 the member states are binding in accordance with their terms.
- (e) In the event any provision of the compact exceeds the
- 12 constitutional limits imposed on the legislature of any member
- 13 state, such provision shall be ineffective to the extent of the
- 14 conflict with the constitutional provision in question in that
- 15 member state."
- 16 SECTION 2. There is appropriated out of the general
- 17 revenues of the State of Hawaii the sum of \$ or so
- 18 much thereof as may be necessary for fiscal year 2023-2024 and
- 19 the same sum or so much thereof as may be necessary for fiscal
- 20 year 2024-2025 for the establishment of full time
- 21 equivalent ( FTE) positions within the department of

- 1 commerce and consumer affairs' professional and vocational
- 2 licensing division.
- 3 The sums appropriated shall be expended by the department
- 4 of commerce and consumer affairs for the purposes of this Act.
- 5 SECTION 3. There is appropriated out of the general
- 6 revenues of the State of Hawaii the sum of \$ or so
- 7 much thereof as may be necessary for fiscal year 2023-2024 and
- 8 the same sum or so much thereof as may be necessary for fiscal
- 9 year 2024-2025 for necessary upgrades to the internal database
- 10 of the department of commerce and consumer affairs' professional
- 11 and vocational licensing division.
- 12 The sums appropriated shall be expended by the department
- 13 of commerce and consumer affairs for the purposes of this Act.
- 14 SECTION 4. This Act shall take effect on June 30, 3000;
- 15 provided that section 1 of this act shall take effect on
- 16 June 30, 3001.

### Report Title:

Interstate Medical Licensure Compact; Adoption; Professional and Vocational Licensing Division; Appropriation

### Description:

Adopts the Interstate Medical Licensure Compact to create a comprehensive process that complements the existing licensing and regulatory authority of state medical boards and provides a streamlined process that allows physicians to become licensed in multiple states. Appropriates funds. Effective 6/30/3000. (HD1)

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