

**HOUSE SUBSTITUTE FOR
SENATE BILL NO. 435**

A bill to amend 1978 PA 368, entitled
"Public health code,"
by amending sections 2701, 2711, 2717, and 16189 (MCL 333.2701,
333.2711, 333.2717, and 333.16189), section 2701 as amended by 2016
PA 499, section 2711 as amended by 2014 PA 172, section 2717 as
added by 1990 PA 16, and section 16189 as added by 2018 PA 563; and
to repeal acts and parts of acts.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

- 1 Sec. 2701. As used in this part:
2 (a) "Board certified" means certified to practice in a
3 particular medical specialty by a national board recognized by the
4 American Board of Medical Specialties or the American Osteopathic
5 Association.



1 (b) "Certified nurse midwife" means an individual who is
2 licensed as a registered professional nurse under part 172 who has
3 been granted a specialty certification in the practice of nurse
4 midwifery by the Michigan board of nursing under section 17210.

5 (c) "Certified nurse practitioner" means an individual who is
6 licensed as a registered professional nurse under part 172 who has
7 been granted a specialty certification as a nurse practitioner by
8 the Michigan board of nursing under section 17210.

9 (d) "Clinical nurse specialist-certified" means an individual
10 who is licensed as a registered professional nurse under part 172
11 who has been granted a specialty certification as a clinical nurse
12 specialist by the Michigan board of nursing under section 17210.

13 (e) "Dental school" means an accredited program for the
14 training of individuals to become dentists.

15 (f) "Dentist" means an individual who is licensed to engage in
16 the practice of dentistry under part 166.

17 (g) "Designated **advanced practice registered** nurse" means a
18 certified nurse midwife, certified nurse practitioner, or clinical
19 nurse specialist-certified.

20 (h) "**Designated mental health professional**" means an
21 individual who is qualified in the area of mental illness or
22 developmental disabilities and who is 1 of the following:

23 (i) **A nurse.**

24 (ii) **A psychologist.**

25 (iii) **A licensed master's social worker.**

26 (iv) **A licensed professional counselor.**

27 (v) **A marriage and family therapist.**

28 (i) ~~(h)~~ "Designated physician" means a physician qualified in
29 1 of the physician specialty areas identified in section 2711.



1 (j) ~~(i)~~—"Designated professional" means a designated
 2 physician, designated **advanced practice registered** nurse, dentist,
 3 ~~or~~ physician's assistant, **or designated mental health professional.**

4 (k) ~~(j)~~—"Health resource shortage area" means a geographic
 5 area, population group, or health facility designated by the
 6 department under section 2717.

7 (l) **"Licensed master's social worker" means an individual who**
 8 **is licensed under part 185 to engage in the practice of social work**
 9 **at the master's level.**

10 (m) **"Licensed professional counselor" means an individual who**
 11 **is licensed under part 181 to engage in the practice of counseling**
 12 **without supervision.**

13 (n) **"Marriage and family therapist" means an individual who is**
 14 **licensed under part 169 to engage in the practice of marriage and**
 15 **family therapy.**

16 (o) ~~(k)~~—"Medicaid" means benefits under the program of medical
 17 assistance established under title XIX of the social security act,
 18 42 USC 1396 to ~~1396w-5,~~ **1396w-6**, and administered by the department
 19 under the social welfare act, 1939 PA 280, MCL 400.1 to 400.119b.

20 (p) ~~(l)~~—"Medical school" means an accredited program for the
 21 training of individuals to become physicians.

22 (q) ~~(m)~~—"Medicare" means benefits under the federal Medicare
 23 program established under title XVIII of the social security act,
 24 42 USC 1395 to 1395lll.

25 (r) **"Mental health professional program" means an accredited**
 26 **program for the training of individuals to become a designated**
 27 **mental health professional.**

28 (s) ~~(n)~~—"National Health Service Corps" means the agency
 29 established under 42 USC 254d.



1 (t) ~~(e)~~ "Nurse" means an individual who is licensed to engage
2 in the practice of nursing under part 172.

3 (u) ~~(p)~~ "Nursing program" means an accredited program for the
4 training of individuals to become nurses.

5 (v) ~~(q)~~ "Physician" means an individual who is licensed as a
6 physician under part 170 or part 175.

7 (w) ~~(r)~~ "Physician's assistant" means an individual who is
8 licensed as a physician's assistant under part 170 or part 175.

9 (x) ~~(s)~~ "Physician's assistant program" means an accredited
10 program for the training of individuals to become physician's
11 assistants.

12 (y) **"Psychologist" means an individual licensed to engage in**
13 **the practice of psychology under part 182.**

14 (z) ~~(t)~~ "Service obligation" means the contractual obligation
15 undertaken by an individual under section 2705 or section 2707 to
16 provide health care services for a determinable time period at a
17 site designated by the department.

18 Sec. 2711. (1) For the programs created in sections 2705 and
19 2707, the department shall only recruit physicians who are
20 qualified or students who are training to become qualified in 1 or
21 more of the following designated physician specialty areas:

- 22 (a) General practice.
- 23 (b) Family practice.
- 24 (c) Obstetrics.
- 25 (d) Pediatrics.
- 26 (e) Emergency medicine.
- 27 (f) Internal medicine.
- 28 (g) Preventive medicine.
- 29 (h) Psychiatry **or behavioral sciences.**



1 **(i) Geriatrics.**

2 (2) When enrolling individuals to participate in the programs
3 created in sections 2705 and 2707, the department may give
4 preference to an individual who is qualified or studying in 1 or
5 more of the specific designated physician specialty areas of
6 general practice, family practice, obstetrics, pediatrics, or
7 internal medicine over an individual **who is** qualified or studying
8 in another designated physician specialty area described in
9 subsection (1).

10 (3) As used in this section, "qualified" means board certified
11 or eligible for board certification.

12 Sec. 2717. (1) The department shall develop criteria for ~~the~~
13 ~~identification and designation of~~ **identifying and designating** a
14 geographic area, population group, or health facility as a health
15 resource shortage area. In developing the criteria, the department
16 shall consider the needs of rural areas. The criteria may include,
17 but are not limited to, all of the following:

- 18 (a) Infant mortality rate.
19 (b) Percentage of population below 100% of the poverty line.
20 (c) Percentage of population age 65 and over.
21 (d) Appropriate physician to population ratio.
22 (e) Percentage of population eligible for ~~medicaid.~~ **Medicaid.**
23 (f) Aggregate unemployment rate.
24 (g) Percentage of practicing physicians who accept ~~medicare~~
25 **Medicare** or ~~medicaid.~~ **Medicaid** assignment.
26 (h) Geographic proximity of physicians to the resident
27 population.

28 (i) Average time the resident population must travel to obtain
29 physician services from physicians in a designated physician



1 specialty area.

2 (2) On the basis of the criteria set forth in subsection (1),
3 the department shall identify and designate geographic areas,
4 population groups, and health facilities in ~~Michigan~~**this state** as
5 health resource shortage areas for 1 or more designated
6 professionals.

7 (3) Each of the following ~~shall be~~**is** considered a health
8 resource shortage area:

9 (a) A health ~~manpower~~**professional** shortage area, as
10 designated under section 332 of title III of the public health
11 service act, 42 U.S.C.~~—USC~~ 254e, that is located in this state.

12 (b) A population of an urban or rural area designated as an
13 area with a shortage of personal health services, as designated
14 under section 330(b)(3) of title III of the public health service
15 act, 42 U.S.C.~~—USC~~ 254c, that is located within this state.

16 (c) A population group designated as having a shortage of
17 personal health services, as designated under section 330(b)(3) of
18 title III of the public health service act, 42 U.S.C.~~—USC~~ 254c,
19 that is located within this state.

20 Sec. 16189. (1) Beginning ~~180 days after the effective date of~~
21 ~~this section,~~**September 24, 2019**, the interstate medical licensure
22 compact is enacted into law and entered into by this state as a
23 party with all jurisdictions that legally join in the compact, in
24 the form substantially as follows:

25 INTERSTATE MEDICAL LICENSURE COMPACT

26 SECTION 1. PURPOSE

27 In order to strengthen access to health care, and in
28 recognition of the advances in the delivery of health care, the
29 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, provides a streamlined process that allows
4 physicians to become licensed in multiple states, thereby enhancing
5 the portability of a medical license and ensuring the safety of
6 patients. The Compact creates another pathway for licensure and
7 does not otherwise change a state's existing Medical Practice Act.
8 The Compact also adopts the prevailing standard for licensure and
9 affirms that the practice of medicine occurs where the patient is
10 located at the time of the physician-patient encounter, and
11 therefore, requires the physician to be under the jurisdiction of
12 the state medical board where the patient is located. State medical
13 boards that participate in the Compact retain the jurisdiction to
14 impose an adverse action against a license to practice medicine in
15 that state issued to a physician through the procedures in the
16 Compact.

17 SECTION 2. DEFINITIONS

18 In this compact:

19 (a) "Bylaws" means those bylaws established by the Interstate
20 Commission pursuant to Section 11 for its governance, or for
21 directing and controlling its actions and conduct.

22 (b) "Commissioner" means the voting representative appointed
23 by each member board pursuant to Section 11.

24 (c) "Conviction" means a finding by a court that an individual
25 is guilty of a criminal offense through adjudication, or entry of a
26 plea of guilt or no contest to the charge by the offender. Evidence
27 of an entry of a conviction of a criminal offense by the court
28 shall be considered final for purposes of disciplinary action by a
29 member board.



1 (d) "Expedited License" means a full and unrestricted medical
2 license granted by a member state to an eligible physician through
3 the process set forth in the Compact.

4 (e) "Interstate Commission" means the interstate commission
5 created pursuant to Section 11.

6 (f) "License" means authorization by a state for a physician
7 to engage in the practice of medicine, which would be unlawful
8 without the authorization.

9 (g) "Medical Practice Act" means laws and regulations
10 governing the practice of allopathic and osteopathic medicine
11 within a member state.

12 (h) "Member Board" means a state agency in a member state that
13 acts in the sovereign interests of the state by protecting the
14 public through licensure, regulation, and education of physicians
15 as directed by the state government.

16 (i) "Member State" means a state that has enacted the Compact.

17 (j) "Practice of medicine" means the diagnosis, treatment,
18 prevention, cure, or relieving of a human disease, ailment, defect,
19 complaint, or other physical or mental condition, by attendance,
20 advice, device, diagnostic test, or other means, or offering,
21 undertaking, attempting to do, or holding oneself out as able to
22 do, any of these acts.

23 (k) "Physician" means any person who:

24 (1) Is a graduate of a medical school accredited by the
25 Liaison Committee on Medical Education, the Commission on
26 Osteopathic College Accreditation, or a medical school listed in
27 the International Medical Education Directory or its equivalent;

28 (2) Passed each component of the United States Medical
29 Licensing Examination (USMLE) or the Comprehensive Osteopathic



1 Medical Licensing Examination (COMLEX-USA) within three attempts,
2 or any of its predecessor examinations accepted by a state medical
3 board as an equivalent examination for licensure purposes;

4 (3) Successfully completed graduate medical education approved
5 by the Accreditation Council for Graduate Medical Education or the
6 American Osteopathic Association;

7 (4) Holds specialty certification or a time-unlimited
8 specialty certificate recognized by the American Board of Medical
9 Specialties or the American Osteopathic Association's Bureau of
10 Osteopathic Specialists; however, the specialty certification or a
11 time-unlimited specialty certificate does not have to be maintained
12 once a physician is initially determined to be eligible for
13 expedited licensure through the Compact;

14 (5) Possesses a full and unrestricted license to engage in the
15 practice of medicine issued by a member board;

16 (6) Has never been convicted, received adjudication, deferred
17 adjudication, community supervision, or deferred disposition for
18 any offense by a court of appropriate jurisdiction;

19 (7) Has never held a license authorizing the practice of
20 medicine subjected to discipline by a licensing agency in any
21 state, federal, or foreign jurisdiction, excluding any action
22 related to non-payment of fees related to a license;

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

26 (9) Is not under active investigation by a licensing agency or
27 law enforcement authority in any state, federal, or foreign
28 jurisdiction.

29 (l) "Offense" means a felony, high court misdemeanor, or crime



1 of moral turpitude.

2 (m) "Rule" means a written statement by the Interstate
 3 Commission promulgated pursuant to Section 12 of the Compact that
 4 is of general applicability, implements, interprets, or prescribes
 5 a policy or provision of the Compact, or an organizational,
 6 procedural, or practice requirement of the Interstate Commission,
 7 and has the force and effect of statutory law in a member state, if
 8 the rule is not inconsistent with the laws of the member state. The
 9 term includes the amendment, repeal, or suspension of an existing
 10 rule.

11 (n) "State" means any state, commonwealth, district, or
 12 territory of the United States.

13 (o) "State of Principal License" means a member state where a
 14 physician holds a license to practice medicine and which has been
 15 designated as such by the physician for purposes of registration
 16 and participation in the Compact.

17 SECTION 3. ELIGIBILITY

18 (a) A physician must meet the eligibility requirements as
 19 defined in Section 2(k) to receive an expedited license under the
 20 terms and provisions of the Compact.

21 (b) A physician who does not meet the requirements of Section
 22 2(k) may obtain a license to practice medicine in a member state if
 23 the individual complies with all laws and requirements, other than
 24 the Compact, relating to the issuance of a license to practice
 25 medicine in that state.

26 SECTION 4. DESIGNATION OF STATE OF PRINCIPAL LICENSE

27 (a) A physician shall designate a member state as the state of
 28 principal license for purposes of registration for expedited
 29 licensure through the Compact if the physician possesses a full and



1 unrestricted license to practice medicine in that state, and the
2 state is:

3 (1) the state of primary residence for the physician, or

4 (2) the state where at least 25% of the practice of medicine
5 occurs, or

6 (3) the location of the physician's employer, or

7 (4) if no state qualifies under subsection (1), subsection
8 (2), or subsection (3), the state designated as state of residence
9 for purpose of federal income tax.

10 (b) A physician may redesignate a member state as state of
11 principal license at any time, as long as the state meets the
12 requirements in subsection (a).

13 (c) The Interstate Commission is authorized to develop rules
14 to facilitate redesignation of another member state as the state of
15 principal license.

16 SECTION 5. APPLICATION AND ISSUANCE OF EXPEDITED LICENSURE

17 (a) A physician seeking licensure through the Compact shall
18 file an application for an expedited license with the member board
19 of the state selected by the physician as the state of principal
20 license.

21 (b) Upon receipt of an application for an expedited license,
22 the member board within the state selected as the state of
23 principal license shall evaluate whether the physician is eligible
24 for expedited licensure and issue a letter of qualification,
25 verifying or denying the physician's eligibility, to the Interstate
26 Commission.

27 (i) Static qualifications, which include verification of
28 medical education, graduate medical education, results of any
29 medical or licensing examination, and other qualifications as



1 determined by the Interstate Commission through rule, shall not be
2 subject to additional primary source verification where already
3 primary source verified by the state of principal license.

4 (ii) The member board within the state selected as the state of
5 principal license shall, in the course of verifying eligibility,
6 perform a criminal background check of an applicant, including the
7 use of the results of fingerprint or other biometric data checks
8 compliant with the requirements of the Federal Bureau of
9 Investigation, with the exception of federal employees who have
10 suitability determination in accordance with U.S. CFR §731.202.

11 (iii) Appeal on the determination of eligibility shall be made
12 to the member state where the application was filed and shall be
13 subject to the law of that state.

14 (c) Upon verification in subsection (b), physicians eligible
15 for an expedited license shall complete the registration process
16 established by the Interstate Commission to receive a license in a
17 member state selected pursuant to subsection (a), including the
18 payment of any applicable fees.

19 (d) After receiving verification of eligibility under
20 subsection (b) and any fees under subsection (c), a member board
21 shall issue an expedited license to the physician. This license
22 shall authorize the physician to practice medicine in the issuing
23 state consistent with the Medical Practice Act and all applicable
24 laws and regulations of the issuing member board and member state.

25 (e) An expedited license shall be valid for a period
26 consistent with the licensure period in the member state and in the
27 same manner as required for other physicians holding a full and
28 unrestricted license within the member state.

29 (f) An expedited license obtained through the Compact shall be



1 terminated if a physician fails to maintain a license in the state
 2 of principal licensure for a non-disciplinary reason, without
 3 redesignation of a new state of principal licensure.

4 (g) The Interstate Commission is authorized to develop rules
 5 regarding the application process, including payment of any
 6 applicable fees, and the issuance of an expedited license.

7 SECTION 6. FEES FOR EXPEDITED LICENSURE

8 (a) A member state issuing an expedited license authorizing
 9 the practice of medicine in that state, or the regulating authority
 10 of the member state, may impose a fee for a license issued or
 11 renewed through the Compact.

12 (b) The Interstate Commission is authorized to develop rules
 13 regarding fees for expedited licenses. However, those rules shall
 14 not limit the authority of a member state, or the regulating
 15 authority of the member state, to impose and determine the amount
 16 of a fee under subsection (a).

17 SECTION 7. RENEWAL AND CONTINUED PARTICIPATION

18 (a) A physician seeking to renew an expedited license granted
 19 in a member state shall complete a renewal process with the
 20 Interstate Commission if the physician:

21 (1) Maintains a full and unrestricted license in a state of
 22 principal license;

23 (2) Has not been convicted, received adjudication, deferred
 24 adjudication, community supervision, or deferred disposition for
 25 any offense by a court of appropriate jurisdiction;

26 (3) Has not had a license authorizing the practice of medicine
 27 subject to discipline by a licensing agency in any state, federal,
 28 or foreign jurisdiction, excluding any action related to non-
 29 payment of fees related to a license; and



1 (4) Has not had a controlled substance license or permit
 2 suspended or revoked by a state or the United States Drug
 3 Enforcement Administration.

4 (b) Physicians shall comply with all continuing professional
 5 development or continuing medical education requirements for
 6 renewal of a license issued by a member state.

7 (c) The Interstate Commission shall collect any renewal fees
 8 charged for the renewal of a license and distribute the fees to the
 9 applicable member board.

10 (d) Upon receipt of any renewal fees collected in subsection
 11 (c), a member board shall renew the physician's license.

12 (e) Physician information collected by the Interstate
 13 Commission during the renewal process will be distributed to all
 14 member boards.

15 (f) The Interstate Commission is authorized to develop rules
 16 to address renewal of licenses obtained through the Compact.

17 SECTION 8. COORDINATED INFORMATION SYSTEM

18 (a) The Interstate Commission shall establish a database of
 19 all physicians licensed, or who have applied for licensure, under
 20 Section 5.

21 (b) Notwithstanding any other provision of law, member boards
 22 shall report to the Interstate Commission any public action or
 23 complaints against a licensed physician who has applied or received
 24 an expedited license through the Compact.

25 (c) Member boards shall report disciplinary or investigatory
 26 information determined as necessary and proper by rule of the
 27 Interstate Commission.

28 (d) Member boards may report any non-public complaint,
 29 disciplinary, or investigatory information not required by



1 subsection (c) to the Interstate Commission.

2 (e) Member boards shall share complaint or disciplinary
3 information about a physician upon request of another member board.

4 (f) All information provided to the Interstate Commission or
5 distributed by member boards shall be confidential, filed under
6 seal, and used only for investigatory or disciplinary matters.

7 (g) The Interstate Commission is authorized to develop rules
8 for mandated or discretionary sharing of information by member
9 boards.

10 SECTION 9. JOINT INVESTIGATIONS

11 (a) Licensure and disciplinary records of physicians are
12 deemed investigative.

13 (b) In addition to the authority granted to a member board by
14 its respective Medical Practice Act or other applicable state law,
15 a member board may participate with other member boards in joint
16 investigations of physicians licensed by the member boards.

17 (c) A subpoena issued by a member state shall be enforceable
18 in other member states.

19 (d) Member boards may share any investigative, litigation, or
20 compliance materials in furtherance of any joint or individual
21 investigation initiated under the Compact.

22 (e) Any member state may investigate actual or alleged
23 violations of the statutes authorizing the practice of medicine in
24 any other member state in which a physician holds a license to
25 practice medicine.

26 SECTION 10. DISCIPLINARY ACTIONS

27 (a) Any disciplinary action taken by any member board against
28 a physician licensed through the Compact shall be deemed
29 unprofessional conduct which may be subject to discipline by other



1 member boards, in addition to any violation of the Medical Practice
2 Act or regulations in that state.

3 (b) If a license granted to a physician by the member board in
4 the state of principal license is revoked, surrendered or
5 relinquished in lieu of discipline, or suspended, then all licenses
6 issued to the physician by member boards shall automatically be
7 placed, without further action necessary by any member board, on
8 the same status. If the member board in the state of principal
9 license subsequently reinstates the physician's license, a license
10 issued to the physician by any other member board shall remain
11 encumbered until that respective member board takes action to
12 reinstate the license in a manner consistent with the Medical
13 Practice Act of that state.

14 (c) If disciplinary action is taken against a physician by a
15 member board not in the state of principal license, any other
16 member board may deem the action conclusive as to matter of law and
17 fact decided, and:

18 (i) impose the same or lesser sanction(s) against the physician
19 so long as such sanctions are consistent with the Medical Practice
20 Act of that state;

21 (ii) or pursue separate disciplinary action against the
22 physician under its respective Medical Practice Act, regardless of
23 the action taken in other member states.

24 (d) If a license granted to a physician by a member board is
25 revoked, surrendered or relinquished in lieu of discipline, or
26 suspended, then any license(s) issued to the physician by any other
27 member board(s) shall be suspended, automatically and immediately
28 without further action necessary by the other member board(s), for
29 ninety (90) days upon entry of the order by the disciplining board,



1 to permit the member board(s) to investigate the basis for the
 2 action under the Medical Practice Act of that state. A member board
 3 may terminate the automatic suspension of the license it issued
 4 prior to the completion of the ninety (90) day suspension period in
 5 a manner consistent with the Medical Practice Act of that state.

6 SECTION 11. INTERSTATE MEDICAL LICENSURE COMPACT COMMISSION

7 (a) The member states hereby create the "Interstate Medical
 8 Licensure Compact Commission".

9 (b) The purpose of the Interstate Commission is the
 10 administration of the Interstate Medical Licensure Compact, which
 11 is a discretionary state function.

12 (c) The Interstate Commission shall be a body corporate and
 13 joint agency of the member states and shall have all the
 14 responsibilities, powers, and duties set forth in the Compact, and
 15 such additional powers as may be conferred upon it by a subsequent
 16 concurrent action of the respective legislatures of the member
 17 states in accordance with the terms of the Compact.

18 (d) The Interstate Commission shall consist of two voting
 19 representatives appointed by each member state who shall serve as
 20 Commissioners. In states where allopathic and osteopathic
 21 physicians are regulated by separate member boards, or if the
 22 licensing and disciplinary authority is split between multiple
 23 member boards within a member state, the member state shall appoint
 24 one representative from each member board. A Commissioner shall be
 25 a(n):

26 (1) Allopathic or osteopathic physician appointed to a member
 27 board;

28 (2) Executive director, executive secretary, or similar
 29 executive of a member board; or



1 (3) Member of the public appointed to a member board.

2 (e) The Interstate Commission shall meet at least once each
3 calendar year. A portion of this meeting shall be a business
4 meeting to address such matters as may properly come before the
5 Commission, including the election of officers. The chairperson may
6 call additional meetings and shall call for a meeting upon the
7 request of a majority of the member states.

8 (f) The bylaws may provide for meetings of the Interstate
9 Commission to be conducted by telecommunication or electronic
10 communication.

11 (g) Each Commissioner participating at a meeting of the
12 Interstate Commission is entitled to one vote. A majority of
13 Commissioners shall constitute a quorum for the transaction of
14 business, unless a larger quorum is required by the bylaws of the
15 Interstate Commission. A Commissioner shall not delegate a vote to
16 another Commissioner. In the absence of its Commissioner, a member
17 state may delegate voting authority for a specified meeting to
18 another person from that state who shall meet the requirements of
19 subsection (d).

20 (h) The Interstate Commission shall provide public notice of
21 all meetings and all meetings shall be open to the public. The
22 Interstate Commission may close a meeting, in full or in portion,
23 where it determines by a two-thirds vote of the Commissioners
24 present that an open meeting would be likely to:

25 (1) Relate solely to the internal personnel practices and
26 procedures of the Interstate Commission;

27 (2) Discuss matters specifically exempted from disclosure by
28 federal statute;

29 (3) Discuss trade secrets, commercial, or financial



1 information that is privileged or confidential;

2 (4) Involve accusing a person of a crime, or formally
3 censuring a person;

4 (5) Discuss information of a personal nature where disclosure
5 would constitute a clearly unwarranted invasion of personal
6 privacy;

7 (6) Discuss investigative records compiled for law enforcement
8 purposes; or

9 (7) Specifically relate to the participation in a civil action
10 or other legal proceeding.

11 (i) The Interstate Commission shall keep minutes which shall
12 fully describe all matters discussed in a meeting and shall provide
13 a full and accurate summary of actions taken, including record of
14 any roll call votes.

15 (j) The Interstate Commission shall make its information and
16 official records, to the extent not otherwise designated in the
17 Compact or by its rules, available to the public for inspection.

18 (k) The Interstate Commission shall establish an executive
19 committee, which shall include officers, members, and others as
20 determined by the bylaws. The executive committee shall have the
21 power to act on behalf of the Interstate Commission, with the
22 exception of rulemaking, during periods when the Interstate
23 Commission is not in session. When acting on behalf of the
24 Interstate Commission, the executive committee shall oversee the
25 administration of the Compact including enforcement and compliance
26 with the provisions of the Compact, its bylaws and rules, and other
27 such duties as necessary.

28 (l) The Interstate Commission may establish other committees
29 for governance and administration of the Compact.



1 SECTION 12. POWERS AND DUTIES OF THE INTERSTATE COMMISSION

2 The Interstate Commission shall have the duty and power to:

3 (a) Oversee and maintain the administration of the Compact;

4 (b) Promulgate rules which shall be binding to the extent and
5 in the manner provided for in the Compact;6 (c) Issue, upon the request of a member state or member board,
7 advisory opinions concerning the meaning or interpretation of the
8 Compact, its bylaws, rules, and actions;9 (d) Enforce compliance with Compact provisions, the rules
10 promulgated by the Interstate Commission, and the bylaws, using all
11 necessary and proper means, including but not limited to the use of
12 judicial process;13 (e) Establish and appoint committees including, but not
14 limited to, an executive committee as required by Section 11, which
15 shall have the power to act on behalf of the Interstate Commission
16 in carrying out its powers and duties;17 (f) Pay, or provide for the payment of the expenses related to
18 the establishment, organization, and ongoing activities of the
19 Interstate Commission;

20 (g) Establish and maintain one or more offices;

21 (h) Borrow, accept, hire, or contract for services of
22 personnel;

23 (i) Purchase and maintain insurance and bonds;

24 (j) Employ an executive director who shall have such powers to
25 employ, select or appoint employees, agents, or consultants, and to
26 determine their qualifications, define their duties, and fix their
27 compensation;28 (k) Establish personnel policies and programs relating to
29 conflicts of interest, rates of compensation, and qualifications of

1 personnel;

2 (l) Accept donations and grants of money, equipment, supplies,
3 materials and services, and to receive, utilize, and dispose of it
4 in a manner consistent with the conflict of interest policies
5 established by the Interstate Commission;

6 (m) Lease, purchase, accept contributions or donations of, or
7 otherwise to own, hold, improve or use, any property, real,
8 personal, or mixed;

9 (n) Sell, convey, mortgage, pledge, lease, exchange, abandon,
10 or otherwise dispose of any property, real, personal, or mixed;

11 (o) Establish a budget and make expenditures;

12 (p) Adopt a seal and bylaws governing the management and
13 operation of the Interstate Commission;

14 (q) Report annually to the legislatures and governors of the
15 member states concerning the activities of the Interstate
16 Commission during the preceding year. Such reports shall also
17 include reports of financial audits and any recommendations that
18 may have been adopted by the Interstate Commission;

19 (r) Coordinate education, training, and public awareness
20 regarding the Compact, its implementation, and its operation;

21 (s) Maintain records in accordance with the bylaws;

22 (t) Seek and obtain trademarks, copyrights, and patents; and

23 (u) Perform such functions as may be necessary or appropriate
24 to achieve the purposes of the Compact.

25 SECTION 13. FINANCE POWERS

26 (a) The Interstate Commission may levy on and collect an
27 annual assessment from each member state to cover the cost of the
28 operations and activities of the Interstate Commission and its
29 staff. The total assessment, subject to appropriation, must be



1 sufficient to cover the annual budget approved each year for which
 2 revenue is not provided by other sources. The aggregate annual
 3 assessment amount shall be allocated upon a formula to be
 4 determined by the Interstate Commission, which shall promulgate a
 5 rule binding upon all member states.

6 (b) The Interstate Commission shall not incur obligations of
 7 any kind prior to securing the funds adequate to meet the same.

8 (c) The Interstate Commission shall not pledge the credit of
 9 any of the member states, except by, and with the authority of, the
 10 member state.

11 (d) The Interstate Commission shall be subject to a yearly
 12 financial audit conducted by a certified or licensed public
 13 accountant and the report of the audit shall be included in the
 14 annual report of the Interstate Commission.

15 SECTION 14. ORGANIZATION AND OPERATION OF THE INTERSTATE
 16 COMMISSION

17 (a) The Interstate Commission shall, by a majority of
 18 Commissioners present and voting, adopt bylaws to govern its
 19 conduct as may be necessary or appropriate to carry out the
 20 purposes of the Compact within twelve (12) months of the first
 21 Interstate Commission meeting.

22 (b) The Interstate Commission shall elect or appoint annually
 23 from among its Commissioners a chairperson, a vice-chairperson, and
 24 a treasurer, each of whom shall have such authority and duties as
 25 may be specified in the bylaws. The chairperson, or in the
 26 chairperson's absence or disability, the vice-chairperson, shall
 27 preside at all meetings of the Interstate Commission.

28 (c) Officers selected in subsection (b) shall serve without
 29 remuneration from the Interstate Commission.



1 (d) The officers and employees of the Interstate Commission
2 shall be immune from suit and liability, either personally or in
3 their official capacity, for a claim for damage to or loss of
4 property or personal injury or other civil liability caused or
5 arising out of, or relating to, an actual or alleged act, error, or
6 omission that occurred, or that such person had a reasonable basis
7 for believing occurred, within the scope of Interstate Commission
8 employment, duties, or responsibilities; provided that such person
9 shall not be protected from suit or liability for damage, loss,
10 injury, or liability caused by the intentional or willful and
11 wanton misconduct of such person.

12 (1) The liability of the executive director and employees of
13 the Interstate Commission or representatives of the Interstate
14 Commission, acting within the scope of such person's employment or
15 duties for acts, errors, or omissions occurring within such
16 person's state, may not exceed the limits of liability set forth
17 under the constitution and laws of that state for state officials,
18 employees, and agents. The Interstate Commission is considered to
19 be an instrumentality of the states for the purposes of any such
20 action. Nothing in this subsection shall be construed to protect
21 such person from suit or liability for damage, loss, injury, or
22 liability caused by the intentional or willful and wanton
23 misconduct of such person.

24 (2) The Interstate Commission shall defend the executive
25 director, its employees, and subject to the approval of the
26 attorney general or other appropriate legal counsel of the member
27 state represented by an Interstate Commission representative, shall
28 defend such Interstate Commission representative in any civil
29 action seeking to impose liability arising out of an actual or



1 alleged act, error or omission that occurred within the scope of
2 Interstate Commission employment, duties or responsibilities, or
3 that the defendant had a reasonable basis for believing occurred
4 within the scope of Interstate Commission employment, duties, or
5 responsibilities, provided that the actual or alleged act, error,
6 or omission did not result from intentional or willful and wanton
7 misconduct on the part of such person.

8 (3) To the extent not covered by the state involved, member
9 state, or the Interstate Commission, the representatives or
10 employees of the Interstate Commission shall be held harmless in
11 the amount of a settlement or judgment, including attorney's fees
12 and costs, obtained against such persons arising out of an actual
13 or alleged act, error, or omission that occurred within the scope
14 of Interstate Commission employment, duties, or responsibilities,
15 or that such persons had a reasonable basis for believing occurred
16 within the scope of Interstate Commission employment, duties, or
17 responsibilities, provided that the actual or alleged act, error,
18 or omission did not result from intentional or willful and wanton
19 misconduct on the part of such persons.

20 SECTION 15. RULEMAKING FUNCTIONS OF THE INTERSTATE COMMISSION

21 (a) The Interstate Commission shall promulgate reasonable
22 rules in order to effectively and efficiently achieve the purposes
23 of the Compact. Notwithstanding the foregoing, in the event the
24 Interstate Commission exercises its rulemaking authority in a
25 manner that is beyond the scope of the purposes of the Compact, or
26 the powers granted hereunder, then such an action by the Interstate
27 Commission shall be invalid and have no force or effect.

28 (b) Rules deemed appropriate for the operations of the
29 Interstate Commission shall be made pursuant to a rulemaking



1 process that substantially conforms to the "Model State
2 Administrative Procedure Act" of 2010, and subsequent amendments
3 thereto.

4 (c) Not later than thirty (30) days after a rule is
5 promulgated, any person may file a petition for judicial review of
6 the rule in the United States District Court for the District of
7 Columbia or the federal district where the Interstate Commission
8 has its principal offices, provided that the filing of such a
9 petition shall not stay or otherwise prevent the rule from becoming
10 effective unless the court finds that the petitioner has a
11 substantial likelihood of success. The court shall give deference
12 to the actions of the Interstate Commission consistent with
13 applicable law and shall not find the rule to be unlawful if the
14 rule represents a reasonable exercise of the authority granted to
15 the Interstate Commission.

16 SECTION 16. OVERSIGHT OF INTERSTATE COMPACT

17 (a) The executive, legislative, and judicial branches of state
18 government in each member state shall enforce the Compact and shall
19 take all actions necessary and appropriate to effectuate the
20 Compact's purposes and intent. The provisions of the Compact and
21 the rules promulgated hereunder shall have standing as statutory
22 law but shall not override existing state authority to regulate the
23 practice of medicine.

24 (b) All courts shall take judicial notice of the Compact and
25 the rules in any judicial or administrative proceeding in a member
26 state pertaining to the subject matter of the Compact which may
27 affect the powers, responsibilities or actions of the Interstate
28 Commission.

29 (c) The Interstate Commission shall be entitled to receive all



1 service of process in any such proceeding, and shall have standing
2 to intervene in the proceeding for all purposes. Failure to provide
3 service of process to the Interstate Commission shall render a
4 judgment or order void as to the Interstate Commission, the
5 Compact, or promulgated rules.

6 SECTION 17. ENFORCEMENT OF INTERSTATE COMPACT

7 (a) The Interstate Commission, in the reasonable exercise of
8 its discretion, shall enforce the provisions and rules of the
9 Compact.

10 (b) The Interstate Commission may, by majority vote of the
11 Commissioners, initiate legal action in the United States District
12 Court for the District of Columbia, or, at the discretion of the
13 Interstate Commission, in the federal district where the Interstate
14 Commission has its principal offices, to enforce compliance with
15 the provisions of the Compact, and its promulgated rules and
16 bylaws, against a member state in default. The relief sought may
17 include both injunctive relief and damages. In the event judicial
18 enforcement is necessary, the prevailing party shall be awarded all
19 costs of such litigation including reasonable attorney's fees.

20 (c) The remedies herein shall not be the exclusive remedies of
21 the Interstate Commission. The Interstate Commission may avail
22 itself of any other remedies available under state law or the
23 regulation of a profession.

24 SECTION 18. DEFAULT PROCEDURES

25 (a) The grounds for default include, but are not limited to,
26 failure of a member state to perform such obligations or
27 responsibilities imposed upon it by the Compact, or the rules and
28 bylaws of the Interstate Commission promulgated under the Compact.

29 (b) If the Interstate Commission determines that a member



1 state has defaulted in the performance of its obligations or
2 responsibilities under the Compact, or the bylaws or promulgated
3 rules, the Interstate Commission shall:

4 (1) Provide written notice to the defaulting state and other
5 member states, of the nature of the default, the means of curing
6 the default, and any action taken by the Interstate Commission. The
7 Interstate Commission shall specify the conditions by which the
8 defaulting state must cure its default; and

9 (2) Provide remedial training and specific technical
10 assistance regarding the default.

11 (c) If the defaulting state fails to cure the default, the
12 defaulting state shall be terminated from the Compact upon an
13 affirmative vote of a majority of the Commissioners and all rights,
14 privileges, and benefits conferred by the Compact shall terminate
15 on the effective date of termination. A cure of the default does
16 not relieve the offending state of obligations or liabilities
17 incurred during the period of the default.

18 (d) Termination of membership in the Compact shall be imposed
19 only after all other means of securing compliance have been
20 exhausted. Notice of intent to terminate shall be given by the
21 Interstate Commission to the governor, the majority and minority
22 leaders of the defaulting state's legislature, and each of the
23 member states.

24 (e) The Interstate Commission shall establish rules and
25 procedures to address licenses and physicians that are materially
26 impacted by the termination of a member state, or the withdrawal of
27 a member state.

28 (f) The member state which has been terminated is responsible
29 for all dues, obligations, and liabilities incurred through the



1 effective date of termination including obligations, the
 2 performance of which extends beyond the effective date of
 3 termination.

4 (g) The Interstate Commission shall not bear any costs
 5 relating to any state that has been found to be in default or which
 6 has been terminated from the Compact, unless otherwise mutually
 7 agreed upon in writing between the Interstate Commission and the
 8 defaulting state.

9 (h) The defaulting state may appeal the action of the
 10 Interstate Commission by petitioning the United States District
 11 Court for the District of Columbia or the federal district where
 12 the Interstate Commission has its principal offices. The prevailing
 13 party shall be awarded all costs of such litigation including
 14 reasonable attorney's fees.

15 SECTION 19. DISPUTE RESOLUTION

16 (a) The Interstate Commission shall attempt, upon the request
 17 of a member state, to resolve disputes which are subject to the
 18 Compact and which may arise among member states or member boards.

19 (b) The Interstate Commission shall promulgate rules providing
 20 for both mediation and binding dispute resolution as appropriate.

21 SECTION 20. MEMBER STATES, EFFECTIVE DATE AND AMENDMENT

22 (a) Any state is eligible to become a member state of the
 23 Compact.

24 (b) The Compact shall become effective and binding upon
 25 legislative enactment of the Compact into law by no less than seven
 26 (7) states. Thereafter, it shall become effective and binding on a
 27 state upon enactment of the Compact into law by that state.

28 (c) The governors of non-member states, or their designees,
 29 shall be invited to participate in the activities of the Interstate



1 Commission on a non-voting basis prior to adoption of the Compact
2 by all states.

3 (d) The Interstate Commission may propose amendments to the
4 Compact for enactment by the member states. No amendment shall
5 become effective and binding upon the Interstate Commission and the
6 member states unless and until it is enacted into law by unanimous
7 consent of the member states.

8 SECTION 21. WITHDRAWAL

9 (a) Once effective, the Compact shall continue in force and
10 remain binding upon each and every member state; provided that a
11 member state may withdraw from the Compact by specifically
12 repealing the statute which enacted the Compact into law.

13 (b) Withdrawal from the Compact shall be by the enactment of a
14 statute repealing the same, but shall not take effect until one (1)
15 year after the effective date of such statute and until written
16 notice of the withdrawal has been given by the withdrawing state to
17 the governor of each other member state.

18 (c) The withdrawing state shall immediately notify the
19 chairperson of the Interstate Commission in writing upon the
20 introduction of legislation repealing the Compact in the
21 withdrawing state.

22 (d) The Interstate Commission shall notify the other member
23 states of the withdrawing state's intent to withdraw within sixty
24 (60) days of its receipt of notice provided under subsection (c).

25 (e) The withdrawing state is responsible for all dues,
26 obligations and liabilities incurred through the effective date of
27 withdrawal, including obligations, the performance of which extend
28 beyond the effective date of withdrawal.

29 (f) Reinstatement following withdrawal of a member state shall



1 occur upon the withdrawing state reenacting the Compact or upon
2 such later date as determined by the Interstate Commission.

3 (g) The Interstate Commission is authorized to develop rules
4 to address the impact of the withdrawal of a member state on
5 licenses granted in other member states to physicians who
6 designated the withdrawing member state as the state of principal
7 license.

8 SECTION 22. DISSOLUTION

9 (a) The Compact shall dissolve effective upon the date of the
10 withdrawal or default of the member state which reduces the
11 membership in the Compact to one (1) member state.

12 (b) Upon the dissolution of the Compact, the Compact becomes
13 null and void and shall be of no further force or effect, and the
14 business and affairs of the Interstate Commission shall be
15 concluded and surplus funds shall be distributed in accordance with
16 the bylaws.

17 SECTION 23. SEVERABILITY AND CONSTRUCTION

18 (a) The provisions of the Compact shall be severable, and if
19 any phrase, clause, sentence, or provision is deemed unenforceable,
20 the remaining provisions of the Compact shall be enforceable.

21 (b) The provisions of the Compact shall be liberally construed
22 to effectuate its purposes.

23 (c) Nothing in the Compact shall be construed to prohibit the
24 applicability of other interstate compacts to which the states are
25 members.

26 SECTION 24. BINDING EFFECT OF COMPACT AND OTHER LAWS

27 (a) Nothing herein prevents the enforcement of any other law
28 of a member state that is not inconsistent with the Compact.

29 (b) All laws in a member state in conflict with the Compact



1 are superseded to the extent of the conflict.

2 (c) All lawful actions of the Interstate Commission, including
3 all rules and bylaws promulgated by the Commission, are binding
4 upon the member states.

5 (d) All agreements between the Interstate Commission and the
6 member states are binding in accordance with their terms.

7 (e) In the event any provision of the Compact exceeds the
8 constitutional limits imposed on the legislature of any member
9 state, such provision shall be ineffective to the extent of the
10 conflict with the constitutional provision in question in that
11 member state.

12 (2) Subsection (1) shall be known as the "interstate medical
13 licensure compact".

14 (3) This section is repealed effective ~~3 years after the~~
15 ~~effective date of the amendatory act that added this section.~~ **March**
16 **28, 2025.**

17 Enacting section 1. This amendatory act does not take effect
18 unless Senate Bill No. 246 of the 101st Legislature is enacted into
19 law.

