

NURSE LICENSURE COMPACT

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House Bill 5493

Sponsor: Rep. John Stakoe

Committee: Health Policy

Complete to 1-30-06

A SUMMARY OF HOUSE BILL 5493 AS INTRODUCED 12-8-05

The bill would adopt model legislation initiated by the National Council of State Boards of Nursing. Based on a mutual recognition model of nurse licensure, the Compact would allow a registered nurse (RN) or licensed practical nurse (LPN) to be licensed by his or her home state of residency and to practice in another compact state – without an additional license – as long as the nurse adhered to the other state's practice laws and discipline. An interstate compact supersedes state law; however, the Nurse License Compact would not affect the nurse practice laws in a party state. Over 20 states have already adopted the Nurse License Compact.

In Article I of the Compact, entitled "Findings and Purposes", the bill specifies that the primary purpose is to facilitate the states' responsibility to protect the public's health and safety. Also, the findings specify that new practice modalities and technology make compliance with individual state nurse licensure laws difficult and complex and that duplicative licensure for nurses practicing in multiple states is cumbersome and redundant. In addition, the expanded mobility of nurses and the use of advanced communication technologies (i.e., nurse information phone lines) require greater coordination and cooperation among states in the areas of nurse licensure and regulation.

Other highlights of the Compact follow:

- Include a definition section defining, among others, the terms "home state," "multistate licensure privilege,, and "coordinated licensure information system."
- Restrict a nurse in a party state to hold licensure in only one party state at a time, issued by the nurse's home state.
- Require that an RN or LPN license issued by a party state be recognized by the other party states as authorizing a multistate licensure privilege to practice nursing in a party state. (An individual residing in a non-compact state could apply for nurse licensure as provided for under the laws of each party state, but the license granted to that individual would not grant the privilege to practice nursing in any other party state unless explicitly agreed to by that party state.)
- Allow a party state to limit or revoke the multistate licensure privilege of a nurse and take other actions as allowed by that state's laws in order to protect the health

and safety of its citizens. The administrator of the coordinated licensure information system would have to be promptly notified of the action and would in turn have to promptly notify the home state of the actions taken against the nurse.

- Require a nurse practicing in a party state to comply with the state practice laws of the state in which the patient is located at the time care is rendered. This would include all nursing practice as defined by the party state's practice laws. The nurse would be subject to the jurisdiction of the licensing board and courts of the party state.
- Leave any additional requirements imposed by states for advanced practice registered nursing would unaffected.
- Require licensing boards in party states to determine whether an applicant for licensure is currently licensed, or ever had been licensed, by any other state and if any restrictions or adverse actions had been taken against the license.
- If a nurse moved from one state to another, specify the status of the RN or LPN license depending on whether the move was between two party states, a nonparty to a party state, or a party state to a nonparty state.
- Create a mechanism for investigating violations, imposing disciplinary actions, and reporting any adverse actions imposed on a nurse to the administrator of the Coordinated Licensure Information System.
- Grant the licensing board of a party state the authority to, among other things, issue subpoenas for hearings and investigations that would have to be enforced by any court of competent jurisdiction and the authority to issue cease and desist orders to limit or revoke a nurse's authority to practice in his or her state.
- Require party states to participate in a cooperative effort to create a coordinated database of all licensed RNs and LPNs, which would include the licensure and disciplinary history of each nurse. Party states would also have to report adverse actions, actions against multistate licensure privileges, denials of applications, and significant investigative information that had not yet resulted in an adverse action.
- Prohibit the disclosure of personally identifiable information except as allowed by the compact or permitted by the laws of the party state contributing the information.
- Extend civil immunity to the officers, employees, or agents of a party state's nurse licensing board for any act or omission committed in good faith while engaged in the performance of their duties under the compact. The immunity would not extend to willful misconduct, gross negligence, or recklessness.
- Allow disputes between party states to be settled through binding arbitration.

- Specify the Compact is to be liberally construed so as to effectuate its purposes. Further, the provisions would be severable. If any clause, phrase, sentence, or provision were declared to be contrary to the constitution of any party state or of the U.S., or if any applicability were held invalid, the rest of the compact would still be valid. If the compact were held contrary to the constitution of any party state, the compact would be in full force and effect to the other party states and to the party state in regard to all severable matters.

FISCAL IMPACT:

House Bill 5493, as introduced, will have state fiscal implications for the Department of Community Health. Participation in the interstate nurse licensure compact will require additional administrative responsibilities to integrate and liaison with the compact system, which could have some initial costs. As nurses working in the compact states need only be licensed in a home state that is part of the compact, Michigan's participation in the compact will allow many out-of-state nurses who now must have a Michigan license to practice in Michigan without obtaining a Michigan license. Fewer out-of-state nurses will obtain Michigan licenses, reducing revenue to the Health Professions Regulatory Fund, which supports the licensing programs, and to the Nurse Professional Fund. The compact may ease recruitment of out-of-state nurses into Michigan to help meet demand, and may produce some financial efficiencies for the health care system which could reduce state costs.

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