



Senate Fiscal Agency
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House Bill 4042 (Substitute H-1 as passed by the House)
Sponsor: Representative Mary Whiteford
House Committee: Health Policy
 Ways and Means
Senate Committee: Health Policy and Human Services (discharged)

CONTENT

The bill would enact within Article 15 (Occupations) of the Public Health Code the Nurse Licensure Compact, which would allow the interstate practice of nursing. Specifically, the Compact does the following:

- Requires a multistate license to practice registered or licensed practical/vocational nursing to be recognized by each Compact state.
- Prescribes the application process for multistate licensure, and the information required from an applicant to obtain or retain a multistate license.
- Prescribe the authority of a state licensing board.
- Requires all Compact states to participate in a coordinated licensure information system, which includes information on the licensure and disciplinary history of each nurse.
- Requires all licensing boards to report to the coordinated licensure information system any adverse action, denials of applications, and nurse participation in alternate programs.
- Prohibits all identifiable information obtained from the coordinated licensure information system from being shared with non-Compact states or from being disclosed to other entities or individuals.
- Creates the Interstate Commission of Nurse Licensure Compact Administrators, and prescribes the Commission's membership, powers, and duties.
- Requires the Commission to exercise its rulemaking powers pursuant to the Compact.
- Requires each Compact state to enforce the Compact and take all actions necessary and appropriate to effectuate its purposes and intent.
- Allows the Commission to take remedial action if it determines that a Compact state has defaulted in the performance of obligations or responsibilities under the Compact.
- Prescribes the procedure for how a Compact State may withdraw from the Compact.

The bill also would amend Article 15 to do the following:

- Specify that the identity of a licensee or registrant making a report of certain violations under the Code would have to remain confidential unless the information was required to be disclosed for the purposes of the Compact.
- Allow an individual who held a multistate license to practice registered nursing or licensed practice/vocational nursing to engage in the practices of nursing in the State.

MCL 333.16170a et al.

Legislative Analyst: Stephen Jackson

FISCAL IMPACT

The bill would have a significant negative fiscal impact on State government and no fiscal impact on local units of government.

The bill would require the Department of Licensing and Regulatory Affairs to take on significant responsibilities to administer and monitor licensees under the Compact agreement. It is possible that additional FTEs would be required to fully implement the Compact and complete the associated administrative and investigatory requirements. Investigatory costs could be partially recovered by fines and fees charged to licensees who violated statute or rules, but investigations that did not result in those sanctions would not allow the Department to make up for expenditures in those cases.

In addition, the Department would experience increased information technology costs to properly maintain all the necessary functions of a multistate licensing tracking system. Participation in the Compact likely would require the State to pay an annual fee. As a participant in the Compact, the State of Michigan could incur legal costs should it default on Compact terms.

The Department of Attorney General also could incur additional enforcement costs.

Date Completed: 12-9-20

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