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House Bill 4309 (Substitute H-1 as reported without amendment)

Sponsor: Representative Dave Prestin

House Committee: Health Policy

Senate Committee: Health Policy

CONTENT

The bill would enact within Article 15 (Occupations) of the Public Health Code the Physician Assistant (PA) State Licensure Compact (Compact), which would allow physicians assistants to practice in any member state. Specifically, the Compact does the following:

- Specifies the requirements to participate in the Compact, including participating fully in the PA Compact Commission's data system and having a mechanism in place for receiving and investigating complaints about licensees, among other things.
- Requires a member state to grant the Compact privilege to a licensee holding a valid unencumbered license in another member state in accordance with terms of the Compact and rules.
- Requires a licensee, to exercise the Compact privilege under the terms and provisions of the Compact, to meet requirements prescribed by the bill, including holding a license in the home state.
- Specifies that, if a licensee loses Compact privilege in any remote state, the individual loses the Compact privilege in any remote state until the individual meets certain requirements.
- Provides a home state with the exclusive power to impose adverse action against a license issued by the home state.
- Allows any member state to investigate actual or alleged violations of the statutes and rules authorizing the standards set forth for PAs in any other member state in which a PA holds a license or Compact privilege.
- Requires the Compact member states to create and establish the Commission, and prescribes the Commission's membership, powers, and duties.
- Requires the Commission to provide for the development, maintenance, and use of a coordinated database and reporting system containing licensure, adverse action and investigative information on all licensed individuals in member states.
- Requires the Commission to exercise its rulemaking powers under the Compact.
- Requires the executive, legislative, and judicial branches of state government in each member state to enforce the Compact.
- Requires the Commission to enforce all provisions and rules of the Compact and take all actions necessary and appropriate to effectuate its purposes and intent.
- Prescribes the procedures for how a state may withdraw from the Compact.

The bill would take effect 90 days after its enactment.

MCL 333.18001 et al.

BRIEF RATIONALE

The bill would enact the Compact, which is an agreement between states to establish uniform standards for licensure of PAs, for the facilitation of interstate movement of PAs. It would see Michigan join the Compact, in which PAs from all member states could work in any of the

other states with the same licensure. These bills would increase access to PAs from outside the State by removing redundant licensure processes that serve as barriers to PAs who want to move states. According to testimony before the Senate Committee on Health Policy, better recruitment and retention of PAs could result from the bills, particularly in underserved areas like the Upper Peninsula. The bill's passage could lead to better health outcomes in Michigan communities.

Legislative Analyst: Alex Krabill

FISCAL IMPACT

The bill would have an indeterminate 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 (LARA) to take on significant responsibilities and incur significant expenses for data integration with the Commission. The Department has estimated these expenses to be \$100,000. If many out-of-State licensees took advantage of the Compact by practicing in the State without applying for a Michigan license, then revenue from license application fees in the State would decline.

As a participant in the Compact, the State could incur legal costs if it defaulted on Compact terms. The State also could incur additional enforcement costs. The Commission also could levy and collect an annual assessment on the State to cover its own operation costs. The total assessment is currently unknown. The Compact also would allow licenses from other states to practice in the State without paying the conventional fees to LARA; this would have a negative impact on traditional licensure revenues.

Date Completed: 11-14-25

Fiscal Analyst: Nathan Leaman

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This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.