



GOV. MSG. NO. 1213

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

June 22, 2023

The Honorable Ronald D. Kouchi
President of the Senate,
and Members of the Senate
Thirty-Second State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Scott K. Saiki
Speaker, and Members of the
House of Representatives
Thirty-Second State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 22, 2023, the following bill was signed into law:

SB674 SD1 HD2 CD1

RELATING TO THE INTERSTATE MEDICAL
LICENSURE COMPACT.
ACT 112

Sincerely,

Josh Green, M.D.
Governor, State of Hawai'i

on JUN 22 2023

THE SENATE
THIRTY-SECOND LEGISLATURE, 2023
STATE OF HAWAII

S.B. NO. 674
S.D. 1
H.D. 2
C.D. 1

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 recognition
16 of the advances in the delivery of health care, the member
17 states of the Interstate Medical Licensure Compact have allied
18 in common purpose to develop a comprehensive process that



1 complements the existing licensing and regulatory authority of
2 state medical boards, provides a streamlined process that allows
3 physicians to become licensed in multiple states, thereby
4 enhancing the portability of a medical license and ensuring the
5 safety of patients. The Compact creates another pathway for
6 licensure and does not otherwise change a state's existing
7 Medical Practice Act. The Compact also adopts the prevailing
8 standard for licensure and affirms that the practice of medicine
9 occurs where the patient is located at the time of the
10 physician-patient encounter, and therefore, requires the
11 physician to be under the jurisdiction of the state medical
12 board where the patient is located. State medical boards that
13 participate in the Compact retain the jurisdiction to impose an
14 adverse action against a license to practice medicine in that
15 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
20 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
- 5 adjudication, or entry of a plea of guilt or no
- 6 contest to the charge by the offender. Evidence of an
- 7 entry of a conviction of a criminal offense by the
- 8 court shall be considered final for purposes of
- 9 disciplinary action by a member board.
- 10 d. "Expedited License" means a full and unrestricted
- 11 medical license granted by a member state to an
- 12 eligible physician through the process set forth in
- 13 the Compact.
- 14 e. "Interstate Commission" means the interstate
- 15 commission created pursuant to Section 11.
- 16 f. "License" means authorization by a member state for a
- 17 physician to engage in the practice of medicine, which
- 18 would be unlawful without authorization.
- 19 g. "Medical Practice Act" means laws and regulations
- 20 governing the practice of allopathic and osteopathic
- 21 medicine within a member state.



- 1 h. "Member Board" means a state agency in a member state
- 2 that acts in the sovereign interests of the state by
- 3 protecting the public through licensure, regulation,
- 4 and education of physicians as directed by the state
- 5 government.

- 6 i. "Member State" means a state that has enacted the
- 7 Compact.

- 8 j. "Practice of Medicine" means that clinical prevention,
- 9 diagnosis, or treatment of human disease, injury, or
- 10 condition requiring a physician to obtain and maintain
- 11 a license in compliance with the Medical Practice Act
- 12 of a member state.

- 13 k. "Physician" means any person who:
- 14 1. Is a graduate of a medical school accredited by
- 15 the Liaison Committee on Medical Education, the
- 16 Commission on Osteopathic College Accreditation,
- 17 or a medical school listed in the International
- 18 Medical Education Directory or its equivalent;
- 19 2. Passed each component of the United States
- 20 Medical Licensing Examination (USMLE) or the
- 21 Comprehensive Osteopathic Medical Licensing



- 1 Examination (COMLEX-USA) within three attempts,
2 or any of its predecessor examinations accepted
3 by a state medical board as an equivalent
4 examination for licensure purposes;
- 5 3. Successfully completed graduate medical education
6 approved by the Accreditation Council for
7 Graduate Medical Education or the American
8 Osteopathic Association;
- 9 4. Holds specialty certification or a time-unlimited
10 specialty certificate recognized by the American
11 Board of Medical Specialties or the American
12 Osteopathic Association's Bureau of Osteopathic
13 Specialists;
- 14 5. Possesses a full and unrestricted license to
15 engage in the practice of medicine issued by a
16 member board;
- 17 6. Has never been convicted, received adjudication,
18 deferred adjudication, community supervision, or
19 deferred disposition for any offense by a court
20 of appropriate jurisdiction;



- 1 7. Has never held a license authorizing the practice
- 2 of medicine subjected to discipline by a
- 3 licensing agency in any state, federal, or
- 4 foreign jurisdiction, excluding any action
- 5 related to non-payment of fees related to a
- 6 license;
- 7 8. Has never had a controlled substance license or
- 8 permit suspended or revoked by a state or the
- 9 United States Drug Enforcement Administration;
- 10 and
- 11 9. Is not under active investigation by a licensing
- 12 agency or law enforcement authority in any state,
- 13 federal, or foreign jurisdiction.
- 14 1. "Offense" means a felony, gross misdemeanor, or crime
- 15 of moral turpitude.
- 16 m. "Rule" means a written statement by the Interstate
- 17 Commission promulgated pursuant to Section 12 of the
- 18 Compact that is of general applicability, implements,
- 19 interprets, or prescribes a policy or provision of the
- 20 Compact, or an organizational, procedural, or practice
- 21 requirement of the Interstate Commission, and has the



1 force and effect of statutory law in a member state,
2 and includes the amendment, repeal, or suspension of
3 an existing rule.

4 n. "State" means any state, commonwealth, district, or
5 territory of the United States.

6 o. "State of Principal License" means a member state
7 where a physician holds a license to practice medicine
8 and which has been designated as such by the physician
9 for purposes of registration and participation in the
10 Compact.

11 **SECTION 3. ELIGIBILITY**

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

15 b. A physician who does not meet the requirements of
16 Section 2(k) may obtain a license to practice medicine
17 in a member state if the individual complies with all
18 laws and requirements, other than the Compact,
19 relating to the issuance of a license to practice
20 medicine in that state.

21 **SECTION 4. DESIGNATION OF STATE OF PRINCIPAL LICENSE**



- 1 a. A physician shall designate a member state as the
2 state of principal license for purposes of
3 registration for expedited licensure through the
4 Compact if the physician possesses a full and
5 unrestricted license to practice medicine in that
6 state, and the state is:
- 7 1. The state of principal residence for the
8 physician, or
- 9 2. The state where at least 25% of the practice of
10 medicine occurs, or
- 11 3. The location of the physician's employer, or
- 12 4. If no state qualifies under subsection (1),
13 subsection (2), or subsection (3), the state
14 designated as state of residence for purpose of
15 federal income tax.
- 16 b. A physician may redesignate a member state as state of
17 principal license at any time, as long as the state
18 meets the requirements of subsection (a).
- 19 c. The Interstate Commission is authorized to develop
20 rules to facilitate redesignation of another member
21 state as the state of principal license.



1 SECTION 5. APPLICATION AND ISSUANCE OF EXPEDITED LICENSURE

2 a. A physician seeking licensure through the Compact
3 shall file an application for an expedited license
4 with the member board of the state selected by the
5 physician as the state of principal license.

6 b. Upon receipt of an application for an expedited
7 license, the member board within the state selected as
8 the state of principal license shall evaluate whether
9 the physician is eligible for expedited licensure and
10 issue a letter of qualification, verifying or denying
11 the physician's eligibility, to the Interstate
12 Commission.

13 1. Static qualifications, which include verification
14 of medical education, graduate medical education,
15 results of any medical or licensing examination,
16 and other qualifications as determined by the
17 Interstate Commission through rule, shall not be
18 subject to additional primary source verification
19 where already primary source verified by the
20 state of principal license.



- 1 2. The member board within the state selected as the
2 state of principal license shall, in the course
3 of verifying eligibility, perform a criminal
4 background check of an applicant, including the
5 use of the results of fingerprint or other
6 biometric data checks compliant with the
7 requirements of the Federal Bureau of
8 Investigation, with the exception of federal
9 employees who have suitability determination in
10 accordance with 5 C.F.R. §731.202.
- 11 3. Appeal on the determination of eligibility shall
12 be made to the member state where the application
13 was filed and shall be subject to the law of that
14 state.
- 15 c. Upon verification in subsection (b), physicians
16 eligible for an expedited license shall complete the
17 registration process established by the Interstate
18 Commission to receive a license in a member state
19 selected pursuant to subsection (a), including the
20 payment of any applicable fees.



- 1 d. After receiving verification of eligibility under
2 subsection (b) and any fees under subsection (c), a
3 member board shall issue an expedited license to the
4 physician. This license shall authorize the physician
5 to practice medicine in the issuing state consistent
6 with the Medical Practice Act and all applicable laws
7 and regulations of the issuing member board and member
8 state.
- 9 e. An expedited license shall be valid for a period
10 consistent with the licensure period in the member
11 state and in the same manner as required for other
12 physicians holding a full and unrestricted license
13 within the member state.
- 14 f. An expedited license obtained through the Compact
15 shall be terminated if a physician fails to maintain a
16 license in the state of principal licensure for a non-
17 disciplinary reason, without redesignation of a new
18 state of principal licensure.
- 19 g. The Interstate Commission is authorized to develop
20 rules regarding the application process, including



1 payment of any applicable fees, and the issuance of an
2 expedited license.

3 **SECTION 6. FEES FOR EXPEDITED LICENSURE**

- 4 a. A member state issuing an expedited license
5 authorizing the practice of medicine in that state may
6 impose a fee for a license issued or renewed through
7 the Compact.
- 8 b. The Interstate Commission is authorized to develop
9 rules regarding fees for expedited licenses.

10 **SECTION 7. RENEWAL AND CONTINUED PARTICIPATION**

- 11 a. A physician seeking to renew an expedited license
12 granted in a member state shall complete a renewal
13 process with the Interstate Commission if the
14 physician:
- 15 1. Maintains a full and unrestricted license in a
16 state of principal license;
 - 17 2. Has not been convicted, received adjudication,
18 deferred adjudication, community supervision, or
19 deferred disposition for any offense by a court
20 of appropriate jurisdiction;



- 1 3. Has not had a license authorizing the practice of
2 medicine subject to discipline by a licensing
3 agency in any state, federal, or foreign
4 jurisdiction, excluding any action related to
5 non-payment of fees related to a license; and
6 4. Has not had a controlled substance license or
7 permit suspended or revoked by a state or the
8 United States Drug Enforcement Administration.
- 9 b. Physicians shall comply with all continuing
10 professional development or continuing medical
11 education requirements for renewal of a license issued
12 by a member state.
- 13 c. The Interstate Commission shall collect any renewal
14 fees charged for the renewal of a license and
15 distribute the fees to the applicable member board.
- 16 d. Upon receipt of any renewal fees collected in
17 subsection (c), a member board shall renew the
18 physician's license.
- 19 e. Physician information collected by the Interstate
20 Commission during the renewal process will be
21 distributed to all member boards.



1 f. The Interstate Commission is authorized to develop
2 rules to address renewal of licenses obtained through
3 the Compact.

4 **SECTION 8. COORDINATED INFORMATION SYSTEM**

5 a. The Interstate Commission shall establish a database
6 of all physicians licensed, or who have applied for
7 licensure, under Section 5.

8 b. Notwithstanding any other provision of law, member
9 boards shall report to the Interstate Commission any
10 public action or complaints against a licensed
11 physician who has applied or received an expedited
12 license through the Compact.

13 c. Member boards shall report disciplinary or
14 investigatory information determined as necessary and
15 proper by rule of the Interstate Commission.

16 d. Member boards may report any non-public complaint,
17 disciplinary, or investigatory information not
18 required by subsection (c) to the Interstate
19 Commission.



- 1 e. Member boards shall share complaint or disciplinary
2 information about a physician upon request of another
3 member board.
- 4 f. All information provided to the Interstate Commission
5 or distributed by member boards shall be confidential,
6 filed under seal, and used only for investigatory or
7 disciplinary matters.
- 8 g. The Interstate Commission is authorized to develop
9 rules for mandated or discretionary sharing of
10 information by member boards.

11 **SECTION 9. JOINT INVESTIGATIONS**

- 12 a. Licensure and disciplinary records of physicians are
13 deemed investigative.
- 14 b. In addition to the authority granted to a member board
15 by its respective Medical Practice Act or other
16 applicable state law, a member board may participate
17 with other member boards in joint investigations of
18 physicians licensed by the member boards.
- 19 c. A subpoena issued by a member state shall be
20 enforceable in other member states.



1 d. Member boards may share any investigative, litigation,
2 or compliance materials in furtherance of any joint or
3 individual investigation initiated under the Compact.

4 e. Any member state may investigate actual or alleged
5 violations of the statutes authorizing the practice of
6 medicine in any other member state in which a
7 physician holds a license to practice medicine.

8 **SECTION 10. DISCIPLINARY ACTIONS**

9 a. Any disciplinary action taken by any member board
10 against a physician licensed through the Compact shall
11 be deemed unprofessional conduct which may be subject
12 to discipline by other member boards, in addition to
13 any violation of the Medical Practice Act or
14 regulations in that state.

15 b. If a license granted to a physician by the member
16 board in the state of principal license is revoked,
17 surrendered or relinquished in lieu of discipline, or
18 suspended, then all licenses issued to the physician
19 by member boards shall automatically be placed,
20 without further action necessary by any member board,
21 on the same status. If the member board in the state



1 of principal license subsequently reinstates the
2 physician's license, a license issued to the physician
3 by any other member board shall remain encumbered
4 until that respective member board takes action to
5 reinstate the license in a manner consistent with the
6 Medical Practice Act of that state.

7 c. If disciplinary action is taken against a physician by
8 a member board not in the state of principal license,
9 any other member board may deem the action conclusive
10 as to matter of law and fact decided, and:

11 1. Impose the same or lesser sanction(s) against the
12 physician so long as such sanctions are
13 consistent with the Medical Practice Act of that
14 state; or

15 2. Pursue separate disciplinary action against the
16 physician under its respective Medical Practice
17 Act, regardless of the action taken in other
18 member states.

19 d. If a license granted to a physician by a member board
20 is revoked, surrendered or relinquished in lieu of
21 discipline, or suspended, then any license(s) issued



1 to the physician by any other member board(s) shall be
2 suspended, automatically and immediately without
3 further action necessary by the other member board(s),
4 for ninety (90) days upon entry of the order by the
5 disciplining board, to permit the member board(s) to
6 investigate the basis for the action under the Medical
7 Practice Act of that state. A member board may
8 terminate the automatic suspension of the license it
9 issued prior to the completion of the ninety (90) day
10 suspension period in a manner consistent with the
11 Medical Practice Act of that state.

12 **SECTION 11. INTERSTATE MEDICAL LICENSURE COMPACT**

13 **COMMISSION**

- 14 a. The member states hereby create the "Interstate
15 Medical Licensure Compact Commission".
- 16 b. The purpose of the Interstate Commission is the
17 administration of the Interstate Medical Licensure
18 Compact, which is a discretionary state function.
- 19 c. The Interstate Commission shall be a body corporate
20 and joint agency of the member states and shall have
21 all the responsibilities, powers, and duties set forth



1 in the Compact, and such additional powers as may be
2 conferred upon it by a subsequent concurrent action of
3 the respective legislatures of the member states in
4 accordance with the terms of the Compact.

5 d. The Interstate Commission shall consist of two voting
6 representatives appointed by each member state who
7 shall serve as Commissioners. In states where
8 allopathic and osteopathic physicians are regulated by
9 separate member boards, or if the licensing and
10 disciplinary authority is split between separate
11 member boards, or if the licensing and disciplinary
12 authority is split between multiple member boards
13 within a member state, the member state shall appoint
14 one representative from each member board. A
15 Commissioner shall be a(n):

- 16 1. Allopathic or osteopathic physician appointed to
17 a member board;
- 18 2. Executive director, executive secretary, or
19 similar executive of a member board; or
- 20 3. Member of the public appointed to a member board.



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



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



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



1 1. The Interstate Commission shall establish other
2 committees for governance and administration of the
3 Compact.

4 **SECTION 12. POWERS AND DUTIES OF THE INTERSTATE COMMISSION**

- 5 a. Oversee and maintain the administration of the
6 Compact;
7 b. Promulgate rules which shall be binding to the extent
8 and in the manner provided for in the Compact;
9 c. Issue, upon the request of a member state or member
10 board, advisory opinions concerning the meaning or
11 interpretation of the Compact, its bylaws, rules, and
12 actions;
13 d. Enforce compliance with Compact provisions, the rules
14 promulgated by the Interstate Commission, and the
15 bylaws, using all necessary and proper means,
16 including but not limited to the use of judicial
17 process;
18 e. Establish and appoint committees including, but not
19 limited to, an executive committee as required by
20 Section 11, which shall have the power to act on

- 1 behalf of the Interstate Commission in carrying out
2 its powers and duties;
- 3 f. Pay, or provide for the payment of the expenses
4 related to the establishment, organization, and
5 ongoing activities of the Interstate Commission;
- 6 g. Establish and maintain one or more offices;
- 7 h. Borrow, accept, hire, or contract for services of
8 personnel;
- 9 i. Purchase and maintain insurance and bonds;
- 10 j. Employ an executive director who shall have such
11 powers to employ, select or appoint employees, agents,
12 or consultants, and to determine their qualifications,
13 define their duties, and fix their compensation;
- 14 k. Establish personnel policies and programs relating to
15 conflicts of interest, rates of compensation, and
16 qualifications of personnel;
- 17 l. Accept donations and grants of money, equipment,
18 supplies, materials, and services and to receive,
19 utilize, and dispose of it in a manner consistent with
20 the conflict of interest policies established by the
21 Interstate Commission;



- 1 m. Lease, purchase, accept contributions or donations of,
2 or otherwise to own, hold, improve or use, any
3 property, real, personal, or mixed;
- 4 n. Sell, convey, mortgage, pledge, lease, exchange,
5 abandon, or otherwise dispose of any property, real,
6 personal, or mixed;
- 7 o. Establish a budget and make expenditures;
- 8 p. Adopt a seal and bylaws governing the management and
9 operation of the Interstate Commission;
- 10 q. Report annually to the legislatures and governors of
11 the member states concerning the activities of the
12 Interstate Commission during the preceding year. Such
13 reports shall also include reports of financial audits
14 and any recommendations that may have been adopted by
15 the Interstate Commission;
- 16 r. Coordinate education, training, and public awareness
17 regarding the Compact, its implementation, and its
18 operation;
- 19 s. Maintain records in accordance with the bylaws;
- 20 t. Seek and obtain trademarks, copyrights, and patents;
21 and



1 u. Perform such functions as may be necessary or
2 appropriate to achieve the purpose of the Compact.

3 **SECTION 13. FINANCE POWERS**

4 a. The Interstate Commission may levy on and collect an
5 annual assessment from each member state to cover the
6 cost of the operations and activities of the
7 Interstate Commission and its staff. The total
8 assessment must be sufficient to cover the annual
9 budget approved each year for which revenue is not
10 provided by other sources. The aggregate annual
11 assessment amount shall be allocated upon a formula to
12 be determined by the Interstate Commission, which
13 shall promulgate a rule binding upon all member
14 states.

15 b. The Interstate Commission shall not incur obligations
16 of any kind prior to securing the funds adequate to
17 meet the same.

18 c. The Interstate Commission shall not pledge the credit
19 of any of the member states, except by, and with the
20 authority of, the member state.



1 d. The Interstate Commission shall be subject to a yearly
2 financial audit conducted by a certified or licensed
3 accountant and the report of the audit shall be
4 included in the annual report of the Interstate
5 Commission.

6 **SECTION 14. ORGANIZATION AND OPERATION OF THE INTERSTATE**
7 **COMMISSION**

8 a. The Interstate Commission shall, by a majority of
9 Commissioners present and voting, adopt bylaws to
10 govern its conduct as may be necessary or appropriate
11 to carry out the purposes of the Compact within twelve
12 (12) months of the first Interstate Commission
13 meeting.

14 b. The Interstate Commission shall elect or appoint
15 annually from among its Commissioners a chairperson, a
16 vice-chairperson, and a treasurer, each of whom shall
17 have such authority and duties as may be specified in
18 the bylaws. The chairperson, or in the chairperson's
19 absence or disability, the vice-chairperson, shall
20 preside at all meetings of the Interstate Commission.

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



1 constitution and laws of that state for state
2 officials, employees, and agents. The Interstate
3 Commission is considered to be an instrumentality of
4 the states for the purpose of any such action.
5 Nothing in this subsection shall be construed to
6 protect such person from suit or liability for damage,
7 loss, injury, or liability caused by the intentional
8 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
11 of the attorney general or other appropriate legal
12 counsel of the member state represented by an
13 Interstate Commission representative, shall defend
14 such Interstate Commission representative in any civil
15 action seeking to impose liability arising out of an
16 actual or alleged act, error or omission that occurred
17 within the scope of Interstate Commission employment,
18 duties or responsibilities, or that the defendant had
19 a reasonable basis for believing occurred within the
20 scope of Interstate Commission employment, duties, or
21 responsibilities, provided that the actual or alleged



1 act, error, or omission did not result from
2 intentional or willful and wanton misconduct on the
3 part of such person.

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

19 **SECTION 15. RULEMAKING FUNCTIONS OF THE INTERSTATE**
20 **COMMISSION**



- 1 a. The Interstate Commission shall promulgate reasonable
2 rules in order to effectively and efficiently achieve
3 the purpose of the Compact. Notwithstanding the
4 foregoing, in the event the Interstate Commission
5 exercises its rulemaking authority in a manner that is
6 beyond the scope of the purposes of the Compact, or
7 the powers granted hereunder, then such an action by
8 the Interstate Commission shall be invalid and have no
9 force or effect.
- 10 b. Rules deemed appropriate for the operations of the
11 Interstate Commission shall be made pursuant to a
12 rulemaking process that substantially conforms to the
13 "Model State Administrative Procedure Act" of 2010,
14 and subsequent amendments thereto.
- 15 c. Not later than thirty (30) days after a rule is
16 promulgated, any person may file a petition for
17 judicial review of the rule in the United States
18 District Court for the District of Columbia or the
19 federal district where the Interstate Commission has
20 its principal offices, provided that the filing of
21 such a petition shall not stay or otherwise prevent



1 the rule from becoming effective unless the court
2 finds that the petitioner has a substantial likelihood
3 of success. The court shall give deference to the
4 actions of the Interstate Commission consistent with
5 applicable law and shall not find the rule to be
6 unlawful if the rule represents a reasonable exercise
7 of the authority granted to the Interstate Commission.

8 **SECTION 16. OVERSIGHT OF INTERSTATE COMPACT**

- 9 a. The executive, legislative, and judicial branches of
10 state government in each member state shall enforce
11 the Compact and shall take all actions necessary and
12 appropriate to effectuate the Compact's purposes and
13 intent. The provisions of the Compact and the rules
14 promulgated hereunder shall have standing as statutory
15 law but shall not override existing state authority to
16 regulate the practice of medicine.
- 17 b. All courts shall take judicial notice of the Compact
18 and the rules in any judicial or administrative
19 proceeding in a member state pertaining to the subject
20 matter of the Compact which may affect the powers,



1 responsibilities or actions of the Interstate
2 Commission.

3 c. The Interstate Commission shall be entitled to receive
4 all services of process in any such proceeding, and
5 shall have standing to intervene in the proceeding for
6 all purposes. Failure to provide service of process
7 to the Interstate Commission shall render a judgment
8 or order void as to the Interstate Commission, the
9 Compact, or promulgated rules.

10 **SECTION 17. ENFORCEMENT OF INTERSTATE COMPACT**

11 a. The Interstate Commission, in the reasonable exercise
12 of its discretion, shall enforce the provisions and
13 rules of the Compact.

14 b. The Interstate Commission may, by majority vote of the
15 Commissioners, initiate legal action in the United
16 States Court for the District of Columbia, or, at the
17 discretion of the Interstate Commission, in the
18 federal district where the Interstate Commission has
19 its principal offices, to enforce compliance with the
20 provisions of the Compact, and its promulgated rules
21 and bylaws, against a member state in default. The



1 relief sought may include both injunctive relief and
2 damages. In the event judicial enforcement is
3 necessary, the prevailing party shall be awarded all
4 costs of such litigation including reasonable
5 attorney's fees.

6 c. The remedies herein shall not be the exclusive
7 remedies of the Interstate Commission. The Interstate
8 Commission may avail itself of any other remedies
9 available under state law or regulation of a
10 profession.

11 **SECTION 18. DEFAULT PROCEDURES**

12 a. The grounds for default include, but are not limited
13 to, failure of a member state to perform such
14 obligations or responsibilities imposed upon it by the
15 Compact, or the rules and bylaws of the Interstate
16 Commission promulgated under the Compact.

17 b. If the Interstate Commission determines that a member
18 state has defaulted in the performance of its
19 obligations or responsibilities under the Compact, or
20 the bylaws or promulgated rules, the Interstate
21 Commission shall:



- 1 1. Provide written notice to the defaulting state
2 and other member states, of the nature of the
3 default, the means of curing the default, and any
4 action taken by the Interstate Commission. The
5 Interstate Commission shall specify the
6 conditions by which the defaulting state must
7 cure its default; and
- 8 2. Provide remedial training and specific technical
9 assistance regarding the default.
- 10 c. If the defaulting state fails to cure the default, the
11 defaulting state shall be terminated from the Compact
12 upon an affirmative vote of a majority of the
13 Commissioners and all rights, privileges, and benefits
14 conferred by the Compact shall terminate on the
15 effective date of termination. A cure of the default
16 does not relieve the offending state of obligations or
17 liabilities incurred during the period of the default.
- 18 d. Termination of membership in the Compact shall be
19 imposed only after all other means of securing
20 compliance have been exhausted. Notice of intent to
21 terminate shall be given by the Interstate Commission



- 1 to the governor, the majority and minority leaders of
2 the defaulting state's legislature, and each of the
3 member states.
- 4 e. The Interstate Commission shall establish rules and
5 procedures to address licenses and physicians that are
6 materially impacted by the termination of a member
7 state, or the withdrawal of a member state.
- 8 f. The member state which has been terminated is
9 responsible for all dues, obligations, and liabilities
10 incurred through the effective date of termination
11 including obligations, the performance of which
12 extends beyond the effective date of termination.
- 13 g. The Interstate Commission shall not bear any costs
14 relating to any state that has been found to be in
15 default or which has been terminated from the Compact,
16 unless otherwise mutually agreed upon in writing
17 between the Interstate Commission and the defaulting
18 state.
- 19 h. The defaulting state may appeal the action of the
20 Interstate Commission by petitioning the United States
21 District Court for the District of Columbia or the



1 federal district where the Interstate Commission has
2 its principal offices. The prevailing party shall be
3 awarded all costs of such litigation including
4 reasonable attorney's fees.

5 **SECTION 19. DISPUTE RESOLUTION**

6 a. The Interstate Commission shall attempt, upon the
7 request of a member state, to resolve disputes which
8 are subject to the Compact and which may arise among
9 member states or member boards.

10 b. The Interstate Commission shall promulgate rules
11 providing for both mediation and binding dispute
12 resolution as appropriate.

13 **SECTION 20. MEMBER STATES, EFFECTIVE DATE AND AMENDMENT**

14 a. Any state is eligible to become a member of the
15 Compact.

16 b. The Compact shall become effective and binding upon
17 legislative enactment of the Compact into law by no
18 less than seven (7) states. Thereafter, it shall
19 become effective and binding on a state upon enactment
20 of the Compact into law by that state.



1 c. The governors of non-member states, or their
2 designees, shall be invited to participate in the
3 activities of the Interstate Commission on a non-
4 voting basis prior to adoption of the Compact by all
5 states.

6 d. The Interstate Commission may propose amendments to
7 the Compact for enactment by the member states. No
8 amendment shall become effective and binding upon the
9 Interstate Commission and the member states unless and
10 until it is enacted into law by unanimous consent of
11 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;
15 provided that a member state may withdraw from the
16 Compact by specifically repealing the statute which
17 enacted the Compact into law.

18 b. Withdrawal from the Compact shall be by the enactment
19 of a statute repealing the same, but shall not take
20 effect until one (1) year after the effective date of
21 such statute and until written notice of the



- 1 withdrawal has been given by the withdrawing state to
2 the governor of each other member state.
- 3 c. The withdrawing state shall immediately notify the
4 chairperson of the Interstate Commission in writing
5 upon the introduction of legislation repealing the
6 Compact in the withdrawing state.
- 7 d. The Interstate Commission shall notify the other
8 member states of the withdrawing state's intent to
9 withdraw within sixty (60) days of its receipt of
10 notice provided under subsection (c).
- 11 e. The withdrawing state is responsible for all dues,
12 obligations and liabilities incurred through the
13 effective date of withdrawal, including obligations,
14 the performance of which extend beyond the effective
15 date of withdrawal.
- 16 f. Reinstatement following withdrawal of a member state
17 shall occur upon the withdrawing state reenacting the
18 Compact or upon such later date as determined by the
19 Interstate Commission.
- 20 g. The Interstate Commission is authorized to develop
21 rules to address the impact of the withdrawal of a



1 member state on licenses granted in other member
2 states to physicians who designated the withdrawing
3 member state as the state of principal license.

4 **SECTION 22. DISSOLUTION**

- 5 a. The Compact shall dissolve effective upon the date of
6 the withdrawal or default of the member state which
7 reduces the membership of the Compact to one (1)
8 member state.
- 9 b. Upon the dissolution of the Compact, the Compact
10 becomes null and void and shall be of no further force
11 or effect, and the business and affairs of the
12 Interstate Commission shall be concluded, and surplus
13 funds shall be distributed in accordance with the
14 bylaws.

15 **SECTION 23. SEVERABILITY AND CONSTRUCTION**

- 16 a. The provisions of the Compact shall be severable, and
17 if any phrase, clause, sentence, or provision is
18 deemed unenforceable, the remaining provisions of the
19 Compact shall be enforceable.
- 20 b. The provisions of the Compact shall be liberally
21 construed to effectuate its purposes.



1 c. Nothing in the Compact shall be construed to prohibit
2 the applicability of other interstate compacts to
3 which the member states are members.

4 **SECTION 24. BINDING EFFECT OF COMPACT AND OTHER LAWS**

5 a. Nothing herein prevents the enforcement of any other
6 law of a member state that is not inconsistent with
7 the Compact.

8 b. All laws in a member state in conflict with the
9 Compact are superseded to the extent of the conflict.

10 c. All lawful actions of the Interstate Commission,
11 including all rules and bylaws promulgated by the
12 Commission, are binding upon the member states.

13 d. All agreements between the Interstate Commission and
14 the member states are binding in accordance with their
15 terms.

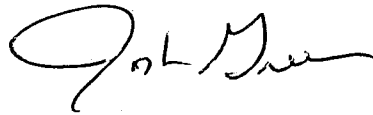
16 e. In the event any provision of the Compact exceeds the
17 constitutional limits imposed on the legislature of
18 any member state, such provision shall be ineffective
19 to the extent of the conflict with the constitutional
20 provision in question in that member state.



1 **§ -3 Rules.** The department of commerce and consumer
2 affairs shall adopt rules pursuant to chapter 91 for the
3 purposes of implementing and administering this chapter."

4 SECTION 2. This Act shall take effect upon its approval;
5 provided that section 1 of this Act shall take effect on
6 January 1, 2025.

APPROVED this **22nd** day of **June**, 2023




GOVERNOR OF THE STATE OF HAWAII




THE SENATE OF THE STATE OF HAWAI'I

Date: May 4, 2023
Honolulu, Hawai'i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirty-Second Legislature of the State of Hawai'i, Regular Session of 2023.


President of the Senate


Clerk of the Senate

SB No. 674, SD 1, HD 2, CD 1


THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 4, 2023
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Second Legislature of the State of Hawaii, Regular Session of 2023.



Scott K. Saiki
Speaker
House of Representatives



Brian L. Takeshita
Chief Clerk
House of Representatives