



JOSH GREEN, M.D.
GOVERNOR | KE KIA'ĀINA

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

STATE OF HAWAII | KA MOKU'ĀINA 'O HAWAI'I
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
KA 'OIHANA PILI KĀLEPA
335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: (808) 586-2850
Fax Number: (808) 586-2856
cca.hawaii.gov

NADINE Y. ANDO
DIRECTOR | KA LUNA HO'OKELE

DEAN I HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HO'OKELE

Testimony of the Department of Commerce and Consumer Affairs

Before the
Senate Committee on Commerce and Consumer Protection
and
Senate Committee on Ways and Means
Wednesday, March 1, 2023
9:30 a.m.

On the following measure:
S.B. 63, S.D.1, RELATING TO NURSES

Chair Keohokalole, Chair Dela Cruz and Members of the Committees:

My name is Esther Brown, and I am the Complaints and Enforcement Officer of the Regulated Industries Complaints Office (RICO), which is an agency within the Department of Commerce and Consumer Affairs (Department). RICO **offers comments** on provisions of the measure that impact RICO's enforcement authority, practices and/or daily operations.

The bill authorizes the Hawaii Board of Nursing (BON) to issue temporary permits for six-month periods to registered nurses and practical nurses who are already licensed in another jurisdiction and, provided certain conditions are met, the bill also exempts from licensure those out-of-state nurses who accompany nonresident patients into the State for less than two weeks.

RICO enforces the licensing laws of certain professional and trade industries in the State by investigating and prosecuting misbehaving licensees who fall within the purview of the Hawaii BON. RICO's effort results in disciplinary recommendations that are

presented to the BON for final action. The BON, therefore, sets industry policy and standards through laws and rules, which are applied to regulate nurses through the issuance, denial or discipline of licenses that grant them the privilege to practice in our state. RICO, as the BON's investigator and prosecutor, therefore, defers to and fully supports the Hawaii BON's position on the measure's policy, administration and implementation.

From an enforcement perspective, the measure as written is a good law for basic but important reasons.

1. Clarity. The language of the measure is clear so temporary permit holders and would-be temporary permit holders should have no problem understanding the expectations should the measure pass.

2. Incorporated into the current licensure scheme. The measure, unlike many of the proposed healthcare interstate compact bills that have been introduced this Session, seeks only to amend the existing regulatory scheme that has been in place for nearly half-a-century. The measure does not attempt to forcefully disrupt regulation through the introduction of a comprehensive, vague, unknowing, and untried scheme.

3. Notice to the regulator. A regulatory body must know about, and be able to contact, persons in the State who are or intend to practice nursing here. The measure contains the all-important notification provision in that it requires non-resident licensees seeking temporary permits, to make application directly to the BON (HD1, page 1, lines 7 – 8; page 2, lines 8 – 9).

4. Fees. Sufficient resources are necessary to enforce a regulatory scheme and the measure allows for the imposition of fees, which will help ensure uninterrupted and consistent regulation in the field. (HD1, page 1, lines 9 – 10; page 2, lines 10 – 11). RICO also favors the more definite approach to fees that is offered by the BON via a proposed SD2, since the proposed SD2 refers to the specific fee provisions that are already in place and applicable to BON applicants and licensees.

5. Definite period. A license or permit for only a definite period of time is beneficial to consumers because, at renewal, license-holders must represent and if necessary prove, to the BON, that they are competent and credible still. The measure

accommodates this important consumer protection aspect by limiting the licensure period of each temporary permit to six-months only, (see HD1 page 3, lines 14-15), with the possibility of a continuous extension in only those cases where the nonresident nurse had applied for full licensure and a temporary permit simultaneously, and the nurse is awaiting permanent licensure still.

6. Respect for practitioners under investigation and patient medical records. Unlike many of the proposed healthcare interstate compact bills that have been introduced this Session, this measure does not seek to compel industry regulators to ignore state law possibly on critical matters such as the privacy of licensees under investigation for fitness to practice or the confidentiality of patient treatment records.

For these reasons, the measure is a good bill from an enforcement perspective. Thank you for the opportunity to testify on this bill.

Testimony of the Board of Nursing

**Before the
Senate Committee on Commerce and Consumer Protection
and
Senate Committee on Ways and Means**

**Wednesday, March 1, 2023
9:30 a.m.
Conference Room 211 and Videoconference**

**On the following measure:
S.B. 63, S.D. 1, RELATING TO NURSES**

WRITTEN TESTIMONY ONLY

Chair Keohokalole, Chair Dela Cruz, and Members of the Committees:

My name is Chelsea Fukunaga, and I am the Executive Officer of the Board of Nursing (Board). The Board offers comments and recommendations as proposed in the attached Proposed S.D. 2.

The purposes of this bill are to: (1) allow the Board of Nursing to issue temporary permits for six-month periods to registered nurses and practical nurses licensed in another jurisdiction under certain circumstances, and excepts from license requirements nurses who are licensed in another state, territory, or country accompanying a patient from out-of-state for a period of less than two weeks and not employed or affiliated with a health care facility in the State; and (2) allow an out-of-state registered nurse or licensed practical nurse to simultaneously apply for a license to practice and a temporary permit, and in such circumstances, extends the validity of temporary permit to until the Board approves the application to practice

The Board supported the bill in its original form that separated the temporary permit from the permanent license application. As such, the proposed S.D. 2 ensures this separation and goes further by removing the requirements for a criminal record check and the Self-query report issued by National Practitioner Data Bank (NPDB). For the Committee's information, health care entities must conduct their own criminal record check for employment purposes. Similarly, a health care entity is authorized to query the NPDB to determine whether disciplinary actions or other adverse actions have been

levied on the nurse. For purposes of processing a temporary permit application, the Board will require that the applicant obtain a Nursys license verification report that would provide the same or similar information that the NPDB would. Safeguards will remain in place to ensure consumer safety.

The amendment in the S.D.1 to allow a nurse to simultaneously apply for a license to practice and a temporary permit is unnecessary as nothing prohibits an individual under the original bill or the proposed S.D. 2 from doing so and provided an application for a permanent license is complete when submitted, the license may be issued.

Regarding the issuance of a temporary permit within seven days, this mandated time frame could pose several problems if, for instance, the Nursys license verification report provides adverse or derogatory information. The full Board would be required to review said application at one of its scheduled monthly meetings. This means the Board would not be compliant with the statutory mandate to issue the temporary permit within the seven day time frame.

The Board believes that the temporary permit should remain separate and distinct from the permanent licensure process as originally proposed in the original language of this bill. As such, the Board respectfully requests that the Committees consider the attached proposed S.D. 2, which streamlines the process and, most importantly, ensures consumer safety.

Thank you for the opportunity to testify on this bill.

S.B. NO. 63, S. D. 1
PROPOSED S.D. 2

A BILL FOR AN ACT

RELATING TO NURSES LICENSED IN ANOTHER JURISDICTION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Chapter 457, Hawaii Revised Statutes, is
2 amended by adding a new section to be appropriately designated
3 and to read as follows:

4 "§457- Temporary permit. (a) The board may issue a
5 temporary permit to an out-of-state licensed practical nurse or
6 registered nurse who has applied and met the following
7 requirements:

- 8 (1) Completed an application on a form prescribed by the
9 board;
- 10 (2) Paid all fees established by title 16, chapter 53,
11 Hawaii Administrative Rules, that are made applicable
12 to board of nursing; and
- 13 (3) Provided proof of a valid and unencumbered license in
14 another state, territory, or country by way of a
15 license verification from the other state, territory,
16 or country or Nursys license verification report

S.B. NO. 63, S.D. 1

PROPOSED S.D. 2

1 pursuant to section 16-89-16(2), Hawaii Administrative
2 Rules.

3 (b) An individual who currently holds a multistate license
4 issued by another state may also meet the requirements for a
5 temporary permit; provided the individual has met the following
6 requirements:

7 (1) Completed an application on a form prescribed by the
8 board;

9 (2) Paid all fees established by title 16, chapter 53,
10 Hawaii Administrative Rules, that are made applicable
11 to board of nursing; and

12 (3) Provided proof of a valid and unencumbered multistate
13 license in another state, territory, or country by way
14 of a Nursys license verification report pursuant to
15 section 16-89-16(2), Hawaii Administrative Rules. For
16 purposes of this section, a "multistate license" means
17 a license to practice as a licensed practical nurse or
18 registered nurse issued by a home state licensing
19 board that authorizes the licensed nurse to practice
20 in all party states under a multistate licensure
21 privilege.

S.B. NO. 63, S.D. 1

PROPOSED S.D. 2

1 (c) A temporary permit may only be issued to an applicant
2 who has been appointed or accepted employment with a single
3 health care entity listed in section 321-11(10).

4 (d) A temporary permit shall be valid only for a period of
5 six months from the date of issuance. In no case shall a permit
6 issued hereunder be valid for more than a period of six months
7 from the date of issuance. A new and separate temporary permit
8 may be issued provided that the requirements of subsection (a)
9 or (b) have been satisfied."

10 SECTION 2. Section 457-7, Hawaii Revised Statutes, is
11 amended by amending subsection (b) to read as follows:

12 "(b) Licenses shall be granted either by:

13 (1) Examination: The applicant shall be required to pass
14 a written examination in nursing subjects as
15 determined by the board. Upon the applicant's passage
16 of the examination and compliance with the applicable
17 requirements of this chapter and the rules of the
18 board, the board shall issue to the applicant a
19 license to practice nursing as a registered nurse; or

20 (2) Endorsement: The board may issue a license to
21 practice nursing as a registered nurse by endorsement
22 to an applicant who has been licensed as a registered

S.B. NO. 63, S.D. 1

PROPOSED S.D. 2

1 nurse under the laws of another state, territory, or
2 foreign country if the applicant has an unencumbered
3 license and, in the opinion of the board, the
4 applicant meets the qualifications required of the
5 registered nurses in this State at the time of
6 graduation. [~~Pending verification of a valid,
7 unencumbered license from another state, territory, or
8 foreign country, a temporary permit may be issued for
9 employment with a Hawaii employer.]"~~

10 SECTION 3. Section 457-8, Hawaii Revised Statutes, is
11 amended by amending subsection (b) to read as follows:

12 "(b) Licenses shall be granted either by:

13 (1) Examination: The applicant shall be required to pass
14 a written examination in nursing subjects as
15 determined by the board. Upon the applicant's passage
16 of the examination and compliance with the applicable
17 requirements of this chapter and the rules of the
18 board, the board shall issue to the applicant a
19 license to practice nursing as a licensed practical
20 nurse; or

21 (2) Endorsement: The board may issue a license to
22 practice nursing as a licensed practical nurse by

S.B. NO. 63, S.D. 1

PROPOSED S.D. 2

1 endorsement to any applicant who has been licensed as
2 a licensed practical nurse, or a person entitled to
3 perform similar services under a different title,
4 under the laws of another state, territory, or foreign
5 country if the applicant has an unencumbered license
6 and, in the opinion of the board, the applicant meets
7 the requirements for licensed practical nurses in this
8 State at the time of graduation. [~~Pending~~
9 ~~verification of a valid, unencumbered license from~~
10 ~~another state, territory, or foreign country, a~~
11 ~~temporary permit may be issued for employment with a~~
12 ~~Hawaii employer.]"~~

13 SECTION 4. Section 457-13, Hawaii Revised Statutes, is
14 amended to read as follows:

15 "**§457-13 Exceptions.** This chapter does not prohibit:

- 16 (1) The furnishing of nursing assistance in an emergency;
17 (2) The practice of nursing that is incidental to the
18 program of study engaged in by students enrolled in
19 nursing education programs accredited by the board;

20 [~~(3) The practice of nursing under a nonrenewable permit~~
21 ~~by:~~

22 ~~(A) A graduate of; or~~

S.B. NO. 63, S.D. 1

PROPOSED S.D. 2

1 ~~(B) An applicant who has provided proof that the~~
2 ~~applicant has completed the entire educational~~
3 ~~curriculum required for graduation for a nursing~~
4 ~~license from,~~
5 ~~a school that is in or under the jurisdiction of the~~
6 ~~United States, a territory, or a foreign jurisdiction,~~
7 ~~and whose accreditation is recognized by the board;~~
8 ~~provided that following completion of (A) or (B), the~~
9 ~~candidate takes the first licensing examination~~
10 ~~scheduled by any board of nursing recognized by the~~
11 ~~board and has submitted to the board an application~~
12 ~~for a license to practice nursing in the State; and~~
13 ~~provided further that the permit shall be valid for~~
14 ~~three months or until the results of the licensing~~
15 ~~examination are received by the board;~~

16 ~~(4)]~~ (3) The practice of any legally qualified nurse of
17 another state who is employed by the United States or
18 any bureau, division, or agency thereof, while in the
19 discharge of the nurse's official duties;

20 ~~(5)]~~ (4) The practice of nursing in connection with
21 healing by prayer or spiritual means alone in
22 accordance with the tenets and practice of any well

S.B. NO. 63, S.D. 1

PROPOSED S.D. 2

1 recognized church or religious denomination, provided
2 that no person practicing such nursing claims to
3 practice as a registered nurse or a licensed practical
4 nurse; [~~or~~

5 ~~(6)]~~ (5) The administration of oral and topical medication
6 and in emergency situations, other premeasured
7 medication, by school health aides as provided in
8 section 302A-853[~~-~~]; or

9 (6) The practice of nursing by a nurse licensed in another
10 state, territory, or a foreign country who is
11 accompanying a patient or patients from out-of-state,
12 for a period of less than two weeks and who is not
13 employed by or affiliated with a Hawaii health care
14 entity."

15 SECTION 5. The department of commerce and consumer affairs
16 may adopt interim rules to establish fees for the administration
17 of this Act. All fees collected shall be deposited to the
18 credit of the compliance resolution fund established pursuant to
19 section 26-9(o), Hawaii Revised Statutes. Fees assessed shall
20 be used to carry out the purposes of this Act without regard to
21 chapter 91 or 201M, Hawaii Revised Statutes; provided that:

S.B. NO. 63, S.D. 1

PROPOSED S.D. 2

1 (1) The department shall hold at least one public hearing
2 prior to the adoption of interim rules; and

3 (2) The interim rules shall be effective for no more than
4 one year after their adoption.

5 SECTION 6. The department of commerce and consumer affairs
6 may employ necessary personnel without regard to chapter 76,
7 Hawaii Revised Statutes, including one full-time permanent
8 office assistant, for the purposes of this Act.

9 SECTION 7. There is appropriated out of the general
10 revenues of the state of Hawaii the sum of \$ or so much
11 thereof as may be necessary for fiscal year 2023-2024 and the
12 same sum or so much thereof as may be necessary for fiscal year
13 2024-2025 to be deposited into the compliance resolution fund.

14 SECTION 8. There is appropriated out of the compliance
15 resolution fund the sum of \$ or so much thereof as may be
16 necessary for fiscal year 2023-2024 and the same sum or so much
17 thereof as may be necessary for fiscal year 2024-2025 to
18 implement the regulation of nurses as required by this Act.

19 The sums appropriated shall be expended by the department
20 of commerce and consumer affairs for the purposes of this Act.

21 SECTION 9. Statutory material to be repealed is bracketed
22 and stricken. New statutory material is underscored.

S.B. NO. 63, S.D. 1

PROPOSED S.D. 2

1 SECTION 10. This Act shall take effect upon its approval.

2

3

4

INTRODUCED BY: _____

5

BY REQUEST

S.B. NO. 63, S.D. 1

Proposed S.D. 2

Report Title:

Nurses; Registered Nurses; Licensed Practical Nurses; Licenses;
Endorsement; Temporary Permits; Exceptions

Description:

Allows for temporary permits to be issued to registered nurses and licensed practical nurses, and revises the exemptions for license. (Proposed SD2)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

Wednesday, March 1, 2023 at 9:30 AM
Via Video Conference; Conference Room 211

Senate Committee on Commerce and Consumer Affairs

To: Senator Jarrett Keohokalole, Chair
Senator Carol Fukunaga, Vice Chair

Senate Committee on Ways and Means

To: Senator Donovan Dela Cruz, Chair
Senator Gil Keith-Agaran, Vice Chair

From: Michael Robinson
Vice President, Government Relations & Community Affairs

**Re: SB 63, SD1 - Testimony in Support
Relating To Nurses**

My name is Michael Robinson, and I am the Vice President of Government Relations & Community Affairs at Hawai'i Pacific Health. Hawai'i Pacific Health is a not-for-profit health care system comprised of its four medical centers – Kapi'olani, Pali Momi, Straub and Wilcox and over 70 locations statewide with a mission of creating a healthier Hawai'i.

HPH writes in **SUPPORT** SB 63, SD1 in its current form. This bill allows the Board of Nursing to issue temporary permits to registered nurses and practical nurses who are licensed in another jurisdiction and creates a streamlined process for nurses toward obtaining a temporary permit together with a permanent license within a specific time period.

Hawai'i is faced with a shortage of health care professionals in every field, including nurses. There are about 1,000 open nursing positions statewide. Nearly every hospital has been impacted by the shortage of nurses. At HPH, 200 new out-of-state nurses are hired on an annual basis. We have an additional 200 traveling nurses from out of state. These 400 nurses must apply for a temporary permit and fulfill credentialing requirements to practice before they are eligible to work in Hawai'i. There is considerable lag time between the submission of an application for a temporary permit and its issuance. In the meantime, the nurse is unable to work, and unable to help alleviate the nurse staffing shortage.

Approximately fifty percent of the out of state nurses we employ wish to become permanently licensed as a registered nurse or licensed practical nurse. The process to

become permanently licensed requires another application separate from the application for temporary permit and satisfying another set of requirements. Combining the two separate application processes for temporary permit and permanent license into a single application would create a more efficient pathway to licensure. As out of state nurses hold a valid unencumbered license in another state or jurisdiction, their credentials have already been vetted by another licensing board. Thus, a streamlined application for temporary permit and permanent license would enable these nurses to practice under their temporary permit while the Board considers issuing a permanent license. Through this process much needed nurses would be able to enter the health care workforce at a faster rate.

Thank you for the opportunity to testify.



THE QUEEN'S HEALTH SYSTEM

To: The Honorable Jarrett Keohokalole, Chair
The Honorable Carol Fukunaga, Vice Chair
Members, Senate Committee on Commerce & Consumer Protection

The Honorable Donovan M. Dela Cruz, Chair
The Honorable Gilbert S.C. Keith-Agaran, Vice Chair
Members, Senate Committee on Ways and Means

From: Jace Mikulanec, Director, Government Relations, The Queen's Health System

Date: March 1, 2023

Re: Support for SB63 SD1: Relating to Nurses

The Queen's Health System (Queen's) is a nonprofit corporation that provides expanded health care capabilities to the people of Hawai'i and the Pacific Basin. Since the founding of the first Queen's hospital in 1859 by Queen Emma and King Kamehameha IV, it has been our mission to provide quality health care services in perpetuity for Native Hawaiians and all of the people of Hawai'i. Over the years, the organization has grown to four hospitals, and more than 10,000 affiliated physicians, caregivers, and dedicated medical staff statewide. As the preeminent health care system in Hawai'i, Queen's strives to provide superior patient care that is constantly advancing through education and research.

Queen's appreciates the opportunity to provide comments in **support** of SB63 SD1, which seeks to enable the Hawaii State Board of Nursing to issue temporary permits to out-of-state license nurses and enables the Department of Commerce and Consumer Affairs (DCCA) to adopt interim rules and collect fees for the administration of this program. We appreciate and support the amendments made to SB 63 in the previous committee and urge this Committee to consider including an appropriation. COVID19 underscored how interconnected our healthcare system is -those interconnections helped us adapt, pivot, and improve many conventional processes in order to address immediate emergency medical events in our state. Under the federal and state COVID19 emergency proclamations, our state was able to expedite certain licensing protocols in order to expeditiously and safely deploy critical skilled nursing staff throughout our state healthcare system. This bill would help build upon and make permanent some of those provisions by expediting nurse licensing in our state when certain conditions are met.

Queen's relies on out-of-state nurses as a critical part of addressing the ongoing nursing shortage; according to HAH's 2022 Workforce Initiative Report that overall nursing shortage is approaching 1000. This is a trend we see nationally and we must make concerted efforts to continue investing in our local workforce through training, residency programs, and educational opportunities while also being nimble and looking at new ways to recruit and retain nurses; we believe his bill is one attempt to help accomplish that. We also implore the Committee to work with the Department and stakeholders to look for additional efficiency and innovations within the state licensing process to ensure the temporary permitting program is effective.

Thank you for allowing Queen's to provide testimony in support of SB63 SD1.

The mission of The Queen's Health System is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.



March 1, 2023 at 9:30 am
Conference Room 211

Senate Committee on Commerce and Consumer Protection
Senate Committee on Ways and Means

To: Chair Jarrett Keohokalole
Vice Chair Carol Fukunaga

Chair Donovan M Dela Cruz
Vice Chair Gilbert S.C. Keith-Agaran

From: Paige Heckathorn Choy
Associate Vice President, Government Affairs
Healthcare Association of Hawaii

Re: Support
SB 63 SD 1, Relating to Nurses

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the healthcare continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high-quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 30,000 people statewide.

Thank you for the opportunity to **support** this measure, which would create a new temporary permit pathway for registered nurses (RNs) and licensed practical nurses (LPNs) seeking to work at a healthcare entity in the state but does not have a Hawaii license. This proposal generally reflects the process currently in place through emergency rules, which have been critical to ensuring that our hospitals and other medical providers have enough staff to take care of the record-setting number of patients seeking care.

For reasons largely out of their control—including a record number of applications and interruptions in work due to the pandemic—the Department of Commerce and Consumer Affairs (DCCA) has faced a backlog in nursing applications. This led to a decision to cease issuing temporary licenses, which was not an issue until the emergency proclamation allowing out-of-state clinicians to practice in the state without a license lapsed. Since then, we have been grateful to the DCCA and the previous and current administration for allowing critical out-of-state clinicians to come in under emergency rules. Without this flexibility, our hospitals, nursing homes, and other medical organizations would be facing crisis levels of staffing shortages.

We are very supportive of this measure, which will codify much of the current emergency rules and allow an easier path for out-of-state RNs and LPNs to practice in the state. We also believe that amendments added to the bill to require that permits be issued in a timely fashion and to make the application process more efficient are necessary to address the barriers healthcare entities are facing in bringing in critical staff.

Thank you for the opportunity to support this important measure.



March 1, 2023

9:30 a.m.

VIA VIDEOCONFERENCE

Conference Room 211

To: Senate Committee on Commerce and Consumer Protection

Sen. Jarrett Keohokalole, Chair

Sen. Carol Fukunaga, Vice Chair

Senate Committee on Ways and Means

Sen. Donovan M. Dela Cruz, Chair

Sen. Gilbert S.C. Keith-Agaran, Vice Chair

From: Grassroot Institute of Hawaii

Ted Kefalas, Director of Strategic Campaigns

RE: SB63 SD1 — RELATING TO NURSES

Comments Only

Dear Chair and Committee Members:

The Grassroot Institute of Hawaii would like to offer its comments on [SB63 SD1](#), which would allow the Board of Nursing to issue temporary permits to nurses licensed in other states so long as the applicants comply with certain requirements.

If this bill is enacted, the Legislature will be formalizing the ad hoc approach to license recognition that began with Gov. David Ige's COVID emergency proclamations. While this is a positive step to address the shortage of nurses in our state, it stops short of more effective and permanent reform measures.

It is well established that Hawaii is suffering from a shortage of vital healthcare workers, especially nurses. A 2021 [report](#) from the Hawaii State Center for Nursing estimated that the state has 300 to 400 fewer nurses than needed to meet demand.¹ Since 2021, we have seen

¹ Carrie M. Oliveira, "[2021 Hawai'i Nursing Workforce Supply: Statewide Report](#)," Hawai'i State Center for Nursing, 2021.

[research](#) indicating that nearly one-fourth of Hawaii’s nurses have been considering leaving the workforce, largely due to the stresses caused by the pandemic.²

The problem — which existed before the pandemic — has not eased since the emergency was lifted. Across the state, and especially in rural areas, Hawaii is facing shortages of experienced healthcare professionals, from primary care providers to nurses, specialists and staff.

Fixing the shortage in healthcare workers requires a multipronged strategy that will address everything from Hawaii’s high cost of living to the state’s regulatory scheme for healthcare facilities. Perhaps most important is the need to reform licensing regulations for healthcare professionals.

One-fourth of all licensed workers in the U.S. work in healthcare.³ Their licenses can be difficult to obtain, are expensive and carry geographic or “scope of practice” limitations.

As discussed in an upcoming policy brief on medical licensing by the Grassroot Institute of Hawaii, the state’s shortage of healthcare professionals makes its restrictions on healthcare workers who already hold licenses in other U.S. states seem redundant and self-defeating.

As the Federal Trade Commission noted in a report on occupational licensing portability:

There is little justification for the burdensome, costly, and redundant licensing processes that many states impose on qualified, licensed, out-of-state applicants. Such requirements likely inhibit multistate practice and delay or even prevent licensees from working in their occupations upon relocation to a new state. Indeed, for occupations that have not implemented any form of license portability, the harm to competition from suppressed mobility may far outweigh any plausible consumer protection benefit from the failure to provide for license portability.⁴

In other words, though medical licensing is intended to protect the public, there is a point at which the level of regulation reduces the number of people in practice without an appreciable public benefit.

² Holly B. Fontenot, et al., “[Impact of the COVID-19 Pandemic on the Hawai’i Nursing Workforce: A Cross-sectional Survey](#),” Hawaii Journal of Health and Social Welfare, May 2022.

³ Ryann Nunn, “[Improving Health Care Through Occupational Licensing Reform](#),” RealClear Markets, Aug. 28, 2018

⁴ Karen Goldman, “[Options to Enhance Occupational License Portability](#),” U.S. Federal Trade Commission, September 2018, p. 25.

One study of licensing among medical professionals found that “licensing is associated with restricted labor supply, an increased wage of the licensed occupation, rents, increased output prices, and no measurable effect on output quality.”⁵

This is where we can benefit from the lessons learned during the coronavirus situation. The governor’s emergency modification to state licensing laws demonstrated a need to embrace license portability, making it a simple matter for a nurse licensed in another state to practice in Hawaii.

The temporary permit system outlined in this bill is a partial answer to the need to attract more nurses to Hawaii. However, as discussed in the Grassroot Institute upcoming policy brief, temporary permits would be “a Band-Aid approach” to the nursing shortage.

The brief continues: “A full [licensure] recognition scheme that encourages healthcare workers to relocate to Hawaii would be a more effective approach to addressing the state’s shortages in licensed healthcare professionals.”

Because it would create a pathway to local licensure for out-of-state nurses, albeit a temporary one, this bill would be an improvement on our current system. However, the fact that the permits are temporary undermines their value as a way to bring more healthcare workers to our state.

The committee should consider a more sustainable and long-term approach to attracting nurses to our state in order to help end the nursing shortage and improve healthcare access for all.

Thank you for the opportunity to submit our comments.

Sincerely,

Ted Kefalas
Director of Strategic Campaigns,
Grassroot Institute of Hawaii

⁵ Sean Nicholson and Carol Propper, “[Chapter Fourteen — Medical Workforce.](#)” in “Handbook of Health Economics, Vol. 2,” Elsevier, B.V., 2012, p. 885, cited also in the previously mentioned [FTC study](#), footnote #9, p3.



March 1, 2023

To: Chair Keohokalole, Chair Dela Cruz, Vice Chair Fukunaga, Vice Chair Keith-Agaran, and Members of the Senate Committee on Commerce and Consumer Protection and the Senate Committee on Ways and Means

From: Hawaii Association of Health Plans Public Policy Committee

Date/Location: March 1, 2023; 9:30 a.m., Conference Room 211/Videoconference

Re: Testimony in support of SB 63 SD1 – Relating to Nurses

The Hawaii Association of Health Plans (HAHP) appreciates the opportunity to testify in support of SB 63. HAHP is a statewide partnership that unifies Hawaii's health plans to improve the health of Hawaii's communities together. A majority of Hawaii residents receive their health coverage through a plan associated with one of our organizations.

HAHP believes in providing our members with access to quality care and this bill would allow for temporary permits for already licensed nurses from other jurisdictions and allow for nurses to accompany out-of-state patients while in Hawaii for a limited time frame. As we know, providers are in short supply, particularly in rural areas, and access to care is critically important. This bill would help to expand and strengthen our critical health care workforce, support the health care ecosystem, and, most importantly, improve access to care for the residents of Hawaii.

Thank you for the opportunity to testify on SB 63 SD1.

Sincerely,

HAHP Public Policy Committee

cc: HAHP Board Members

AlohaCare | HMAA | HMSA | Humana | HWMG | Kaiser Permanente | MDX Hawaii | Ohana Health Plan | UHA Health Insurance | UnitedHealthcare

hahp.org | 818 Keeaumoku Street, Honolulu, HI 96814 | info@hahp.org

SB-63-SD-1

Submitted on: 2/26/2023 4:27:34 PM

Testimony for CPN on 3/1/2023 9:30:00 AM

Submitted By	Organization	Testifier Position	Testify
Gerard Silva	Individual	Oppose	Written Testimony Only

Comments:

They have to be properly Trained Frist!!!!

**Written Testimony Presented Before the Senate
Committee on Commerce and Consumer Protection
and
Committee on Ways and Means
Wednesday, March 1, 2023 at 9:30 A.M.
Conference Room 211 and via videoconference
by
Laura Reichhardt, APRN, AGPCNP-BC
Director, Hawai'i State Center for Nursing
University of Hawai'i at Mānoa**

TESTIMONY IN SUPPORT on S.B. 63, S.D. 1

Chairs Keohokalole and Dela Cruz, Vice Chairs Fukunaga and Keith-Agaran, and members of the Senate Committees, thank you for the opportunity to testify in support of S.B. 63, S.D. 1. This measure allows the Board of Nursing to issue temporary permits to registered nurses and practical nurses in another jurisdiction under certain circumstances, and exempts from license requirements nurses who are licensed in another state, territory, or country accompanying a patient from out-of-state for a period of less than two weeks and not employed or affiliated with a health care facility in the State. This important measure finds a solution to resolve the current delays in processing nursing license applications by endorsement. This process is needed for recruiting nurses from outside of Hawai'i as well as bringing in travel nurses to maintain 24/7 care in the state at a time in which Hawai'i is short of the number of nurses needed.

Upon reviewing this measure with the Hawai'i State Center for Nursing's (HSCN) *Hawai'i Chief Nursing Officer (CNO) Collective*, a group of 51 nursing leaders from representing 37 organizations, they made the following comments; these comments were addressed in the S.D. 1 version of this measure:

- Nursing recruitment and nurse license processing time remains one of the biggest concerns of the *CNO Collective* for over a year.
- This measure provides a clear pathway for out-of-state licensed nurses with licenses in good standing to enter the state and work immediately and with recognition by the Board of Nursing.
- Ensuring an expedited and clear timeframe for processing temporary permits would significantly improve the outcome of this measure and ability to recruit nurses into Hawai'i's nursing workforce.
- The preference of nurse leaders is that nurses who apply for a temporary permit also have a pathway that leads to permanent licensure.

HSCN recognizes that these additions may have impact on feasibility of implementation. Upon reviewing other similar programs across the nation, the Hawai'i State Center for Nursing found a similar initiative in Washington State in which the legislature required license applications to be processed within 7 business days.¹ To accomplish this required timeframe, Washington State increased license fees to purchase a new licensing system, hire additional staff, and staff the long-term care crisis.²

¹ Washington State Application Processing Times
<https://nursing.wa.gov/licensing/check-license-status/processing-times>

² <https://nursing.wa.gov/licensing/nurse-license-fees>

The mission of the Hawai'i State Center for Nursing is that through collaborative partnerships, the Center provides accurate nursing workforce data for planning, disseminates nursing knowledge to support excellence in practice and leadership development, promotes a diverse workforce, and advocates for sound health policy to serve the changing health care needs of the people of Hawai'i.

The Hawai'i State Center for Nursing is in strong support of this measure. Revising the temporary permit laws for nursing will enable a clear and expedited pathways for nurses who hold licenses elsewhere in the United States to serve this state expeditiously. Thank you for your favorable consideration of this measure.

The mission of the Hawai'i State Center for Nursing is that through collaborative partnerships, the Center provides accurate nursing workforce data for planning, disseminates nursing knowledge to support excellence in practice and leadership development, promotes a diverse workforce, and advocates for sound health policy to serve the changing health care needs of the people of Hawai'i.

Proposed amendments in yellow highlighted text.

SECTION 1. Chapter 457, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

"§457- Temporary permit. (a) The board may issue a temporary permit to an out-of-state licensed practical nurse or registered nurse who has applied and met the following requirements:

(1) Completed an application on a form prescribed by the board;

(2) Paid all fees established by title 16, chapter 53, Hawaii Administrative Rules, that are made applicable to board of nursing;

(3) Provided proof of a valid and unencumbered license in another state, territory, or country by way of a license verification from the other state, territory, or country or Nursys license verification report pursuant to section 16-89-16(2), Hawaii Administrative Rules;

(4) Completed the fingerprinting requirement for a federal and state criminal record check; and

(5) Submitted to the board a certified copy of the self-query report from the National Practitioners Databank.

(b) An individual who currently holds a multistate license issued by another state may also meet the requirements for a temporary permit; provided the individual has met the following requirements:

(1) Completed an application on a form prescribed by the board;

(2) Paid all fees established by title 16, chapter 53, Hawaii Administrative Rules, that are made applicable to board of nursing;

(3) Provided proof of a valid and unencumbered multistate license in another state, territory, or country by way of a Nursys license verification report pursuant to section 16-89-16(2), Hawaii Administrative Rules. For purposes of this section, a "multistate license" means a license to practice as a licensed practical nurse or registered nurse issued by a home state licensing board that authorizes the licensed nurse to practice in all party states under a multistate licensure privilege;

The mission of the Hawai'i State Center for Nursing is that through collaborative partnerships, the Center provides accurate nursing workforce data for planning, disseminates nursing knowledge to support excellence in practice and leadership development, promotes a diverse workforce, and advocates for sound health policy to serve the changing health care needs of the people of Hawai'i.

(4) Submitted to the board a certified copy of the self-query report from the National Practitioners Databank.

(c) A temporary permit may only be issued to an applicant who has been appointed or accepted employment with a single health care entity listed in section 321-11(10).

(d) Notwithstanding sections 457-7 and 457-8, an out-of-state registered nurse or licensed practical nurse may apply for a license to practice as a registered nurse or licensed practical nurse simultaneously with an application for a temporary permit based on the requirements of subsections (a) and (b).

(e) A temporary permit shall be valid only for a period of six months from the date of issuance, provided that if an out-of-state licensed practical nurse or registered nurse has submitted an application to practice as a licensed practical nurse or registered nurse simultaneously with an application for a temporary permit, the temporary permit issued pursuant to this section shall be valid until such time as the Board approves the application to practice as a licensed practical nurse or registered nurse. ~~[In no case shall a permit issued hereunder be valid for more than a period of six months from the date of issuance.]~~ If an out-of-state licensed practical nurse or registered nurse has not submitted an application to practice as a licensed practical nurse or registered nurse simultaneously with an application for a temporary permit, a **A** new and separate temporary permit may be issued provided that the requirements of subsection (a) or (b) have been satisfied."

(f) An application for a temporary permit shall be approved within seven (7) business days of the date the completed application is received by the Board.

The mission of the Hawai'i State Center for Nursing is that through collaborative partnerships, the Center provides accurate nursing workforce data for planning, disseminates nursing knowledge to support excellence in practice and leadership development, promotes a diverse workforce, and advocates for sound health policy to serve the changing health care needs of the people of Hawai'i.