
A BILL FOR AN ACT

RELATING TO THE NURSE 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 NURSE LICENSURE COMPACT

6 § -1 Name. This chapter may be cited as the Nurse
7 Licensure Compact.

8
9 § -2 Terms and provisions of compact. The legislature
10 of the State of Hawaii hereby authorizes the governor to enter
11 into a compact on behalf of the State of Hawaii with any other
12 state legally joining therein, in the form substantially as
13 follows:

14 NURSE LICENSURE COMPACT

15 Article I. Findings and Declaration of Purpose

16 a. The party states find that:

H.B. NO. 2415

- 1 1. The health and safety of the public are affected by the
2 degree of compliance with and the effectiveness of
3 enforcement activities related to state nurse
4 licensure laws;
- 5 2. Violations of nurse licensure and other laws
6 regulating the practice of nursing may result in
7 injury or harm to the public;
- 8 3. The expanded mobility of nurses and the use of
9 advanced communication technologies as part of our
10 nation's health care delivery system require greater
11 coordination and cooperation among states in the areas
12 of nurse licensure and regulation;
- 13 4. New practice modalities and technology make compliance
14 with individual state nurse licensure laws difficult
15 and complex;
- 16 5. The current system of duplicative licensure for nurses
17 practicing in multiple states is cumbersome and
18 redundant for both nurses and states; and
- 19 6. Uniformity of nurse licensure requirements throughout
20 the states promotes public safety and public health
21 benefits.
- 22 b. The general purposes of this Compact are to:

H.B. NO. 2415

- 1 1. Facilitate the states' responsibility to protect the
2 public's health and safety;
- 3 2. Ensure and encourage the cooperation of party states
4 in the areas of nurse licensure and regulation;
- 5 3. Facilitate the exchange of information between party
6 states in the areas of nurse regulation, investigation
7 and adverse actions;
- 8 4. Promote compliance with the laws governing the
9 practice of nursing in each jurisdiction;
- 10 5. Invest all party states with the authority to hold a
11 nurse accountable for meeting all state practice laws
12 in the state in which the patient is located at the
13 time care is rendered through the mutual recognition
14 of party state licenses;
- 15 6. Decrease redundancies in the consideration and
16 issuance of nurse licenses; and
- 17 7. Provide opportunities for interstate practice by
18 nurses who meet uniform licensure requirements.

19 **Article II. Definitions**

20 As used in this Compact:

- 21 a. "Adverse action" means any administrative, civil,
22 equitable, or criminal action permitted by a state's laws, which

H.B. NO. 2415

1 is imposed by a licensing board or other authority against a
2 nurse, including actions against an individual's license or
3 multistate licensure privilege such as revocation, suspension,
4 probation, monitoring of the licensee, limitation on the
5 licensee's practice, or any other encumbrance on licensure
6 affecting a nurse's authorization to practice, including
7 issuance of a cease and desist action.

8 b. "Alternative program" means a non-disciplinary
9 monitoring program approved by a licensing board.

10 c. "Coordinated licensure information system" means an
11 integrated process for collecting, storing, and sharing
12 information on nurse licensure and enforcement activities
13 related to nurse licensure laws that is administered by a
14 nonprofit organization composed of and controlled by licensing
15 boards.

16 d. "Current significant investigative information" means:

17 1. Investigative information that a licensing board,
18 after a preliminary inquiry that includes notification
19 and an opportunity for the nurse to respond, if
20 required by state law, has reason to believe is not
21 groundless and, if proved true, would indicate more
22 than a minor infraction; or

H.B. NO. 2415

1 2. Investigative information that indicates that the
2 nurse represents an immediate threat to public health
3 and safety regardless of whether the nurse has been
4 notified and had an opportunity to respond.

5 e. "Encumbrance" means a revocation or suspension of, or
6 any limitation on, the full and unrestricted practice of nursing
7 imposed by a licensing board.

8 f. "Home state" means the party state which is the nurse's
9 primary state of residence.

10 g. "Licensing board" means a party state's regulatory body
11 responsible for issuing nurse licenses.

12 h. "Multistate license" means a license to practice as a
13 registered or a licensed practical/vocational nurse (LPN/VN)
14 issued by a home state licensing board that authorizes the
15 licensed nurse to practice in all party states under a
16 multistate licensure privilege.

17 i. "Multistate licensure privilege" means a legal
18 authorization associated with a multistate license permitting
19 the practice of nursing as either a registered nurse (RN) or
20 LPN/VN in a remote state.

21 j. "Nurse" means RN or LPN/VN, as those terms are defined
22 by each party state's practice laws.

H.B. NO. 2415

1 k. "Party state" means any state that has adopted this
2 Compact.

3 l. "Remote state" means a party state, other than the home
4 state.

5 m. "Single-state license" means a nurse license issued by
6 a party state that authorizes practice only within the issuing
7 state and does not include a multistate licensure privilege to
8 practice in any other party state.

9 n. "State" means a state, territory, or possession of the
10 United States and the District of Columbia.

11 o. "State practice laws" means a party state's laws,
12 rules, and regulations that govern the practice of nursing,
13 define the scope of nursing practice, and create the methods and
14 grounds for imposing discipline. "State practice laws" do not
15 include requirements necessary to obtain and retain a license,
16 except for qualifications or requirements of the home state.

17 **Article III. General Provisions and Jurisdiction**

18 a. A multistate license to practice registered or licensed
19 practical/vocational nursing issued by a home state to a
20 resident in that state will be recognized by each party state as
21 authorizing a nurse to practice as a registered nurse (RN) or as

H.B. NO. 2415

1 a licensed practical/vocational nurse (LPN/VN), under a
2 multistate licensure privilege, in each party state.

3 b. A state must implement procedures for considering the
4 criminal history records of applicants for initial multistate
5 license or licensure by endorsement. Such procedures shall
6 include the submission of fingerprints or other biometric-based
7 information by applicants for the purpose of obtaining an
8 applicant's criminal history record information from the Federal
9 Bureau of Investigation and the agency responsible for retaining
10 that state's criminal records.

11 c. Each party state shall require the following for an
12 applicant to obtain or retain a multistate license in the home
13 state:

14 1. Meets the home state's qualifications for licensure or
15 renewal of licensure, as well as all other applicable
16 state laws;

17 2. i. Has graduated or is eligible to graduate from a
18 licensing board-approved RN or LPN/VN
19 prelicensure education program; or

20 ii. Has graduated from a foreign RN or LPN/VN
21 prelicensure education program that has been
22 approved by the authorized accrediting body in

H.B. NO. 2415

- 1 the applicable country and has been verified by
2 an independent credentials review agency to be
3 comparable to a licensing board-approved
4 prelicensure education program;
- 5 3. Has, if a graduate of a foreign prelicensure education
6 program not taught in English or if English is not the
7 individual's native language, successfully passed an
8 English proficiency examination that includes the
9 components of reading, speaking, writing, and
10 listening;
- 11 4. Has successfully passed an NCLEX-RN® or NCLEX-
12 PN® Examination or recognized predecessor, as
13 applicable;
- 14 5. Is eligible for or holds an active, unencumbered
15 license;
- 16 6. Has submitted, in connection with an application for
17 initial licensure or licensure by endorsement,
18 fingerprints, or other biometric data for the purpose
19 of obtaining criminal history record information from
20 the Federal Bureau of Investigation and the agency
21 responsible for retaining that state's criminal
22 records;

H.B. NO. 2415

- 1 7. Has not been convicted or found guilty, or has entered
 - 2 into an agreed disposition, of a felony offense under
 - 3 applicable state or federal criminal law;
 - 4 8. Has not been convicted or found guilty, or has entered
 - 5 into an agreed disposition, of a misdemeanor offense
 - 6 related to the practice of nursing as determined on a
 - 7 case-by-case basis;
 - 8 9. Is not currently enrolled in an alternative program;
 - 9 10. Is subject to self-disclosure requirements regarding
 - 10 current participation in an alternative program; and
 - 11 11. Has a valid United States Social Security Number.
- 12 d. All party states shall be authorized, in accordance
- 13 with existing state due process law, to take adverse action
- 14 against a nurse's multistate licensure privilege such as
- 15 revocation, suspension, probation, or any other action that
- 16 affects a nurse's authorization to practice under a multistate
- 17 licensure privilege, including cease and desist actions. If a
- 18 party state takes such action, it shall promptly notify the
- 19 administrator of the coordinated licensure information
- 20 system. The administrator of the coordinated licensure
- 21 information system shall promptly notify the home state of any
- 22 such actions by remote states.

H.B. NO. 2415

1 e. A nurse practicing in a party state must comply with
2 the state practice laws of the state in which the client is
3 located at the time service is provided. The practice of
4 nursing is not limited to patient care, but shall include all
5 nursing practice as defined by the state practice laws of the
6 party state in which the client is located. The practice of
7 nursing in a party state under a multistate licensure privilege
8 will subject a nurse to the jurisdiction of the licensing board,
9 the courts and the laws of the party state in which the client
10 is located at the time service is provided.

11 f. Individuals not residing in a party state shall
12 continue to be able to apply for a party state's single-state
13 license as provided under the laws of each party
14 state. However, the single-state license granted to these
15 individuals will not be recognized as granting the privilege to
16 practice nursing in any other party state. Nothing in this
17 Compact shall affect the requirements established by a party
18 state for the issuance of a single-state license.

19 g. Any nurse holding a home state multistate license, on
20 the effective date of this Compact, may retain and renew the
21 multistate license issued by the nurse's then-current home
22 state; provided that:

H.B. NO. 2415

1 1. A nurse who changes primary state of residence after
2 this Compact's effective date must meet all applicable
3 Article III.c. requirements to obtain a multistate
4 license from a new home state.

5 2. A nurse who fails to satisfy the multistate licensure
6 requirements under Article III.c. due to a
7 disqualifying event occurring after this Compact's
8 effective date shall be ineligible to retain or renew
9 a multistate license, and the nurse's multistate
10 license shall be revoked or deactivated in accordance
11 with applicable rules adopted by the Interstate
12 Commission of Nurse Licensure Compact Administrators
13 ("Commission").

14 **Article IV. Applications for Licensure in a Party State**

15 a. Upon application for a multistate license, the
16 licensing board in the issuing party state shall ascertain,
17 through the coordinated licensure information system, whether
18 the applicant has ever held, or is the holder of, a license
19 issued by any other state, whether there are any encumbrances on
20 any license or multistate licensure privilege held by the
21 applicant, whether any adverse action has been taken against any
22 license or multistate licensure privilege held by the applicant

H.B. NO. 2415

1 and whether the applicant is currently participating in an
2 alternative program.

3 b. A nurse may hold a multistate license, issued by the
4 home state, in only one party state at a time.

5 c. If a nurse changes primary state of residence by moving
6 between two party states, the nurse must apply for licensure in
7 the new home state, and the multistate license issued by the
8 prior home state will be deactivated in accordance with
9 applicable rules adopted by the Commission:

10 1. The nurse may apply for licensure in advance of a
11 change in primary state of residence.

12 2. A multistate license shall not be issued by the new
13 home state until the nurse provides satisfactory
14 evidence of a change in primary state of residence to
15 the new home state and satisfies all applicable
16 requirements to obtain a multistate license from the
17 new home state.

18 d. If a nurse changes primary state of residence by moving
19 from a party state to a nonparty state, the multistate license
20 issued by the prior home state will convert to a single-state
21 license, valid only in the former home state.

22

H.B. NO. 2415

1 Article V. Additional Authorities Invested in Party State

2 Licensing Boards

3 a. In addition to the other powers conferred by state law,
4 a licensing board shall have the authority to:

5 1. Take adverse action against a nurse's multistate
6 licensure privilege to practice within that party
7 state.

8 i. Only the home state shall have the power to take
9 adverse action against a nurse's license issued
10 by the home state.

11 ii. For purposes of taking adverse action, the home
12 state licensing board shall give the same
13 priority and effect to reported conduct received
14 from a remote state as it would if such conduct
15 had occurred within the home state. In so doing,
16 the home state shall apply its own state laws to
17 determine appropriate action.

18 2. Issue cease and desist orders or impose an encumbrance
19 on a nurse's authority to practice within that party
20 state.

21 3. Complete any pending investigations of a nurse who
22 changes primary state of residence during the course

H.B. NO. 2415

1 of such investigations. The licensing board shall
2 also have the authority to take appropriate action(s).
3 and shall promptly report the conclusions of such
4 investigations to the administrator of the coordinated
5 licensure information system. The administrator of
6 the coordinated licensure information system shall
7 promptly notify the new home state of any such
8 actions.

9 4. Issue subpoenas for both hearings and investigations
10 that require the attendance and testimony of
11 witnesses, as well as the production of
12 evidence. Subpoenas issued by a licensing board in a
13 party state for the attendance and testimony of
14 witnesses or the production of evidence from another
15 party state shall be enforced in the latter state by
16 any court of competent jurisdiction, according to the
17 practice and procedure of that court applicable to
18 subpoenas issued in proceedings pending before
19 it. The issuing authority shall pay any witness fees,
20 travel expenses, mileage, and other fees required by
21 the service statutes of the state in which the
22 witnesses or evidence are located.

H.B. NO. 2415

- 1 5. Obtain and submit, for each nurse licensure applicant,
2 fingerprint or other biometric-based information to
3 the Federal Bureau of Investigation for criminal
4 background checks, receive the results of the Federal
5 Bureau of Investigation record search on criminal
6 background checks and use the results in making
7 licensure decisions.
- 8 6. If otherwise permitted by state law, recover from the
9 affected nurse the costs of investigations and
10 disposition of cases resulting from any adverse action
11 taken against that nurse.
- 12 7. Take adverse action based on the factual findings of
13 the remote state, provided that the licensing board
14 follows its own procedures for taking such adverse
15 action.
- 16 b. If adverse action is taken by the home state against a
17 nurse's multistate license, the nurse's multistate licensure
18 privilege to practice in all other party states shall be
19 deactivated until all encumbrances have been removed from the
20 multistate license. All home state disciplinary orders that
21 impose adverse action against a nurse's multistate license shall
22 include a statement that the nurse's multistate licensure

H.B. NO. 2415

1 privilege is deactivated in all party states during the pendency
2 of the order.

3 c. Nothing in this Compact shall override a party state's
4 decision that participation in an alternative program may be
5 used in lieu of adverse action. The home state licensing board
6 shall deactivate the multistate licensure privilege under the
7 multistate license of any nurse for the duration of the nurse's
8 participation in an alternative program.

9 **Article VI. Coordinated Licensure Information System and**
10 **Exchange of Information**

11 a. All party states shall participate in a coordinated
12 licensure information system of all licensed registered nurses
13 (RN) and licensed practical/vocational nurses (LPN/VN). This
14 system will include information on the licensure and
15 disciplinary history of each nurse, as submitted by party
16 states, to assist in the coordination of nurse licensure and
17 enforcement efforts.

18 b. The Commission, in consultation with the administrator
19 of the coordinated licensure information system, shall formulate
20 necessary and proper procedures for the identification,
21 collection and exchange of information under this Compact.

H.B. NO. 2415

1 c. All licensing boards shall promptly report to the
2 coordinated licensure information system any adverse action, any
3 current significant investigative information, denials of
4 applications (with the reasons for such denials) and nurse
5 participation in alternative programs known to the licensing
6 board regardless of whether such participation is deemed
7 nonpublic or confidential under state law.

8 d. Current significant investigative information and
9 participation in nonpublic or confidential alternative programs
10 shall be transmitted through the coordinated licensure
11 information system only to party state licensing boards.

12 e. Notwithstanding any other provision of law, all party
13 state licensing boards contributing information to the
14 coordinated licensure information system may designate
15 information that may not be shared with nonparty states or
16 disclosed to other entities or individuals without the express
17 permission of the contributing state.

18 f. Any personally identifiable information obtained from
19 the coordinated licensure information system by a party state
20 licensing board shall not be shared with nonparty states or
21 disclosed to other entities or individuals except to the extent

H.B. NO. 2415

1 permitted by the laws of the party state contributing the
2 information.

3 g. Any information contributed to the coordinated
4 licensure information system that is subsequently required to be
5 expunged by the laws of the party state contributing that
6 information, shall also be expunged from the coordinated
7 licensure information system.

8 h. The Compact administrator of each party state shall
9 furnish a uniform data set to the Compact administrator of each
10 other party state, which shall include, at a minimum:

- 11 1. Identifying information;
- 12 2. Licensure data;
- 13 3. Information related to alternative program
14 participation; and
- 15 4. Other information that may facilitate the
16 administration of this Compact, as determined by
17 Commission rules.

18 i. The Compact administrator of a party state shall
19 provide all investigative documents and information requested by
20 another party state.

21 **Article VII. Establishment of the Interstate Commission of**
22 **Nurse Licensure Compact Administrators**

H.B. NO. 2415

1 a. The party states hereby create and establish a joint
2 public entity known as the Interstate Commission of Nurse
3 Licensure Compact Administrators:

4 1. The Commission is an instrumentality of the party
5 states.

6 2. Venue is proper, and judicial proceedings by or
7 against the Commission shall be brought solely and
8 exclusively, in a court of competent jurisdiction
9 where the principal office of the Commission is
10 located. The Commission may waive venue and
11 jurisdictional defenses to the extent it adopts or
12 consents to participate in alternative dispute
13 resolution proceedings.

14 3. Nothing in this Compact shall be construed to be a
15 waiver of sovereign immunity.

16 b. Membership, Voting and Meetings.

17 1. Each party state shall have and be limited to one
18 administrator. The head of the state licensing board
19 or designee shall be the administrator of this Compact
20 for each party state. Any administrator may be
21 removed or suspended from office as provided by the
22 law of the state from which the administrator is

H.B. NO. 2415

- 1 appointed. Any vacancy occurring in the Commission
2 shall be filled in accordance with the laws of the
3 party state in which the vacancy exists.
- 4 2. Each administrator shall be entitled to one (1) vote
5 with regard to the promulgation of rules and creation
6 of bylaws and shall otherwise have an opportunity to
7 participate in the business and affairs of the
8 Commission. An administrator shall vote in person or
9 by such other means as provided in the bylaws. The
10 bylaws may provide for an administrator's
11 participation in meetings by telephone or other means
12 of communication.
- 13 3. The Commission shall meet at least once during each
14 calendar year. Additional meetings shall be held as
15 set forth in the bylaws or rules of the Commission.
- 16 4. All meetings shall be open to the public, and public
17 notice of meetings shall be given in the same manner
18 as required under the rulemaking provisions under
19 Article VIII.
- 20 5. The Commission may convene in a closed, non-public
21 meeting if the Commission must discuss:

H.B. NO. 2415

- 1 i. Noncompliance of a party state with its
2 obligations under this Compact;
- 3 ii. The employment, compensation, discipline or other
4 personnel matters practices or procedures related
5 to specific employees or other matters related to
6 the Commission's internal personnel practices and
7 procedures;
- 8 iii. Current, threatened or reasonably anticipated
9 litigation;
- 10 iv. Negotiation of contracts for the purchase or sale
11 of goods, services or real estate;
- 12 v. Accusing any person of a crime or formally
13 censuring any person;
- 14 vi. Disclosure of trade secrets or commercial or
15 financial information that is privileged or
16 confidential;
- 17 vii. Disclosure of information of a personal nature
18 where disclosure would constitute a clearly
19 unwarranted invasion of personal privacy;
- 20 viii. Disclosure of investigatory records compiled for
21 law enforcement purposes;

H.B. NO. 2415

- 1 ix. Disclosure of information related to any reports
2 prepared by or on behalf of the Commission for
3 the purpose of investigation of compliance with
4 this Compact; or
- 5 x. Matters specifically exempted from disclosure by
6 federal or state statute.
- 7 6. If a meeting, or portion of a meeting, is closed
8 pursuant to this provision, the Commission's legal
9 counsel or designee shall certify that the meeting may
10 be closed and shall reference each relevant exempting
11 provision. The Commission shall keep minutes that
12 fully and clearly describe all matters discussed in a
13 meeting and shall provide a full and accurate summary
14 of actions taken, and the reasons therefor, including
15 a description of the views expressed. All documents
16 considered in connection with an action shall be
17 identified in such minutes. All minutes and documents
18 of a closed meeting shall remain under seal, subject
19 to release by a majority vote of the Commission or
20 order of a court of competent jurisdiction.
- 21 c. The Commission shall, by a majority vote of the
22 administrators, prescribe bylaws or rules to govern its conduct

H.B. NO. 2415

1 as may be necessary or appropriate to carry out the purposes and
2 exercise the powers of this Compact, including but not limited
3 to:

- 4 1. Establishing the fiscal year of the Commission;
- 5 2. Providing reasonable standards and procedures:
 - 6 i. For the establishment and meetings of other
7 committees; and
 - 8 ii. Governing any general or specific delegation of
9 any authority or function of the Commission;
- 10 3. Providing reasonable procedures for calling and
11 conducting meetings of the Commission, ensuring
12 reasonable advance notice of all meetings and
13 providing an opportunity for attendance of such
14 meetings by interested parties, with enumerated
15 exceptions designed to protect the public's interest,
16 the privacy of individuals, and proprietary
17 information, including trade secrets. The Commission
18 may meet in closed session only after a majority of
19 the administrators vote to close a meeting in whole or
20 in part. As soon as practicable, the Commission must
21 make public a copy of the vote to close the meeting

H.B. NO. 2415

- 1 revealing the vote of each administrator, with no
2 proxy votes allowed;
- 3 4. Establishing the titles, duties, authority, and
4 reasonable procedures for the election of the officers
5 of the Commission;
- 6 5. Providing reasonable standards and procedures for the
7 establishment of the personnel policies and programs
8 of the Commission. Notwithstanding any civil service
9 or other similar laws of any party state, the bylaws
10 shall exclusively govern the personnel policies and
11 programs of the commission; and
- 12 6. Providing a mechanism for winding up the operations of
13 the Commission and the equitable disposition of any
14 surplus funds that may exist after the termination of
15 this Compact after the payment or reserving of all of
16 its debts and obligations.
- 17 d. The Commission shall publish its bylaws and rules, and
18 any amendments thereto, in a convenient form on the website of
19 the Commission.
- 20 e. The Commission shall maintain its financial records in
21 accordance with the bylaws.

H.B. NO. 2415

1 f. The Commission shall meet and take such actions as are
2 consistent with the provisions of this Compact and the bylaws.

3 g. The Commission shall have the following powers:

4 1. To promulgate uniform rules to facilitate and
5 coordinate implementation and administration of this
6 Compact. The rules shall have the force and effect of
7 law and shall be binding in all party states;

8 2. To bring and prosecute legal proceedings or actions in
9 the name of the Commission provided that the standing
10 of any licensing board to sue or be sued under
11 applicable law shall not be affected;

12 3. To purchase and maintain insurance and bonds;

13 4. To borrow, accept or contract for services of
14 personnel, including, but not limited to, employees of
15 a party state or nonprofit organizations;

16 5. To cooperate with other organizations that administer
17 state compacts related to the regulation of nursing,
18 including but not limited to sharing administrative or
19 staff expenses, office space or other resources;

20 6. To hire employees, elect, or appoint officers, fix
21 compensation, define duties, grant such individuals
22 appropriate authority to carry out the purposes of

H.B. NO. 2415

- 1 this Compact, and to establish the Commission's
2 personnel policies and programs relating to conflicts
3 of interest, qualifications of personnel and other
4 related personnel matters;
- 5 7. To accept any and all appropriate donations, grants
6 and gifts of money, equipment, supplies, materials and
7 services, and to receive, utilize and dispose of the
8 same; provided that at all times the Commission shall
9 avoid any appearance of impropriety or conflict of
10 interest;
- 11 8. To lease, purchase, accept appropriate gifts or
12 donations of, or otherwise to own, hold, improve or
13 use, any property, whether real, personal or mixed;
14 provided that at all times the Commission shall avoid
15 any appearance of impropriety;
- 16 9. To sell, convey, mortgage, pledge, lease, exchange,
17 abandon or otherwise dispose of any property, whether
18 real, personal or mixed;
- 19 10. To establish a budget and make expenditures;
- 20 11. To borrow money;
- 21 12. To appoint committees, including advisory committees
22 composed of administrators, state nursing regulators,

H.B. NO. 2415

1 state legislators or their representatives, and
2 consumer representatives, and other such interested
3 persons;

4 13. To provide and receive information from, and to
5 cooperate with, law enforcement agencies;

6 14. To adopt and use an official seal; and

7 15. To perform such other functions as may be necessary or
8 appropriate to achieve the purposes of this Compact
9 consistent with the state regulation of nurse
10 licensure and practice.

11 h. Financing of the Commission:

12 1. The Commission shall pay, or provide for the payment
13 of, the reasonable expenses of its establishment,
14 organization and ongoing activities.

15 2. The Commission may also levy on and collect an annual
16 assessment from each party state to cover the cost of
17 its operations, activities and staff in its annual
18 budget as approved each year. The aggregate annual
19 assessment amount, if any, shall be allocated based
20 upon a formula to be determined by the Commission,
21 which shall promulgate a rule that is binding upon all
22 party states.

H.B. NO. 2415

- 1 3. The Commission shall not incur obligations of any kind
2 prior to securing the funds adequate to meet the same;
3 nor shall the Commission pledge the credit of any of
4 the party states, except by, and with the authority
5 of, such party state.
- 6 4. The Commission shall keep accurate accounts of all
7 receipts and disbursements. The receipts and
8 disbursements of the Commission shall be subject to
9 the audit and accounting procedures established under
10 its bylaws. However, all receipts and disbursements
11 of funds handled by the Commission shall be audited
12 yearly by a certified or licensed public accountant,
13 and the report of the audit shall be included in and
14 become part of the annual report of the Commission.
- 15 i. Qualified Immunity, Defense and Indemnification:
- 16 1. The administrators, officers, executive director,
17 employees and representatives of the Commission shall
18 be immune from suit and liability, either personally
19 or in their official capacity, for any claim for
20 damage to or loss of property or personal injury or
21 other civil liability caused by or arising out of any
22 actual or alleged act, error or omission that

H.B. NO. 2415

1 occurred, or that the person against whom the claim is
2 made had a reasonable basis for believing occurred,
3 within the scope of Commission employment, duties or
4 responsibilities; provided that nothing in this
5 paragraph shall be construed to protect any such
6 person from suit or liability for any damage, loss,
7 injury or liability caused by the intentional,
8 willful, or wanton misconduct of that person.

9 2. The Commission shall defend any administrator,
10 officer, executive director, employee or
11 representative of the Commission in any civil action
12 seeking to impose liability arising out of any actual
13 or alleged act, error or omission that occurred within
14 the scope of Commission employment, duties or
15 responsibilities, or that the person against whom the
16 claim is made had a reasonable basis for believing
17 occurred within the scope of Commission employment,
18 duties or responsibilities; provided that nothing
19 herein shall be construed to prohibit that person from
20 retaining his or her own counsel; and provided further
21 that the actual or alleged act, error or omission did

H.B. NO. 2415

1 not result from that person's intentional, willful or
2 wanton misconduct.

3 3. The Commission shall indemnify and hold harmless any
4 administrator, officer, executive director, employee,
5 or representative of the Commission for the amount of
6 any settlement or judgment obtained against that
7 person arising out of any actual or alleged act, error
8 or omission that occurred within the scope of
9 Commission employment, duties or responsibilities, or
10 that such person had a reasonable basis for believing
11 occurred within the scope of Commission employment,
12 duties or responsibilities, provided that the actual
13 or alleged act, error or omission did not result from
14 the intentional, willful, or wanton misconduct of that
15 person.

16 **Article VIII. Rulemaking**

17 a. The Commission shall exercise its rulemaking powers
18 pursuant to the criteria set forth in this Article and the rules
19 adopted thereunder. Rules and amendments shall become binding
20 as of the date specified in each rule or amendment and shall
21 have the same force and effect as provisions of this Compact.

H.B. NO. 2415

1 b. Rules or amendments to the rules shall be adopted at a
2 regular or special meeting of the Commission.

3 c. Prior to promulgation and adoption of a final rule or
4 rules by the commission, and at least sixty (60) days in advance
5 of the meeting at which the rule will be considered and voted
6 upon, the Commission shall file a notice of proposed rulemaking:

- 7 1. On the website of the Commission; and
8 2. On the website of each licensing board or the
9 publication in which each state would otherwise
10 publish proposed rules.

11 d. The notice of proposed rulemaking shall include:

- 12 1. The proposed time, date and location of the meeting in
13 which the rule will be considered and voted upon;
14 2. The text of the proposed rule, or amendment, and the
15 reason for the proposed rule;
16 3. A request for comments on the proposed rule from any
17 interested person; and
18 4. The manner in which interested persons may submit
19 notice to the Commission of their intention to attend
20 the public hearing and any written comments.

H.B. NO. 2415

1 e. Prior to adoption of a proposed rule, the Commission
2 shall allow persons to submit written data, facts, opinions and
3 arguments, which shall be made available to the public.

4 f. The Commission shall grant an opportunity for a public
5 hearing before it adopts a rule or amendment.

6 g. The Commission shall publish the place, time, and date
7 of the scheduled public hearing.

8 1. Hearings shall be conducted in a manner providing each
9 person who wishes to comment a fair and reasonable
10 opportunity to comment orally or in writing. All
11 hearings will be recorded, and a copy will be made
12 available upon request.

13 2. Nothing in this section shall be construed as
14 requiring a separate hearing on each rule. Rules may
15 be grouped for the convenience of the Commission at
16 hearings required by this section.

17 h. If no one appears at the public hearing, the Commission
18 may proceed with promulgation of the proposed rule.

19 i. Following the scheduled hearing date, or by the close
20 of business on the scheduled hearing date if the hearing was not
21 held, the Commission shall consider all written and oral
22 comments received.

H.B. NO. 2415

1 j. The Commission shall, by majority vote of all
2 administrators, take final action on the proposed rule and shall
3 determine the effective date of the rule, if any, based on the
4 rulemaking record and the full text of the rule.

5 k. Upon determination that an emergency exists, the
6 Commission may consider and adopt an emergency rule without
7 prior notice, opportunity for comment or hearing, provided that
8 the usual rulemaking procedures provided in this Compact and in
9 this section shall be retroactively applied to the rule as soon
10 as reasonably possible, in no event later than ninety (90) days
11 after the effective date of the rule. For the purposes of this
12 provision, an emergency rule is one that must be adopted
13 immediately in order to:

- 14 1. Meet an imminent threat to public health, safety or
15 welfare;
- 16 2. Prevent a loss of Commission or party state funds; or
- 17 3. Meet a deadline for the promulgation of an
18 administrative rule that is required by federal law or
19 rule.

20 1. The Commission may direct revisions to a previously
21 adopted rule or amendment for purposes of correcting
22 typographical errors, errors in format, errors in consistency or

H.B. NO. 2415

1 grammatical errors. Public notice of any revisions shall be
2 posted on the website of the Commission. The revision shall be
3 subject to challenge by any person for a period of thirty (30)
4 days after posting. The revision may be challenged only on
5 grounds that the revision results in a material change to a
6 rule. A challenge shall be made in writing, and delivered to
7 the Commission, prior to the end of the notice period. If no
8 challenge is made, the revision will take effect without further
9 action. If the revision is challenged, the revision may not
10 take effect without the approval of the Commission.

11 **Article IX. Oversight, Dispute Resolution and Enforcement**

12 a. Oversight:

- 13 1. Each party state shall enforce this Compact and take
14 all actions necessary and appropriate to effectuate
15 this Compact's purposes and intent.
- 16 2. The Commission shall be entitled to receive service of
17 process in any proceeding that may affect the powers,
18 responsibilities or actions of the Commission, and
19 shall have standing to intervene in such a proceeding
20 for all purposes. Failure to provide service of
21 process in such proceeding to the Commission shall

H.B. NO. 2415

- 1 render a judgment or order void as to the Commission,
2 this Compact or promulgated rules.
- 3 b. Default, Technical Assistance and Termination:
- 4 1. If the Commission determines that a party state has
5 defaulted in the performance of its obligations or
6 responsibilities under this Compact or the promulgated
7 rules, the Commission shall:
- 8 i. Provide written notice to the defaulting state
9 and other party states of the nature of the
10 default, the proposed means of curing the default
11 or any other action to be taken by the
12 Commission; and
- 13 ii. Provide remedial training and specific technical
14 assistance regarding the default.
- 15 2. If a state in default fails to cure the default, the
16 defaulting state's membership in this Compact may be
17 terminated upon an affirmative vote of a majority of
18 the administrators, and all rights, privileges and
19 benefits conferred by this Compact may be terminated
20 on the effective date of termination. A cure of the
21 default does not relieve the offending state of

H.B. NO. 2415

1 obligations or liabilities incurred during the period
2 of default.

3 3. Termination of membership in this Compact shall be
4 imposed only after all other means of securing
5 compliance have been exhausted. Notice of intent to
6 suspend or terminate shall be given by the Commission
7 to the governor of the defaulting state and to the
8 executive officer of the defaulting state's licensing
9 board and each of the party states.

10 4. A state whose membership in this Compact has been
11 terminated is responsible for all assessments,
12 obligations and liabilities incurred through the
13 effective date of termination, including obligations
14 that extend beyond the effective date of termination.

15 5. The Commission shall not bear any costs related to a
16 state that is found to be in default or whose
17 membership in this Compact has been terminated unless
18 agreed upon in writing between the commission and the
19 defaulting state.

20 6. The defaulting state may appeal the action of the
21 Commission by petitioning the U.S. District Court for
22 the District of Columbia or the federal district in

H.B. NO. 2415

1 which the Commission has its principal offices. The
2 prevailing party shall be awarded all costs of such
3 litigation, including reasonable attorneys' fees.

4 c. Dispute Resolution:

5 1. Upon request by a party state, the Commission shall
6 attempt to resolve disputes related to the Compact
7 that arise among party states and between party and
8 nonparty states.

9 2. The Commission shall promulgate a rule providing for
10 both mediation and binding dispute resolution for
11 disputes, as appropriate.

12 3. In the event the Commission cannot resolve disputes
13 among party states arising under this Compact:

14 i. The party states may submit the issues in dispute
15 to an arbitration panel, which will be composed
16 of individuals appointed by the Compact
17 administrator in each of the affected party
18 states and an individual mutually agreed upon by
19 the Compact administrators of all the party
20 states involved in the dispute.

21 ii. The decision of a majority of the arbitrators
22 shall be final and binding.

H.B. NO. 2415

1 d. Enforcement:

2 1. The Commission, in the reasonable exercise of its
3 discretion, shall enforce the provisions and rules of
4 this Compact.

5 2. By majority vote, the Commission may initiate legal
6 action in the U.S. District Court for the District of
7 Columbia or the federal district in which the
8 Commission has its principal offices against a party
9 state that is in default to enforce compliance with
10 the provisions of this Compact and its promulgated
11 rules and bylaws. The relief sought may include both
12 injunctive relief and damages. In the event judicial
13 enforcement is necessary, the prevailing party shall
14 be awarded all costs of such litigation, including
15 reasonable attorneys' fees.

16 3. The remedies herein shall not be the exclusive
17 remedies of the Commission. The Commission may pursue
18 any other remedies available under federal or state
19 law.

20 **Article X. Effective Date, Withdrawal and Amendment**

21 a. This Compact shall become effective and binding on the
22 earlier of the date of legislative enactment of this Compact

H.B. NO. 2415

1 into law by no less than twenty-six (26) states or December 31,
2 2018. All party states to this Compact that also were parties
3 to the prior Nurse Licensure Compact, superseded by this
4 Compact, ("Prior Compact") shall be deemed to have withdrawn
5 from said Prior Compact within six months after the effective
6 date of this Compact.

7 b. Each party state to this Compact shall continue to
8 recognize a nurse's multistate licensure privilege to practice
9 in that party state issued under the Prior Compact until such
10 party state has withdrawn from the Prior Compact.

11 c. Any party state may withdraw from this Compact by
12 enacting a statute repealing the same. A party state's
13 withdrawal shall not take effect until six (6) months after
14 enactment of the repealing statute.

15 d. A party state's withdrawal or termination shall not
16 affect the continuing requirement of the withdrawing or
17 terminated state's licensing board to report adverse actions and
18 significant investigations occurring prior to the effective date
19 of such withdrawal or termination.

20 e. Nothing contained in this Compact shall be construed to
21 invalidate or prevent any nurse licensure agreement or other
22 cooperative arrangement between a party state and a nonparty

H.B. NO. 2415

1 state that is made in accordance with the other provisions of
2 this Compact.

3 f. This Compact may be amended by the party states. No
4 amendment to this Compact shall become effective and binding
5 upon the party states unless and until it is enacted into the
6 laws of all party states.

7 g. Representatives of nonparty states to this Compact
8 shall be invited to participate in the activities of the
9 Commission, on a nonvoting basis, prior to the adoption of this
10 Compact by all states.

11 **Article XI. Construction and Severability**

12 This Compact shall be liberally construed so as to
13 effectuate the purposes thereof. The provisions of this Compact
14 shall be severable, and if any phrase, clause, sentence, or
15 provision of this Compact is declared to be contrary to the
16 constitution of any party state or of the United States, or if
17 the applicability thereof to any government, agency, person or
18 circumstance is held invalid, the validity of the remainder of
19 this Compact and the applicability thereof to any government,
20 agency, person or circumstance shall not be affected
21 thereby. If this Compact shall be held to be contrary to the
22 constitution of any party state, this Compact shall remain in

H.B. NO. 2415

1 full force and effect as to the remaining party states and in
2 full force and effect as to the party state affected as to all
3 severable matters."

4 SECTION 2. Section 457, Hawaii Revised Statutes, is
5 amended by adding a new section to be appropriately designated
6 and to read as follows:

7 "§457- Demographic data surveys; reporting. (a)
8 Beginning January 1, 2026, and annually thereafter, individuals
9 that hold a multistate nurse license issued by a state other
10 than Hawaii and are employed by any health care facility as
11 defined in section, 323D-2 shall complete any demographic data
12 surveys required by the board of nursing as a condition of
13 employment.

14 (b) All health care facilities shall report to the board
15 of nursing, within thirty days of employment, all nurses holding
16 a multistate license issued by a state other than Washington and
17 an attestation that the employees holding a multistate license
18 issued by a state other than Hawaii have completed the tasks
19 required under this section as a condition of employment."

20 SECTION 3. Section 457-7, Hawaii Revised Statutes, is
21 amended by amending subsection (c) to read as follows:

H.B. NO. 2415

1 "(c) The applicant applying for a license to practice as a
2 registered nurse by examination shall pay application,
3 examination, and reexamination fees, if applicable, as
4 prescribed by the board. Each applicant who successfully passes
5 the examination shall pay a license fee. The applicant applying
6 for a license to practice as a registered nurse by endorsement
7 shall pay application and license fees. The board may charge
8 different fees for registered nurses who hold a multistate
9 license issued by the State of Hawaii."

10 SECTION 4. Section 457-8, Hawaii Revised Statutes, is
11 amended by amending subsection (c) to read as follows:

12 "(c) The applicant applying for a license to practice as a
13 licensed practical nurse by examination shall pay application,
14 examination, and reexamination fees, if applicable, as
15 prescribed by the board. Each applicant who successfully passes
16 the examination shall pay a license fee. The applicant applying
17 for a license to practice as a licensed practical nurse by
18 endorsement shall pay application and license fees. The board
19 may charge different fees for licened practical nurses who hold
20 a multistate license issued by the State of Hawaii."

21 SECTION 5. New statutory material is underscored.

22 SECTION 6. This Act shall take effect upon its approval.

H.B. NO. 2415

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INTRODUCED BY: Sam

BY REQUEST

JAN 22 2024

H.B. NO. 2415

Report Title:

State Board of Nursing; Nurse Licensure Compact; Registered Nurses; Licensed Practical Nurses; Fees

Description:

Allows the Governor to enter the State into the multistate Nurse Licensure Compact, which will allow a nurse who is licensed by a home state to practice under a multistate licensure privilege in each party state, effective 1/1/2026. Beginning 1/1/2026, allows the State Board of Nursing to charge different fees for registered nurses and licensed practical nurses who hold a multi-state license issued by the State.

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

JUSTIFICATION SHEET

DEPARTMENT: GOVERNOR

TITLE: A BILL FOR AN ACT RELATING TO THE NURSE LICENSURE COMPACT.

PURPOSE: To authorize the Governor to enter the State into the multistate Nurse Licensure Compact, which will allow a nurse who is licensed by a home state to practice under a multistate licensure privilege in each party state. This bill would also allow the State Board of Nursing to charge different fees for registered nurses and licensed practical nurses who hold a multistate license issued by the State beginning on January 1, 2026.

MEANS: Add a new chapter, titled "Nurse Licensure Compact," to the Hawaii Revised Statutes (HRS), add a new section to chapter 457, and amend sections 457-7 and 457-8 HRS.

JUSTIFICATION: Hawaii is facing a shortage of 1,000 registered nurses, which is roughly a 15 percent vacancy rate statewide. Unfortunately, Hawaii's nursing schools have not been able to train enough nurses to meet the increased demand, despite paying the second highest nursing salaries in the nation behind only California.

During both the COVID-19 and the recent wildfire emergency proclamations, Hawaii's healthcare organizations have been able to utilize waivers on state licenses to bring sufficient nurses to help serve residents with healthcare services.

Currently, 41 states and 2 U.S. territories, are part of the Nurse Licensure Compact (NLC), which allows registered nurses and licensed practical/vocational nurses to have one multistate license, with the privilege to practice in their home state and other NLC states without obtaining additional licenses. While Hawaii is currently not

H.B. NO. 2415

entered into the compact, possible inclusion could help support our healthcare providers with a mechanism to ensure quality healthcare is available to our residents.

Impact on the public: At a critical time when our healthcare providers continue to be impacted by a shortage of vital healthcare workers, we need to continue our efforts to attract and retain these important positions. Hawaii entering into the Nurse Licensure Compact, is one method to help address the ongoing shortfalls and to ensure that our State's residents have access to important and potentially life-saving healthcare.

Impact on the department and other agencies: The bill will impact the Board of Nursing and the Professional and Vocational Licensing Division within the Department of Commerce and Consumer Affairs regarding how they process licensing requests and collect fees if this bill would become law.

GENERAL FUND: None.

OTHER FUNDS: None.

PPBS PROGRAM DESIGNATION: CCA 105.

OTHER AFFECTED AGENCIES: Hawaii Health System Corporation, Department of Health, Board of Nursing, and Department of Budget and Finance.

EFFECTIVE DATE: Upon approval.