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OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS

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Testimony of the Department of Commerce and Consumer Affairs

Before the
House Committee on Finance
Wednesday, February 28, 2024
10:00 a.m.

State Capitol, Conference Room 308 and via Video Conferencing

On the following measure:
H.B. 2415, H.D. 2, RELATING TO THE NURSE LICENSURE COMPACT

Chair Yamashita and Members of the Committees:

My name is Nadine Ando, and I am the Director for the Department of Commerce and Consumer Affairs (Department). The Department supports the intent of this measure and offers comments.

The purposes of this bill are to: (1) authorize the Governor to enter the State into the multistate Nurse Licensure Compact (NLC) to allow registered and licensed practical/vocational nurses (hereafter "nurses") who are licensed by a home state to practice under a multistate licensure privilege in each party state; (2) amend Hawaii Revised Statutes (HRS) chapter 457 to require nurses who hold multistate licenses issued by a state other than Hawaii to complete demographic data surveys beginning January 1, 2026; and (3) authorize the Board of Nursing to charge different fees customarily and historically charged for nurses who hold a multistate license issued by State.

The Department acknowledges that having a steady source of reliable nurses, within and outside of the State, is vital to meeting the high and sometimes unmet healthcare needs. The Department acknowledges that the NLC will be an important tool to meeting our State's healthcare needs and for this reason alone it supports the measure.

In addition, the Department has been working with the Departments of Labor and Industrial Relations, the Attorney General and Defense and has implemented processes and provisions under the Service Members Civil Relief Act (SCRA), 50 USC, section 4025 (a) which allows recognition of nursing licenses for military members and their dependents stationed in Hawaii.

Nevertheless, the Department wishes to highlight for the Committee that two of its key agencies – the Professional and Vocational Licensing Division (PVL, and the Regulated Industries Complaints Office (RICO)) - will be most impacted by enactment of the NLC. The Board of Nursing, which is administratively attached to the Department, will be impacted, as well.

The regulation of nurses in the State involve a partnership between the PVL, BON and RICO. They screen, vet, register, renew, and if necessary, investigate, prosecute and impose disciplinary action on nurses, which is only one (1) of the fifty-one (51) different industries regulated by the PVL, licensing boards, and RICO. In the nursing profession, the PVL, BON, and RICO have relied on the very detailed information provided and certified to by individual practitioners during the license registration and renewal process. The Department is special-funded, so the PVL, BON, and RICO depend on license registration fees and renewal fees to fund their operations. The NLC, on the other hand, allow multistate licensees who enter and practice within a party state, which the State of Hawaii will become upon entering into NLC, the ability to bypass registration with the PVL and the BON, and bypass paying a licensing or renewal fee, if Hawaii is not the chosen state of principal licensure.

Potential impacts to the PVL and BON include a potential loss in annual revenue of \$251,100 at the time of licensing renewals. This amount does not include the potential loss in revenue at the time of initial licensure and/or restorations of licenses.

Potential impacts to RICO include not having, for investigative purposes, thorough data and information that has been vetted by the BON and certified to by individual nurses. Further there may be unknown costs, uncertainty, and delays in locating, communicating with, investigating and prosecuting bad-behaving multistate licensees who may choose to flee the State upon learning that they were reported. Financially, the potential impact on RICO is a decrease in annual revenue of \$697,500 from license renewals.

Consequently, the Department anticipates an annual loss in revenue to its divisions totaling \$948,600. The figures are based on the following information provided by the National Council of State Boards of Nursing as of January 2023:

LPNS: 158

RNs: 6,817

Total: 6,975

$6,975 \times \$36.00$ (PVL renewal fee) = \$251,100

$6,975 \times \$100$ (RICO CRF fee) = \$697,500

Total = \$948,600

Given this information, there are provisions in the bill that anticipate and are considerate of these important Department concerns. Specifically, the bill's proposed amendments to HRS 457 set forth on page 43, lines 4 to 16 of the H.D. 2, mandate certain reporting requirements for multistate licensees and health care facilities. Importantly, the Department appreciates the amendments made in the H.D. 2, on page 44, lines 4 to 7 and 16 to 19, that provides flexibility to the Department and BON to vary fees to mitigate potential revenue shortfalls to the Department's regulators.

Finally, concerning investigations and prosecutions, the NLC is clear that: (1) the BON, and RICO as the investigative and prosecutorial arm, has jurisdiction over any multistate licensee entering and practicing in Hawaii under the NLC, see H.D. 2, page 7, lines 1 to 6; and page 10, lines 14 to 18; and (2) multistate licensees are bound to comply with Hawaii's practice laws, see H.D. 2, page 10, lines 9 to 11; and (3) the regulators can investigate and, in accordance with due process and cause, impose adverse action

against the multistate licensee's privilege to practice in Hawaii, see H.D. 2, page 9, lines 19 to 21; and page 13, lines 14 to 17; and page 14, lines 8 to 10.

Should enactment and implementation of the NLC result in operational deficiencies to the regulators in the Department, including the aforementioned anticipated loss of revenue, the department will likely need to increase fees. The Department is therefore hopeful that stakeholders and policymakers will work together towards future supplemental legislation and/or rules that will target and correct any fiscal or other deficiencies that may impair continuing regulation.

Thank you for the opportunity to testify on this bill.



DISABILITY AND COMMUNICATION ACCESS BOARD

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Ph. (808) 586-8121 (V) • TTY (808) 586-8162 • Fax (808) 586-8129

February 28, 2024

TESTIMONY TO THE HOUSE COMMITTEE ON FINANCE

House Bill 2415 HD2 – Relating to the Nurse Licensure Compact

The Disability and Communication Access Board (DCAB) supports House Bill 2415 HD2 – Relating to the Nurse Licensure Compact.

This bill 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 multistate license issued by the State.

The nursing shortage is acute, and this bill represents a short term solution. DCAB encourages the Legislature to find long term solutions to increase the number of nurses who are licensed directly by the State of Hawaii.

Thank you for considering our position.

Respectfully submitted,

KIRBY L. SHAW
Executive Director

JOSH GREEN, M.D.
GOVERNOR

SYLVIA LUKE
LIEUTENANT GOVERNOR



JADE T. BUTAY
DIRECTOR

WILLIAM G. KUNSTMAN
DEPUTY DIRECTOR

STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS
KA 'OIHANA PONO LIMAHANA

February 28, 2024

To: The Honorable Kyle T. Yamashita, Chair,
The Honorable Lisa Kitagawa, Vice Chair, and
Members of the House Committee on Finance

Date: Wednesday, February 28, 2024

Time: 10:00 a.m.

Place: Conference Room 308, State Capitol

From: Jade T. Butay, Director
Department of Labor and Industrial Relations (DLIR)

Re: H.B. 2415 HD2 RELATING TO NURSE LICENSURE COMPACT

The DLIR **supports the intent** of this bill and defers to the Board of Nursing on the implementation details. HB2415 HD2 will allow a nurse who is licensed by a home state to practice under a multistate licensure privilege in each party state. HB2415 HD2 also allows the Governor to enter into the multistate Nurse Licensure Compact. An inadequate workforce can lead to challenges and gaps in healthcare provision and ultimately a disruption in care. Recognizing the critical need for nurses, the DLIR has in the past provided funding through mini grants allocated by the Legislature to support the nursing community's management of the huge demand for nurses at all nursing levels.



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
House Committee on Finance
Wednesday, February 28, 2024 at 10:00 a.m.

by
Dr. Clementina Ceria-Ulep, Dean
Nancy Atmospera-Walch School of Nursing
and
Michael Bruno, Provost
University of Hawai'i at Mānoa

HB 2415 HD2 – RELATING TO THE NURSE LICENSURE COMPACT

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

Thank you for hearing this measure. We support the intent of this bill and offer comments.

House Bill 2415 would enable the Governor to enter Hawai'i into the Nurse Licensure Compact (NLC). In doing so, DCCA would be granted the authority to issue multi-state licenses (MSL) for in-state resident nurses as well as the traditional single-state licenses (SSL). Hawai'i would also grant permission-to-practice for nurses who hold an MSL from other NLC member states.

This measure also proposes submission of demographic information by out-of-state employed nurses to be required as a condition of employment, and that employers must attest to the BON that this reporting by nurses is complete. The effective date proposed for this NLC is January 1, 2026.

NAWSON recognizes that the nursing profession is in high demand. The nursing admissions rate ranges between 10.5% to 12% in our undergraduate program, making nursing more competitive to get into than medicine. Over the last several years, NAWSON has engaged in a number of efforts to expand our faculty positions, including support from the Legislature in 2022 to expand clinical faculty. We also develop strong partnerships with our clinical partners, who grant our students permission to engage in hands-on clinical learning within their hospitals and facilities. Today, our program graduates 96 baccalaureate-prepared nurses annually. We also support academic advancement for many of the students graduating from the UH Community Colleges, statewide, and offer the only Graduate Entry Program in Nursing in this state, which provides baccalaureate level RN education to college graduates and immediately enrolls them into graduate nursing education. This spring, we admitted our first cohort of students who completed their nursing prerequisites at UH West O'ahu, and we will continue to provide their classroom education at that campus. Our efforts to expand the number of nurses in Hawai'i through in-person education are fervent.

Graduates of our program are highly sought over. In addition to local healthcare facilities, we are commonly fielding requests from hospitals across the nation to recruit our students. The promise of nursing salaries, coupled with low cost of living and loan repayments or signing bonuses is a draw for our students that sometimes overwhelms the local offers. The NLC will facilitate the exit of our newly trained nurses from our state.

To enhance local recruitment, we are engaging in innovative site-based learning. Our senior nurses are starting nurse residency programs in their last semester of school, frontloading their onboarding and transition-to-practice early. This is an exciting prospect for students, and we know through the Hawai'i Nurse Residency Collaborative run by the Hawai'i State Center for Nursing that 97% of new nurses stay in their jobs for 12 months, much higher than the 73% national average.

Despite these innovative recruitment and retention programs, and our efforts to expand our nursing education, we still struggle to expand at the rate the state needs, and our new graduates continue to be recruited by mainland companies. The Nurse Licensure Compact may make it easier to recruit nurses, but we will continue to need nursing education expansion, like the initiatives proposed in the state budget bill, as well as investment in and enhancement of local workforce recruitment and retention efforts like the Hawai'i Nurse Residency Program.

UH Mānoa NAWSON prides itself on being the flagship nursing program in this state, providing over 91 years in nursing education. We commit to continuing to be a driving contributor of nurses in our state. Thank you for the opportunity to provide testimony to this measure.



**Testimony to the House Committee on Finance
Wednesday, February 28, 2024; 10:00 a.m.
State Capitol, Conference Room 308
Via Videoconference**

RE: HOUSE BILL NO. 2415, HOUSE DRAFT 2, RELATING TO THE NURSE LICENSURE COMPACT.

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** House Bill No. 2415, House Draft 2, RELATING TO THE NURSE LICENSURE COMPACT.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

This bill, as received by your Committee, would allow the Governor to enter the State into the multi-state Nurse Licensure Compact, which will allow a nurse who is licensed by a home state to practice under a multi-state licensure privilege in each party state. This bill would also allow the Board of Nursing to charge fees for registered nurses and licensed practical nurses who hold a multi-state license issued by the State.

This bill would take effect on July 1, 3000.

No event nor circumstance in recent memory has placed such enormous demands on Hawaii's health care infrastructure than the COVID-19 pandemic. Never before had our Nation (or the entire world for that matter) had to mobilize resources to vaccinate the entire population in such a short time while millions of our friends and family members were sick or in many cases, dying. Health workers have had to risk their personal wellbeing on a daily basis to meet the needs of the ill. Cases of infection would spike placing enormous pressure on Hawaii's limited capacity of hospital beds, emergency rooms, and primary care providers.

Testimony on House Bill No. 2415, House Draft 2
Wednesday, February 28, 2024; 10:00 a.m.
Page 2

Even before COVID-19 hit our islands, Hawaii experienced a severe shortage of qualified health care providers. This shortage became even more evident with COVID requiring staff to work consecutive double- and triple-shifts to meet the ever present demand. The situation became so pronounced that health care workers from other states had to be brought in to keep our health care facilities open.

To facilitate this influx of health workers, DCCA scrambled to permit these workers under Hawaii's professional licensure laws. In particular, the huge number of nurses brought in to Hawaii forced DCCA to shift employees from other Boards to assist the Board of Nursing to permit these nurses to work here. Yet despite these heroic efforts, it took much time and resources for these nurses to have their professional licenses verified through endorsement. So instead of treating patients, these nurses had to wait.

This bill would help to remedy the problem by allowing registered and licensed practical nurses from territories or foreign countries to work immediately if they have a multi-state license recognized by the State of Hawaii. That way, should the need arise again for a large number of nurses to be brought to the State, these qualified professionals could work immediately rather than have to wait for a temporary license or permit.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiiipca.net.



Wednesday, February 28, 2024 at 10:00 am
Conference Room 308

House Committee on Finance

To: Chair Kyle T. Yamashita
Vice Chair Lisa Kitagawa

From: Hilton R. Raethel
President and CEO
Healthcare Association of Hawaii

Re: **Testimony in Strong Support**
HB 2415 HD 2, Relating to the Nurse Licensure Compact

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 more than 30,000 people statewide.

Thank you for the opportunity to testify in **strong support** of Hawaii joining the Nurse Licensure Compact (NLC). Currently, 41 states and two territories have availed themselves of this nearly 30-year-old option to make their processes more efficient support the recruitment of nurses, all while following strict guidelines to ensure public safety and protection.

There is a serious workforce shortage in the state—our 2022 Healthcare Workforce Initiative (HWI) survey found that there were nearly 4,000 vacant positions for non-physician, patient-facing jobs. Of those, nearly a quarter of openings were for registered nurses in settings like hospitals, nursing homes, home health agencies, hospices, assisted living facilities, and community health centers. The need for these workers more than doubled between 2019 and 2022, driven largely by the need for more healthcare as the population ages and burnout due to the pandemic.

Largest Need Professions

2019 HAH Report Priority Professions	Total
RN specialty	463
Certified Nurse Aide/NA	417
Medical Assistant	106
Licensed Practical Nurse	144
Phlebotomist	124
Personal Care Assistant	35
Social Worker	60
Patient Service Representative	110
Radiological Technologist	64



2022 HAH Report Priority Professions	Total
RN specialty	999
Certified Nurse Aide/NA	744
Medical Assistant	278
Licensed Practical Nurse	211
Phlebotomist	128
Personal Care Assistant	181
Social Worker	126
Patient Service Representative	111
Radiological Technologist	85

***BOLD** entry-level can be trained at the high school level

To combat this crisis, we need to arm ourselves with as many tools as possible to ensure the expeditious and nimble hiring of nursing staff. We believe that the NLC is one of the tools that will help us to address critical areas of shortage, whether it be through the use of temporary workers or as a part of recruitment to our Hawaii healthcare facilities. We have heard time and again from our members that the delays and friction in the current licensing process have resulted in the departure or loss of potential recruits—and the NLC would be a tool we can use to help avert this.

We understand that joining the NLC is not a silver bullet to resolving the workforce issues in the state—and we are not sitting idly by in trying to resolve it. HAH and its members have invested material amounts of financial resources, time, and expertise, into cultivating our local talent. HAH itself has gone from zero full-time employees (FTEs) dedicated to workforce development to four FTEs over the past four years. The innovative programs that this team has implemented—in partnership with our members—has garnered federal support through the Good Jobs initiative to the tune of tens of millions of dollars that provide scholarships, support programmatic costs, and train our next generation of caring professionals.

HAH, local healthcare providers, public high schools, community colleges and universities have also invested heavily in developing and recruiting local students and workers for many roles, with a strong focus on nursing. Nurse residency programs are an effective tool that the major hospitals—and now, many nursing homes—in the state have established or expanded in recent years. The nurse residency program takes new nurse graduates, pays them a full salary, and then provides on-the-job training, so they become independent healthcare professionals. Other earn-and-learn development programs which provide the opportunity for healthcare workers in entry level positions to go to school for further education and training, while they still work full-time, have also been developed and heavily promoted by HAH and its members.

These are all critical programs and initiatives, but they are not sufficient on their own to resolve the workforce crisis, especially in the short-term. Hospitals across the state are treating between 300 and 400 more patients every day than they did in 2019. To take care of these

patients, and in light of the shortages of trained healthcare professionals, the reality is that providers must rely on resources from outside of the state to keep up with the demands on the system. This is not what providers prefer, because the costs of including travel nurses are much higher than local nurses—sometimes four times higher than hiring a local nurse. However, organizations must rely on these types of workers for care for patients.

We need to have an efficient, seamless way to bring on new nurses—whether they are local graduates, nurses providing short-term services in critical areas, or workers choosing to relocate to Hawaii. We believe that the NLC is a proven, safe, and effective way to address our concerns regarding licensing—a way that 80% of the country has chosen as a method of addressing any barriers to licensure. There were legitimate issues raised by opponents or skeptics of the NLC during the working group that met over the interim period—however, we believe that all of the concerns raised have been successfully solved in other states, and can be applied equally successfully here. In particular, we believe that the fiscal impacts raised can be ameliorated, and that any concerns regarding discipline, autonomy, or data were raised and resolved by other states that are now major proponents of the NLC.

The legislature and the agencies are currently considering multiple ways of resolving the barriers to licensure—we are open to all solutions, although we do believe joining the NLC will add a benefit to current Hawaii nurses who would like to apply for and receive an MSL. We believe that, while it would require some changing of processes, it would allow a systemic change to the system rather than a patchwork solution. Further, we would ask that more clarification be sought, and details provided, on the fiscal impacts of the NLC compared to other licensure options, and ways that the licensing division needs to be supported in terms of personnel and funding to ensure that all healthcare professionals are able to be efficiently and swiftly licensed.

Ultimately, we want to do what is best for patients—their care being of the utmost quality and timeliness is what is most important when we are discussing any solutions. Thank you for the opportunity to provide our support for the NLC.

Testimony of the Board of Nursing

**Before the
House Committee on Finance
Wednesday, February 28, 2024
10:00 a.m.
Conference Room 308 and Videoconference**

**On the following measure:
H.B. 2415, H.D. 2, RELATING TO THE NURSE LICENSURE COMPACT**

Chair Yamashita and Members of the Committee:

My name is Chelsea Fukunaga, and I am the Executive Officer of the Board of Nursing (Board). The Board appreciates this bill's intent to expand access to healthcare in the State of Hawaii and offers comments on this measure.

The purposes of this bill are to: (1) allow the Governor to enter the State into the multistate Nurse Licensure Compact (NLC); (2) allow a nurse who is licensed by a home state to practice under a multistate licensure privilege in each party state; and (3) beginning January 1, 2026, allow the State Board of Nursing to charge different fees customarily and historically charged for registered nurses and licensed practical nurses who hold a multistate license issued by the State.

For the Committee's information, the Board was established in 1917 with the purpose of safeguarding life and health through standardizing and enforcing nursing requirements. More than a century later, the Board continues its mission to protect the public by ensuring that nursing requirements evolve and develop with the ever-changing health care landscape. In addition to regulating over 30,000 nurses, the Board strives to balance the needs of the community, industry stakeholders, and legislators with one goal in mind: public protection.

The Board appreciates that this bill aims to improve access to care. However, the Board is concerned that the NLC will not provide a comparable level of vetting to Hawaii's current approach to nurse licensure. Because the NLC relies on each member state consistently and correctly evaluating nurses for eligibility for multistate licensure, an oversight on the part of any member state could result in an unqualified nurse practicing in Hawaii. Further, the inconsistencies in how NLC state boards of nursing are disciplining or not disciplining nurses whose name have been flagged as part of

Operation Nightingale¹ (the Department of Justice's investigation into a fraudulent nursing transcript scheme) continues to be a source of concern for the Board.

Differences in laws between member states may allow a nurse to practice in this State, who would have been otherwise denied a license by the Board.

The Board supports the provision which requires nurses who hold a multistate license issued from a state other than Hawaii and are employed by any health care facility to complete any demographic data surveys required by the Board as a condition of employment. Additionally, the Board also supports the provision requiring all health care facilities to report to the Board all nurses holding a multistate license issued by a state other than Hawaii within thirty days of employment. The collection of this information will provide vital data for the Hawaii State Center for Nursing to carry out its mission, and information essential for the Regulated Industries Complaints Office to perform its duties.

The Board recognizes the huge undertaking of this measure and, thus, in consultation with the Professional and Vocational Licensing Division (Division), respectfully requests a delayed implementation date of at least two (2) years, (July 1, 2026) to ensure: (1) the appropriate updates are made to the Division's database; and (2) the Board's staff have time to receive the appropriate training and onboarding from the NLC.

Thank you for the opportunity to testify on this bill.

¹ Operation Nightingale: "[Fraudulent Nursing Diploma Scheme Leads to Federal Charges Against 25 Defendants.](#)"

Testimony of
Jonathan Ching
Government Relations Director

Before:
House Committee on Finance
The Honorable Kyle Yamashita, Chair
The Honorable Lisa Kitagawa, Vice Chair

February 28, 2024
10:00 a.m.
Conference Room 308 & Via Videoconference

Re: HB 2415, HD2, Relating to The Nurse Licensure Compact.

Chair Yamashita, Vice Chair Kitagawa, and committee members, thank you for this opportunity to provide testimony on HB 2415, HD2, which allows the Governor to enter the State into the multi-state Nurse Licensure Compact, which will allow a nurse who is licensed by a home state to practice under a multi-state licensure privilege in each party state, effective 1/1/2026.

Kaiser Permanente Hawai'i SUPPORTS HB 2415, HD2.

Kaiser Permanente is one of the nation's largest not-for-profit health plans, serving 12.6 million members nationwide, and more than 274,000 members in Hawai'i. In Hawai'i, more than 4,200 dedicated employees and more than 650 Hawai'i Permanente Medical Group physicians and advanced practice providers work in our integrated health system to provide our members with coordinated care and coverage. Kaiser Permanente Hawai'i has more than 19 medical facilities, including our award-winning Moanalua Medical Center. We continue to provide high-quality coordinated care for our members and deliver on our commitment to improve the health of our members and the 1.4 million people living in the communities we serve.

Kaiser Permanente supports the State of Hawai'i joining the 41 other states and two territories that have joined the Nurse Licensure Compact, as it will streamline the licensing process for nurses who want to practice in multiple states, while still maintaining quality and safety.

We know the legislature is aware that one of the biggest issues facing Hawaii's healthcare industry is the severe shortage of healthcare providers. The Healthcare Association of Hawaii's 2022 Healthcare Workforce Initiative (HWI) survey found that there were nearly 4,000 vacant positions for non-physician, patient-facing jobs. Of those, nearly a quarter of openings were for registered nurses in settings like hospitals, nursing homes, home health agencies, hospices, assisted living facilities, and community health centers. The need for these workers more than doubled between

2019 and 2022, driven largely by the need for more healthcare as the population ages and burnout due to the pandemic.

We know that allowing the Governor to enter the State into the multi-state Nurse Licensure Compact, via HB 2415, HD2, is not the panacea that will solve our workforce shortage; however, like the enactment of Act 112, Session Laws of Hawaii 2023, which adopts the Interstate Medical Licensure Compact, to the Nurse Licensure Compact will help alleviate the workforce shortages our state faces. As you know, this is even more acute in the neighboring islands and rural areas.

Passage of HB 2415, HD2 would allow Kaiser Permanente to extend the reach of our valuable nurses and further leverage telehealth services. Allowing nurses to hold a multi-state license provides greater flexibility to increase access to care including, through telehealth, access to care in rural and underserved areas.

Mahalo for the opportunity to testify in support of this important measure.



Written Testimony Presented Before the
House Committee on Finance

HEARING: Wednesday, February 28, 2024, 10:00am
PLACE: Room 308 State Capital and via videoconference

**RE: HB 2415, HD2, RELATING TO THE NURSE LICENSURE
COMPACT (NLC) IN STRONG OPPOSITION**

Chair Yamashita, Vice Chair Kitagawa, and members of the House Committee on Finance, thank you for the opportunity to testify **in strong opposition** to this very important yet controversial measure.

Hawai'i-ANA is the state's premier professional nursing organization that fosters high standards of professional nursing practice, promotes safe and ethical work environments and advocates on health care issues that affect nurses and the public. We are partners with other professional and governmental agencies and organizations such as the Hawai'i State Center for Nursing and the Hawaii Professional and Vocational Licensure Division to assure that Hawai'i nurses provide safe and equitable care to the public we serve. The nursing workforce shortage in Hawai'i is uppermost on our advocacy agenda and the present nurse staffing crisis is one that is multifactorial in nature and will take a sophisticated multipronged approach to resolve. No one factor will solve the crisis.

The NLC and License Portability

The NLC is an opportunity to address license portability, a marginal but important factor for nursing recruitment efforts. The NLC does not add nurses to the workforce. It allows geographic redistribution of the existing national workforce which is also in short supply. **That being said, if the NLC came with minimal risks and extreme benefit to the state nursing workforce shortage it would be a viable option for license portability.** Of note, during the pandemic, Hawai'i implemented emergency proclamation orders which led to immediate removal of licensure barriers. Despite these efforts, healthcare employers across the state reported difficulty hiring nurses due to applicant shortages. The elimination of licensing related hiring barriers raises many questions as to the importance of license portability in the immense schemata of workforce shortage solutions.

License Portability Nuances

The Hawai'i State Center for Nursing (HSCN) Feasibility study (SCR 112) clearly explains the nuances of NLC license portability and the present state of Hawai'i nursing licensing portability operations. The NLC represents an option to license portability, however, it would disrupt and dismember the present state of professional licensing operations and bring many risks and high costs with it. Continued quality improvement efforts on our own state licensing portability efforts are showing promise. Temporary licensure permitting, already progressing through the infamous Administrative Rules promulgation process, will streamline temporary licensure endorsement to allow for an applicant with a license in another state to begin practice within 3 days of application. **While NLC license portability is immediate, it comes with excessive risks and extreme costs that this temporary license process will not incur.**

The NLC versus the Interstate Medical Licensure Contract

The NLC model infrastructure is inherently flawed. Unlike the Interstate Medical Licensure Contract (IMLC), based on a reciprocity licensing model, the NLC is based on a mutual recognition model whereby multi state licensed nurses would practice in Hawai'i without a Hawai'i license. The strength of the IMLC model is the expedited reciprocity between individual states, but providing each practitioner with a Hawai'i state license. In the Medical model, each state retains its licensing authority and oversight for individual providers and their workforce data. Not so for the Nurse model.

NLC Safe Practice Issues

While the NLC has made some significant improvements over the years, for example, requiring states to adopt criminal background checks and fingerprints for their licensees, there are numerous issues with nurses who engage in unprofessional conduct, particularly the delays in inquiry initiation and completion or reporting of investigations which may allow a nurse who has engaged in unprofessional conduct and is under investigation to leave one NLC jurisdiction to practice in another. Nurses with disciplinary problems practicing here unknowingly puts our public at risk.

The NLC Model Assumes all Nursing State Practice Acts are Similar

The NLC also assumes that all state practice acts are similar, which is erroneous. Many states have differing types of independent, dependent, or interdependent practice privileges and regulations to protect the citizens of their own state. Some states require continuing education competencies and others do not. Some have standardized practice authority procedures, others do not. Some state laws prohibit certain practices, particularly around women's reproductive health and hold nurses accountable to those laws no matter which state they practice in. The lack of clarity and conformity on all these issues puts nurses and the public at risk.

NLC Fiscal Impact

The fiscal impact of joining the NLC for the state is steep with limited opportunity for revenue enhancements. The HSCN feasibility study mentioned above projects an immediate revenue loss of \$1.36 million and a potential revenue gain of only \$180,000. **Again, one must ask, is this NLC excessive cost for state licensing infrastructure realignment worth a potential improvement in licensing portability which does not make any more nurses available to recruit into the state? In particular, there is a more cost-effective, efficient means to improve our licensing processing times by implementing temporary licensure rules within the next year.**

NLC Outmigration Risk

Another downside to the NLC is the outmigration of Hawai'i nurses. We already have a significant number of nurses with Hawaii licenses (44%) who do not live here. A recent survey of nurses, as reported in the HSCN Feasibility Study, revealed that nurses thought they might use a multi-state license if it were available to them in Hawai'i, to increase their career options or attain other types of work in other states suggesting there is a risk of nursing out-migration.

NLC Loss of Workforce Data

The loss of workforce data on NLC nurses practicing in our state is also of great concern. In addition to not knowing who is practicing professional nursing here; we will not have access to their critical workforce data which is the pillar of health care workforce research and planning efforts. This will hinder nursing recruitment efforts as well as efforts to adequately predict the most appropriate nursing educational pipeline, to say nothing of the ability to monitor working conditions to retain our home-educated and enculturated nurses in Hawai'i. Bringing in the NLC to Hawai'i will be one more barrier to correcting the Hawai'i nursing workforce shortage.

NLC License Portability Mitigation Measures

NLC mitigation measures were discussed at length with both state and out of state experts and well outlined within the HSCN Feasibility Study. **Within those discussions we learned that there may be available mitigation measures to address some of the concerns raised therein, but the value to effort ratio does not equate.** For example, numerous statutory changes would be needed for the NLC Model Act to conform with or improve existing law regarding such things as collection of workforce data and compliance with all eleven uniform licensure requirements. Multiple changes to statute and regulations will take time, money and resources when other more efficient and effective measures can be deployed.

Alternatives- Temporary Licensure and Nursing Workforce Shortage Strategic Planning

Hawai‘i-ANA believes there are more prudent alternatives to NLC implementation to reduce licensing barriers to hiring and many of those alternatives are underway and could be expedited. We reason that **accelerating the temporary permit** regulation will effectively mitigate licensing processing times more efficiently and effectively than joining the NLC. There is work in progress to improve **operational efficiency** such as the recently activated **online application processes**: this will greatly enhance accurate and complete submission with far less operational overhead than the NLC process would require. We suggest these measures take legislative, regulatory and operational precedence and be placed on high priority status to enable the Professional & Vocational Licensing Division and the Board of Nursing to accomplish immediate unencumbered temporary licensing measures.

And finally, Hawai‘i -ANA believes that this type of policy discussion on the NLC could and should occur on the multifactorial issues that actually drive the nursing workforce shortage in Hawai‘i. We are unique as an island state with cost of living being one of the most challenging factors to recruiting and retaining nurses. Educational capacity, faculty shortages, career opportunities, workplace satisfaction all come to mind as workforce opportunities for improvement in our recruitment and retention measures. Much of this work has been initiated through the Hawai‘i State Center for Nursing and could be shared with legislators on how the state and employers can help support and nourish these initiatives with a detailed, transparent strategic plan.

In conclusion, there is no evidence to suggest that states have greater access to nurses or nursing care following NLC membership. Hawai‘i will do better by supporting our own in-state protections for our consumers of healthcare without the NLC and its concomitant costs, risks and state licensing infrastructure deconstruction. It is for these reasons that Hawai‘i – American Nurses Association is in opposition to HB 2415.

Contact information for Hawai‘i – American Nurses Association:

President: Dr. Nancy Atmospera-Walch, DNP, CCHN, FAAN,
president@hawaii-ana.org **Executive Director: Dr. Linda Beechinor, APRN,**
executivedirector@hawaii-ana.org

500 Lunalilo Home Road, #27-E, Honolulu HI 96825. (808) 779-3001



February 28, 2024
Conference Room 308

House Committee on Finance

To: Chair Kyle Yamashita
Vice Chair Lisa Kitagawa

From: Wesley Lo
Chief Executive Officer
Ohana Pacific Management Company/Hale Makua Health Services

Re: **Support**
HB 2415 HD 2, Relating to the Nurse Licensure Compact

Ohana Pacific Health (OPH) / Hale Makua Health Services (HMHS) is the largest provider of post-acute care services in the State of Hawai'i and also, the largest provider of Medicaid nursing facility services. Our organization employs almost 1,500 healthcare workers and manages approximately 950 nursing home beds that provide short-term rehab and long-term care, adult day health services and home health care, and Care Management/Navigation Services on all four major islands.

Thank you for the opportunity to provide **STRONG SUPPORT for HB2415 HD2** which promotes Hawaii joining the Nurse Licensure Compact (NLC). Currently, 41 states and two territories have availed themselves of this nearly 30-year-old option to make their processes more efficient support the recruitment of nurses, all while following strict guidelines to ensure public safety and protection.

The current landscape of healthcare in Hawaii is significantly affected by a lack of workers, particularly in the Long-Term Care industry, particularly for CNA's and Licensed Nurses. The effect of this shortage is that many of our facilities are unable to admit patients from the acute care hospitals due to the lack of workforce, which has exacerbated our financial situation. This situation is causing record high census in the hospitals to a "crisis point". Additionally, the lack of workforce and the resulting drop in census has severely affected our industry.

The Nurse Licensure Compact will allow us faster access to Nurses and there is evidence that show that nurses with multi-state licenses can be safer than nurse with a single state license. In addition, this compact can help the industry address licensing backlogs and workforce needs.



KĀLELE



LUANA LIVING



THE VILLAS



Ann Pearl



Garden Isle



Hale Kupuna



Hale Makua



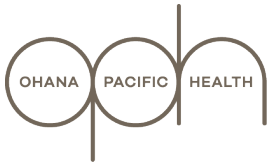
Hale O Meleana



Legacy Hilo



Pu'uwai O Makaha



Thank you for the opportunity to testify in support of this program.

A handwritten signature in black ink, appearing to read "Wesley Lo".

Wesley Lo
Chief Executive Officer
Ohana Pacific Health / Hale Makua Health Services





**SUPPORT OF HB 2415, HD2
RELATING TO THE NURSE LICENSURE COMPACT**

House Committee on Finance
The Honorable Kyle T. Yamashita, Chair
The Honorable Lisa Kitagawa, Vice Chair

Wednesday, February 28, 2024 at 10:00 a.m.
Conference Room 308 & Videoconference
Hawaii State Capitol; 415 South Beretania Street

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

The Hawaii Military Affairs Council ("MAC") supports HB 2415, HD2 which allows the Governor to enter the State into the multi-state Nurse Licensure Compact, which will allow a nurse who is licensed by a home state to practice under a multi-state licensure privilege in each party state.

The MAC was established in 1985 when the Chamber was appointed by the State to serve as the liaison to the military. The MAC advocates on behalf of Hawaii's military, and is comprised of business leaders, academic institutions, State and County officials, members of the CODEL, community leaders, labor unions and organizations and retired U.S. flag and general officers. The MAC works to support Hawaii's location as a strategic U.S. headquarters in the Indo-Asia-Pacific region which is crucial for U.S. national and homeland security.

One of the challenges military families face is the ability of military spouses to find employment when they move to another state because their professional license was obtained elsewhere. Requiring them to obtain a license is a time-consuming process. The ability for military spouses to transfer their license is important to career sustainability and their families' financial stability. In response to this, the Legislature passed Act 18, SLH 2021 to establish a streamlined pathway for temporary professional licensure of a military spouse provided certain requirements are met. In this report, it is quoted, "Military spouse nurses move to a new state, and due to the ability to practice under their MSL, may start working right away."¹

¹ https://www.hawaii.edu/govrel/docs/reports/2024/scr112-slh2023_2024_nursing-licensure-compact_report.pdf; pp. 19-20



In addition to Act 18, SLH 2021, on January 5, 2023 the Veterans Auto and Education Improvement Act of 2022 was signed into law by President Joseph Biden, which added a new provision to the Servicemembers Civil Relief Act (SCRA) called the “Portability of Professional Licenses of Servicemembers and their Spouses.” This provision allows servicemembers and their spouses to use their professional licenses and certificates in certain circumstances when they must relocate due to military orders. On July 14, 2023, the Justice Department announced it had issued a letter to all state licensing authorities about this amendment to the SCRA, explaining the requirements of servicemembers or their spouses.

Despite these laws, we have heard of difficulties military dependents have encountered in their attempts to become licensed in Hawaii despite having an unencumbered license from another state.

Like elsewhere across the nation, Hawaii is facing a labor shortage. We believe that the expedited processing of the licenses of military dependents is one solution to address this issue and the Hawaii MAC is willing to work with the Department to fulfill the intent of Act 18, SLH 2021, and comply with the SCRA.

Thank you for the opportunity to offer testimony in support.



HAWAII HEALTH SYSTEMS
C O R P O R A T I O N

"Quality Healthcare For All"

COMMITTEE ON FINANCE
Representative Kyle T. Yamashita, Chair
Representative Lisa Kitagawa, Vice-Chair

February 28, 2024
10:00 am
Hawaii State Capitol
Room 308 & Via Videoconference

HB 2415, HD2
RELATING TO THE NURSE LICENSURE COMPACT

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. Beginning 1/1/2026, allows the State Board of Nursing to charge different fees customarily and historically charged for registered nurses and licensed practical nurses who hold a multistate license issued by the State.

Edward N. Chu
President & Chief Executive Officer
Hawaii Health Systems Corporation

On behalf of the Hawaii Health Systems Corporation (HHSC) Corporate Board of Directors, thank you for the opportunity to present testimony on **HB 2415, HD2**.

HHSC's rural hospitals are well-recognized to be challenged by the trifecta of shortages in financial resources, facility bed space, and dire workforce needs. HHSC regions work diligently to try to fill our nursing vacancies. Nurses willing to travel to serve to our regions have been helpful to fill the gaps so we can continue to provide the healthcare services our community needs. Nursing Licensure Compact is recognized as a tool that our hospitals could use to help with a problem that we know has no singular solution.

Thank you for the opportunity to provide testimony on this matter.



**Written Testimony Presented Before the
House Committee on Finance
Wednesday, February 28, 2024 at 10:00 A.M.
Conference Room 308 and via Videoconference
By
Laura Reichhardt, APRN, AGPCNP-BC, FAAN
Director, Hawai'i State Center for Nursing
University of Hawai'i at Mānoa**

WRITTEN TESTIMONY IN SUPPORT on H.B. 2415, H.D. 2

Chair Yamashita, Vice Chair Kitagawa, and members of the Committee, thank you for hearing this measure, which will allow the Governor to enter the State into the multi-state Nurse Licensure Compact. Hawai'i State Center for Nursing offers testimony in support.

Purpose

This bill would enable the Governor to enter Hawai'i into the Nurse Licensure Compact (NLC), allow the State Board of Nursing to charge different fees for registered nurses and licensed practical nurses who hold a multi-state license (MSL) issued by the State, and require that all health care facilities report to the board of nursing that employees have completed any demographic data surveys required by the board of nursing within 30 days of employment. Hawai'i would also continue to be able to issue "single state licenses" (SSLs) for Licensed Practical Nurses (LPNs) and Registered Nurses (RNs), which is the process the state administers today. This bill does not address Advanced Practice Registered Nurse licensure.

Impact on License Revenue

NCSBN estimates that by joining the NLC, approximately 8,000 nurses currently licensed in Hawai'i will no longer need a Hawai'i license due to their ability to use their current MSL from their resident state. PVL, RICO, and HSCN's operating budgets would be impacted by the loss of license fee revenues from these 8,000 nurses. Cost remediation efforts are needed. HSCN estimates that if 30% of nurses who reside in the state apply for an MSL, a \$190 MSL fee on top of the regular \$196 license fees will result in a relatively cost-neutral outcome for these three agencies. From this projection of a \$190 MSL fee, HSCN would need to receive 31% (\$59) of the MSL license fee in order for Hawai'i's membership in the NLC to have a neutral financial impact on the organization. HSCN would be able to sustain staff, research efforts, nursing professional development, and programs that support the recruitment and retention of nurses in Hawai'i at the current level. Delayed issuing of Hawai'i MSL or no MSL fees allocated to HSCN will result in significant revenue loss, therefore the Hawai'i State Center for Nursing does not recommend a partial-implementation scenario in which Hawai'i accepts out-of-state nurses using MSLs issued by other states while delaying the issuance of Hawai'i MSLs. The implementation date as written, with the state to grant permission-to-practice for out-of-state

The mission of the Hawai'i State Center for Nursing is to engage in nursing workforce research, promote best practices and disseminate knowledge, cultivate a diverse and well-prepared workforce, support healthy work environments, champion lifelong learning, and strategically plan for sound nursing workforce policy.

MSL licenses as well as issue MSL licenses, is the implementation strategy preferred by HSCN.

Further, as it relates to the licensing of nursing, it is imperative to recognize that while an MSL will enable 30% of the nation's nurses to enter the state immediately, the licensing division of DCCA must still process license applications for the nursing applicants from anyone who falls within the remaining 70% of nurses who do not hold a MSL, as well as new graduates from Hawai'i or the nation who are applying to Hawai'i for their first nursing license. Further, if a nurse who started working in the state using their MSL from another state becomes a state resident, the rules of the NLC require them to change their license to a Hawai'i license.

Access to the National Nursing Workforce via the NLC

There are 5,584,936 LPNs and RNs¹ in the nation and there are 41 states and US territories² which have joined the NLC. Within those jurisdictions, not all nurses opt for an MSL. Across the nation, 30.3% of the total nursing workforce have opted for an MSL. Of nurses with an MSL, only 32.2% have used them – this equates to approximately 10% of the national nursing workforce.³ Within this, 9.5%⁴ use their MSL for travel nursing and 2.7%³ have used it for disaster response. To summarize, the NLC enables nurses to use their license across multiple jurisdictions, and it is a minority of nurses within each jurisdiction, and nationally, who have opted to get and utilize their MSL for multistate nursing practice. Therefore, it is critical that this strategy, joining the NLC, is implemented in addition to other strategies to ensure that Hawai'i has access to the nursing workforce it needs to deliver safe 24/7 nursing care and to ensure safe staffing standards.

Hawai'i's Nurses and Employers Want the NLC

The NLC allows states who have joined the compact to issue MSLs; states which are not part of the NLC may only issue “single state licenses” (SSLs). Nurses who hold an MSL from their resident state are granted permission-to-practice in the other states who are members of the NLC. Hawai'i's membership in the NLC would allow Hawai'i to issue MSLs to Hawai'i residents who are nurses, as well as grant permission-to-practice to nurses from other NLC states to work immediately upon entering Hawai'i. Like nurses entering Hawai'i with an MSL, Hawai'i nurses with an MSL would gain permission to practice in all other NLC member states without the need to be licensed in every other state in which they want to practice. Part I of this bill is the model legislation for the NLC. The NLC does not require nurses to report, register, or pay license fees to any NLC member state except their home state.

In a survey conducted by Hawai'i State Center for Nursing (HSCN) for the SCR 112 working

¹ NSCBN Licensure Statistics <https://www.ncsbn.org/nursing-regulation/national-nursing-database/licensure-statistics.page>

² NLC Member Map <https://www.nursecompact.com/index.page#map>

³ Smiley, R. A., Allgeyer, R. L., Shobo, Y., Lyons, K. C., Letourneau, R., Zhong, E., Kaminski-Ozturk, N., & Alexander, M. (2023). The 2022 National Nursing Workforce Survey. *Journal of Nursing Regulation*, 14(1), S1–S90. [https://doi.org/10.1016/S2155-8256\(23\)00047-9](https://doi.org/10.1016/S2155-8256(23)00047-9)

⁴ Smiley, R.A. (2023). Presentation to the SCR112 Working Group, Slide 5. Referenced from:

https://docs.google.com/presentation/d/1fDP9E0kQMpHv43CNUhtlOBw0ICz67UTC?rtfpof=true&usp=drive_fs

The mission of the Hawai'i State Center for Nursing is to engage in nursing workforce research, promote best practices and disseminate knowledge, cultivate a diverse and well-prepared workforce, support healthy work environments, champion lifelong learning, and strategically plan for sound nursing workforce policy.

group⁵, the majority of nurses who responded were in favor of Hawai'i's membership in the NLC. These same nurses indicated intention to apply for an MSL if Hawai'i joins the NLC. Respondents to the survey indicated an interest in travel nursing, telehealth, teaching in out-of-state nursing programs, and disaster support, as well as wanting an MSL without a specific plan for use.

Hawai'i currently underproduces nursing students needed to fill all nursing positions in this state, therefore employers must seek nurses from outside the state to meet the state's nursing needs. In SCR 112¹, nursing employers cited delayed licensure as a cause for failed recruitment efforts of nurses, both for temporary (i.e., travel or contract positions) and long-term positions. By allowing nurses who hold an MSL immediate permission to practice in Hawai'i, it relieves the delay in accessing those nurses' services. Due to the shortfall of available nurses, the roles that employers are seeking to fill from local and out-of-state talent pools include specialty nurses, nurse leaders, nurse faculty, and novice to experienced staff nurses across multiple settings. The need is for nurses across all counties.

Additional Supportive Strategies for a Robust Nursing Workforce

Recognizing that the minority of the nation's nurses utilize MSLs, the SCR 112 working group identified that additional efforts are necessary to support the stabilization of the nursing workforce and ensure access to a broader population of nurses, as needed. HSCN agrees with the findings of the SCR 112 working group and underscores that these strategies must occur concurrently with the adoption of the NLC. These strategies include:

- Ensuring timely implementation of Temporary Permits issued by the BON for non-NLC nurses applying for licensure in Hawai'i;
- Ensuring the full staffing necessary to support the functions of the DCCA licensing division, BON, and RICO;
- Standardizing Emergency Proclamation language related to nurse license waivers to ensure license reporting for all nurses employed under a waiver during emergencies;
- Ensuring nursing education capacity in Hawai'i to facilitate nursing career opportunities to local residents;
- Requiring employers to report information about MSL nurses employed in the state. Louisiana, Guam, and Washington State have working models for these reporting requirements. This measure uses Washington State's model for reporting requirements.

The HSCN Advisory Board has prioritized nurse wellbeing, nursing education capacity, and leadership development. In addition, HSCN continues to engage in nursing workforce research, provide statewide support for transition-to-practice programs, centralized clinical placement, statewide evidence-based practice education, and nursing professional development. As the seventh largest workforce statewide, and the largest licensed group within DCCA, it is important to recognize the vastness and complexity of the nursing profession. At

⁵ HSCN SCR 112 Working Group minutes and resources <https://www.hawaiiicenterfornursing.org/policy-and-legislation/nlc/>

The mission of the Hawai'i State Center for Nursing is to engage in nursing workforce research, promote best practices and disseminate knowledge, cultivate a diverse and well-prepared workforce, support healthy work environments, champion lifelong learning, and strategically plan for sound nursing workforce policy.

this moment in time, many strategies are needed to stabilize and reform nursing so that we both have the right number of nurses needed, but also that individual nurses experience wellbeing during their working hours.

Implementation

The SCR 112 working group identified a number of conforming and enabling amendments that are likely needed to ensure the NLC can be operational. The HSCN defers to DCCA and within it, RICO and PVL, for any needed conforming and enabling amendments.

Finally, HSCN would like to thank the Legislature for the opportunity to engage in a detailed inquiry into the feasibility of implementing the NLC through SCR 112. The working group was deeply committed to the process and delivered an in-depth study.⁶ Thank you for the opportunity to both convene the study and working group and to provide testimony in support.

⁶ Senate Concurrent Resolution 112, Session Laws of Hawai‘i 2023 Working Group Study.
https://www.hawaii.edu/govrel/docs/reports/2024/scr112-slh2023_2024_nursing-licensure-compact_report.pdf

The mission of the Hawai‘i State Center for Nursing is to engage in nursing workforce research, promote best practices and disseminate knowledge, cultivate a diverse and well-prepared workforce, support healthy work environments, champion lifelong learning, and strategically plan for sound nursing workforce policy.



HIPHI Board

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Community-Based Research &
Evaluation

Community Health
Worker Initiatives

COVID-19 Response

Environmental Health

Hawai'i Drug & Alcohol-Free
Coalitions

Hawai'i Farm to School Hui

Hawai'i Oral Health Coalition

Hawai'i Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Collective/Healthy Aging
& Community Living

Public Health Workforce
Development

Date: February 26, 2024

To: Representative Kyle T. Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair
Members of the Committee on Finance

Re: Support HB 2415 HD2 Relating to the Nurse Licensure Compact

Hrg: Wednesday, February 28, 2024 at 10:00 AM

Hawai'i Public Health Institute (HIPHI) is offering testimony in **Support of HB2415 HD2**, which would allow the state to enter into a multistate Nurse Licensure Compact, allowing a nurse who is licensed by a home state to practice under a multistate licensure privilege in each state that is a part of the compact. The bill allows the State Board of Nursing to create an appropriate fee structure for nurses who hold a mult-state license issued by the state.

The impact of nurse shortages is apparent across the state, particularly in rural areas and neighbor islands. To increase access to care, it is vital to implement a variety of policies that can help address the issue. Allowing Hawai'i the opportunity to enter the Nurse Licensure Compact is one of the ways to do so.

Forty one states and 2 territories are participants of the compact. By allowing Hawai'i to participate, the pathway to practice may be streamlined for those who already maintain the appropriate credentials, and it could open opportunities to more easily recruit nurses for specific areas.

By taking steps to increase the opportunities to access healthcare, patients benefit. This policy is part of a larger comprehensive approach to address healthcare provider shortages. Thank you for considering our testimony in support of HB2415 HD2.

Mahalo,

Peggy Mierzwa
Director of Policy & Advocacy
Hawai'i Public Health Institute

ⁱ Hawai'i Public Health Institute (HIPHI) is a hub for building healthy communities, providing issue-based advocacy, education, and technical assistance through partnerships with government, academia, foundations, business, and community-based organizations.

HB-2415-HD-2

Submitted on: 2/26/2024 10:12:54 PM

Testimony for FIN on 2/28/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Michael Golojuch Jr	Stonewall Caucus of the Democratic Party of Hawai‘i	Oppose	Remotely Via Zoom

Comments:

Aloha Representatives,

The Stonewall Caucus of the Democratic Party of Hawai‘i; Hawai‘i’s oldest and largest policy and political LGBTQIA+ focused organization OPPOSES HB 2415 HD 2.

We are standing in solidarity with the local nurses that have been fighting for safer working conditions with lower patient ratios and this bill does nothing to advance that struggle.

We respectfully ask that you hold this bill in committee.

Mahalo nui loa,

Michael Golojuch, Jr. (he/him)
Chair and SCC Representative
Stonewall Caucus for the DPH

HB-2415-HD-2

Submitted on: 2/27/2024 12:28:53 AM

Testimony for FIN on 2/28/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Pride at Work - Hawaii	Pride at Work – Hawai‘i	Oppose	Written Testimony Only

Comments:

Aloha Representatives,

Pride at Work – Hawai‘i is an official chapter of Pride at Work which is a national nonprofit organization that represents LGBTQIA+ union members and their allies. P@W-HI opposes HB 2415 HD 2.

Everyone called nurses heroes during the pandemic, and rightfully so as they were heroes then and they are heroes today! WE need their employers to start treating them as such. They are the backbone of our healthcare system and we need to treat them with the respect that they deserve.

There is a false narrative that Hawai‘i has a nursing shortage – what we have are dedicated nurses that are burnt out and not willing to put themselves and their patients in harm’s way because of the unsafe working environments due to their treacherous patient to nursing ratio. This bill does nothing to address this epidemic occurring at too many of the medical facilities in the state.

We ask that you hold this piece of legislation and pass a bill that will help endeavor to ensure nurses are working in a safe environment, thereby making Hawai‘i a safer place for us all.

Mahalo,

Pride at Work – Hawai‘i

Feb. 28, 2024, 10 a.m.
Hawaii State Capitol
Conference Room 308 and Videoconference

To: House Committee on Finance
Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa, Vice-Chair

From: Grassroot Institute of Hawaii
Ted Kefalas, Director of Strategic Campaigns

COMMENTS IN SUPPORT OF HB2415 HD2 — RELATING TO THE NURSE LICENSURE COMPACT

Aloha Chair Yamashita, Vice-Chair Kitagawa and Committee Members,

The Grassroot Institute of Hawaii would like to offer its support for [HB2415 HD2](#), which would enter Hawaii into the interstate Nurse Licensure Compact.

By joining the NLC, Hawaii would allow nurses holding a multi-state license to seamlessly transition to working in Hawaii without the need to obtain an additional license. Currently, 41 states and two territories are NLC members.¹

If this bill is enacted, the Legislature will be taking an important step toward addressing Hawaii's nursing shortage — a problem that has existed for years and has become an obstacle to healthcare access in our state.

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.²

¹ Tim McDonnell, "[Travel assignments in 41 states on one nursing license: 2024 nurse licensure update](#)," RN Network, Jan. 10, 2024.

² Carrie M. Oliveira, "[2021 Hawai'i Nursing Workforce Supply: Statewide Report](#)," Hawai'i State Center for Nursing, 2021.

Research since 2021 has indicated that nearly one-fourth of Hawaii’s nurses have been considering leaving the workforce, largely due to the stresses caused by the COVID-19 crisis.³

Hawaii’s nurse shortage — which existed before the COVID-19 crisis — has not eased since the emergency was lifted. Across the state, especially in rural areas, Hawaii is facing shortages of experienced health 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.⁴ Their licenses can be difficult to obtain, are expensive and carry geographic or “scope of practice” limitations.

In the Grassroot Institute’s policy brief “[How changing Hawaii’s licensing laws could improve healthcare access](#),” we discussed how the state’s licensing restrictions make it difficult to attract new healthcare professionals to the state.

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.⁵

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

³ Holly B. Fontenot, Alexandra Michel, Eunjung Lim, et al., “[Impact of the COVID-19 Pandemic on the Hawai’i Nursing Workforce: A Cross-sectional Survey](#),” Hawai’i Journal of Health & Social Welfare, May 2022.

⁴ Ryann Nunn, “[Improving Health Care Through Occupational Licensing Reform](#),” RealClear Markets, Aug. 28, 2018

⁵ 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.”⁶

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

The interstate compact approach outlined in this bill, HB2415 HD2, would streamline Hawaii’s licensing process for nurses, whereby registered nurses from participating states could practice in Hawaii without facing time-consuming, costly and redundant regulatory hurdles.

Under the NLC, a registered nurse would be able to hold one multistate license with a privilege to practice in other compact states.

Hawaii joining the NLC would be an important step toward attracting more registered nurses to our state, which would be an effective way to address our nursing shortage and improve healthcare access for all.

Thank you for the opportunity to testify.

Ted Kefalas
Director of Strategic Campaigns
Grassroot Institute of Hawaii

⁶ 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 No. 9, p. 3.

Wednesday, February 28, 2024 at 10:00 am
Conference Room 308 & Videoconference

House Committee on Finance

To: Representative Kyle Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair

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

Re: **HB 2415, HD2 – Testimony In Support
RELATING TO THE NURSE LICENSURE COMPACT.**

My name is Michael Robinson, and I am the Vice President of Government Relations & Community Affairs for 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.

I write in support of HB 2415, HD2 which would allow the Governor to enter the State into the multi-state Nurse Licensure Compact such that a nurse who is licensed by a home state may practice under a multi-state licensure privilege in each party state. The bill enables the Board of Nursing to assess different fees for registered nurses and licensed practical nurses who hold a multi-state license issued by the State.

Participating in the compact may allow nurses to more easily practice in Hawai'i, or treat patients in Hawai'i through telehealth, while still meeting nationally-established standards for education and training. The compact, which is in effect in 41 states and 2 territories, allows states to license nurses who meet eligibility criteria in a more streamlined fashion. This is especially important as we continue to see a shortage in nurses across the state, especially in rural areas and on the Neighbor Islands.

The compact alone will not solve the issues we have with our healthcare workforce. Affordability, below-cost reimbursements from Medicare and Medicaid, and the realities of retaining nurses in rural communities are still issues that must be addressed in partnership with many other stakeholders and policy-makers. However, the compact may help to address staffing shortages and ease recruitment of nurses, especially for specialty care that may be hard to access otherwise.

Thank you for the opportunity to testify.

Hawai'i Association of Professional Nurses (HAPN)



To: The Honorable Representative Yamashita, Chair of the House Committee on Finance

From: Hawaii Association of Professional Nurses (HAPN)

Subject: HB2415 HD2 – Relating to the Nurse Licensure Compact

Hearing: February 28, 2024, 10:00a.m.

Aloha Representative Yamashita, Chair; Representative Kitagawa, Vice Chair; and Committee Members

We address you today with an urgent and respectful request to halt the progression of HB2415 HD2. This bill, which endorses Hawaii's entry into the Nurse Licensure Compact (NLC), poses a critical risk to the high standard of care we uphold for our patients and threatens the solidarity of our nursing workforce. After thorough consideration, **we have identified significant concerns regarding the NLC's compatibility with Hawaii's rigorous standards for nursing licensure and public safety.** We must consider the broader implications of this decision, particularly in light of the recent unsettling revelations of Operation Nightingale and its exposure of the NLC's shortcomings. <https://oig.hhs.gov/newsroom/media-materials/nightingale/>

Our primary duty as a profession is to safeguard the health and welfare of Hawaii's residents, as is the duty of the House Committee on Finance. This duty compels us to scrutinize any changes to our licensure process that could compromise the quality of care provided in our state. This will also cost the state money that it would not be able to receive from typical licensure fees.

The passage of this bill not only risks our patients' safety but also threatens to undermine the collective voice of our nursing workforce, whose advocacy for fair conditions is vital for maintaining the quality of care. The stability and unity of our nursing unions are paramount, and we must not let this bill erode the foundations of our professional community.

In the February 2024 Hawaii Board of Nursing meeting, several concerns were shared, and they are also concerns of ours. Firstly, a concerning incident in December 2023 has highlighted the vulnerabilities within the NLC framework. The Hawaii Board of Nursing (BON) encountered a case where a nurse holding an active multistate license, despite having a revoked license in a non-NLC state, applied for licensure in Hawaii. This case revealed a glaring oversight in the NLC's enforcement of its own rules, which unequivocally state that any adverse action against a nursing license disqualifies a nurse from multistate licensure. Under Hawaii's current system, this individual's application was rigorously reviewed and denied, illustrating the robustness of Hawaii's standalone licensure process in identifying and preventing unqualified nurses from practicing within our state.

Secondly, during a National Council of State Boards of Nursing meeting in January 2024, discussions about Operation Nightingale exposed another critical flaw in the NLC's disciplinary processes. This federal investigation into fraudulent nursing education claims has identified nurses practicing under false pretenses. It was revealed that several NLC states have not taken adequate action against nurses implicated in this scheme, allowing them to continue practicing

across state lines. Hawaii's diligent licensure verification process has successfully prevented these individuals from entering our healthcare system, a safeguard that would be weakened by joining the NLC.

Advocates for the NLC argue that it includes sufficient protections against the practice of incompetent or unethical nurses. However, the issues we've highlighted demonstrate significant and ongoing gaps in the NLC's ability to uphold the high standards of nursing care that Hawaii demands. Our state's current licensure process, while with its challenges, significantly surpasses the NLC in protecting the public from potential harm.

With the highest respect for the responsibilities of your esteemed committee, we urge you to act swiftly and decisively to oppose HB2415 HD2. We plead with you to preserve the integrity of Hawaii's healthcare system and to protect the rights and welfare of both our patients and nurses. The urgency of this matter cannot be overstated, and we trust in your commitment to the health and well-being of our state.

HAPN's mission, to be the voice of APRNs in Hawaii, has been the guiding force that propelled us to spearhead the advancement of patients' access to healthcare as well as supporting the recognition of the scope of practice for APRNs in Hawaii. We have worked to improve the physical and mental health of our communities. As our ability to provide close care with our patients progressed, we also opened up our own clinics to provide the care our patients deserve.

Thank you for the opportunity to offer testimony to your committee. Thank you for your enduring support of the nursing profession in the Aloha State.

Respectfully,
Dr. Jeremy Creekmore, APRN
HAPN President



THE QUEEN'S HEALTH SYSTEM

To: The Honorable Kyle T. Yamashita, Chair
The Honorable Lisa Kitagawa, Vice Chair
Members, House Committee on Finance

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

Date: February 28, 2024

Re: Support for HB2415 HD2 – Relating to the Nurse Licensure Compact

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 testimony in support of HB2415 HD2, which would allow the Governor to enter the State into the multi-state Nurse Licensure Compact and join 41 states and territories who are current Compact members. Queen's and others have, and will continue to, invest in our local nursing workforce but, the reality is that we cannot meet the demands before us without diversifying our workforce strategies; joining the NLC is one strategy that has been employed safely and effectively to allow states to be nimbler in attracting and retaining nurse professionals.

Queen's employs over 2300 registered nurses across our system – Manamana, West, Molokai, North Hawaii, and urgent care facilities face a consistent challenge of filling existing and new positions (this challenge is even more pronounced on neighbor islands). Furthermore, we expect at least a 6% growth in the nursing profession over the next decade according the Bureau of Labor Statistics. We believe joining the NLC would help us address ongoing hiring challenges and take advantage of projected growth in the nursing profession.

Safety is as important for the Compact states as it is for facilities employing nurses in Hawaii. The COVID19 pandemic provided a case in point that showed how we can manage a diverse nursing population safely and effectively. At the height of the pandemic, while under the Public Health Emergency (PHE), Queen's was utilizing over 300 out-of-state, licensed, nurses - including those with a multi-state license. We reported these employees to the state and implemented rigorous safety, security, and licensure reviews into our hiring policies and procedures; throughout the pandemic to today, we have continued to refine those polices to ensure the best nurses are caring for our patients. We feel those experiences were successful and informative and that is why we support provisions in the current bill requiring facilities, like Queen's, to report on a regular basis those in

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.

our system practicing with a multi-state license. This has been successful in other states, including Washington state.

Equally important is the recognition that a segment of our population is, and always will be, transient (military, temporary deployments, etc.). NLC provides us another way to potentially take advantage of some portion of transient healthcare professionals while they are residing in our state. Removing barriers to safely practice nursing in our state should be the goal of the public and private sectors. It has been our experience that when recruiting new nurses (either transient and/or looking to permanently relocate) to our state, even the smallest barriers can make all the difference.

Queen's investment in our local workforce is considerable – we are investing in health academies on Oahu and the Big Island, contributing to the work that HAH is spearheading to bring healthcare intensive classrooms into our public school system, hosting public school class visits to our campuses, expanding nurse residency programs in our system, supporting teaching fellowships, and much more. We are committed to growing our local workforce – and we will continue to do so; however, it is still not enough to meet our workforce needs. Simply put, we must take advantage of the safe and reliable options available to ensure we have trained nursing professionals delivering care to our community. Entering the NLC is one proven and safe tool that can address this.

It is also worth noting that in October 2023 the Interstate Commission of Nurse Licensure Compact Administrators adopted an amended rule that changed the residency requirement for multi-state licensees. The new rule (effective January 2, 2024) reads:

402(2) A multistate licensee who changes primary state of residence to another party state shall apply for a multistate license in the new party state within 60 days.

This amended rule should allay some concerns that our state will not have a full accounting of multi-state licensees practicing in Hawaii.

Finally, Queen's is in the process of masterplan buildouts at our Manamana (Punchbowl) and West campuses – expanding bed capacities to meet the needs of our statewide community and offering new employment opportunities; as such we must look at ways to make more efficient and safer to attract and hire qualified nurses. Entering the NLC is an immediate option before policymakers that will influence the ability of our healthcare systems to recruit and retain such nurses.

The Queen's Health System strongly supports HB2415 HD2 and appreciates the opportunity to testify.

Wednesday, February 28, 2024, at 10:00 am
Conference Room 308

House Committee on Finance

To: Chair Kyle T. Yamashita
Vice Chair Lisa Kitagawa

From: Ryan Ashlock
President
Adventist Health Castle

Re: **Testimony in Strong Support**
HB 2415 HD 2, Relating to the Nurse Licensure Compact

Adventist Health Castle (“Castle”) submits this testimony in **strong support** for **HB 2415 HD 2** allowing Hawaii to join the multi-state Nurse Licensure Compact, (NLC) for Registered and Licensed Practical/Vocational Nurses.

Castle is a 160-bed facility located on the windward side of the island of O’ahu serving all patients both on O’ahu and other Hawaiian Islands for a full range of acute care and ambulatory services.

At present, ten percent of Castle’s nursing workforce positions remain unfilled. As the only hospital on the windward side of O’ahu providing a full range of acute healthcare services, Castle firmly believes that joining the NLC offers increased professional mobility, allowing nurses to practice in Hawaii as members of the NLC, enhancing access to care.

HAH data shows a statewide need of 4,000 vacant positions for non-physician, patient-facing jobs. Of those, a quarter of openings were for registered nurses in settings like hospitals, nursing homes, home health agencies, hospices, assisted living facilities, and community health centers. HAH notes that the need for such workers more than doubled between 2019 and 2022, driven by Hawaii’s aging population as well as pandemic related burnout.

The NLC is an agreement that allows registered nurses (RN) and licensed practical/vocational (LPN/LVN) nurses to hold a single license to practice in multiple states, making it easier for them to work across state borders without obtaining additional licenses.

The National Council of State Boards of Nursing (NCSBN), *of which Hawaii’s Board of Nursing is a long-standing member*,¹ developed the NLC as an alternative to the inefficiencies of state-by-state licensure systems many years ago. Since the early 2000’s the NCSBN has guided adoption of the NLC to now include 41 states and two territories, with legislation currently pending in 7 other states including Hawaii.²

¹ [Hawaii | NCSBN](#)

² See, National Council of State Boards of Nursing. [Home | NURSECOMPACT](#)

The NCSBN is a U.S. not-for-profit organization whose membership includes all 50 U.S. state nursing boards, four U.S. territories and the District of Columbia with a mission of supporting and leading nursing practice, education, and regulation. As an NCSBN member, Hawaii's Board of Nursing has joined previous NCSBN national initiatives, including:

- Adoption of the Model Nurse Practice Act, establishing uniform nursing practice standards;³
- Adoption of Nursys,⁴ a national database for verification of nurse licensure, discipline, and practice privileges; and
- Adoption of the National Council Licensure Examination "NCLEX," the national licensure exam for nursing professionals.

Castle notes that the NLC is administered by the Interstate Commission of Nurse Licensure Compact Administrators ("Commission"), which includes members from each NLC participating state. Upon joining the NLC, Hawaii will appoint an administrator to the Commission which oversees strict requirements for all compact states regarding nurse eligibility for multi-state licensure, strong background safeguards and robust disciplinary provisions that ensure licensure integrity to safeguard patient care. Most importantly, the NLC accepts that all compact member states retain authority to hold nurses accountable for meeting the state practice laws for all care rendered to patients in that state. This means that Hawaii's Board of Nursing retains authority to hold nurses accountable under all Hawaii nursing practice laws.⁵

In summary, Castle strongly supports joining the Nurse Licensure Compact as the nursing shortage affects small hospitals like Castle by straining staff resources, and increasing workloads leading to fatigue, burnout and decreasing morale among nurses. More importantly, workforce shortage reduces capacity to manage open patient beds effectively. With fewer nurses available, hospitals may be forced to limit the number of beds they can keep operational, potentially leading to increased wait times, delayed admissions, and a strain on emergency departments straining a hospital's ability to provide timely and efficient care to patients.

Castle believes that it is time for Hawaii to join the majority of the nation now participating in the NLC. Castle notes that Hawaii has initiated similar steps through 2023 legislation allowing Hawaii's Board of Medicine to join the Interstate Medical Licensure Compact, streamlining the licensure process for physicians across state borders.⁶

³ [Hawaii Revised Statutes Chapter 457-Nursing](#)

⁴ [Nursys®](#)

⁵ [NLC Key Provisions-FINAL.pdf \(nursecompact.com\)](#)

⁶ [Compact State Map | Interstate Medical Licensure Compact \(imlcc.org\)](#)

February 28, 2024

To: Chair Yamashita, Vice Chair Kitagawa, and Members of the House Committee on Finance (FIN)

From: Hawaii Association of Health Plans Public Policy Committee

Date/Location: February 28, 2024; 10:00 a.m./Conference Room 308 & Videoconference

Re: Testimony in support of HB2415 HD2– Relating to the Nurse Licensure Compact

The Hawaii Association of Health Plans (HAHP) respectfully supports HB2415 HD2. 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.

While we appreciate the efforts of the many groups and individuals who worked together to determine the feasibility and impact of adopting the nurse licensure compact, we believe the benefits of participation in the compact outweigh the potential issues that were identified in their report.

Hawaii is facing a severe nursing shortage with a need that continues to grow with every passing day. This shortage was exacerbated by the COVID-19 pandemic and recent news reports have highlighted the effects of nurses who are dealing with burnout and stress. Patients are having to wait longer for care and some hospitals have been forced to reduce services.

The Multistate Nurse Licensure Compact (NLC) has the potential to alleviate many of these issues, leading to a better quality-of-life for our current workforce and higher quality care for patients. Since first enacted in 1997 and implemented in 2000, the NLC has a proven track record of effectiveness and viability with benefits including an accelerated licensure process and access to an expanded workforce. HAHP understands that joining the NLC will not singlehandedly solve the healthcare workforce shortage that the state is facing; however, it is one part to help address the workforce issues in the state.

Thank you for the opportunity to testify in support of HB2415 HD2.

Sincerely,

HAHP Public Policy Committee

cc: HAHP Board Members



**FRESENIUS
MEDICAL CARE**

Hawaii State House Committee on Finance

Wednesday, February 28, 2024, at 10:00 am
Conference Room 308 & Videoconference
Hawaii State Capitol

**HB2415, HD2 RELATING TO THE NURSE LICENSURE COMPACT -
SUPPORT**

Good morning, Chair Yamashita, Vice Chair Kitagawa, and Members of the House Committee on Finance.

My name is Maria Garcia Anguiano and I serve as the Senior Director of State Government Affairs for Fresenius Medical Care. Liberty Dialysis Hawaii is a valued Affiliate of Fresenius Medical Care, and we are humbled to serve Hawaii's patients and their families.

Liberty Dialysis stands in **SUPPORT of HB2415, HD2** which authorizes the Governor to join into the Nurse Licensure Compact. Nurses are the heart of the healthcare industry, and the ongoing shortage of nursing professionals is challenging to all. During the pandemic, as everyone scrambled to help our communities that were hardest hit, it became clear that the ability of nurse professionals to mobilize immediately and deploy asap was crucial.

Entering the Nurse Licensure Compact will help alleviate Hawaii's nursing shortage challenges and assist in attracting and retaining nurses to Hawaii, as well as, bringing home to Hawaii nurses who were born and raised here who are currently living and working on the continent. There are currently 41 states and 2 U.S. territories that are in the Compact.

Thank you for your consideration of our testimony in support of this important bill.



February 28, 2024

The Honorable Kyle T. Yamashita, Chair
The Honorable Lisa Kitagawa, Vice Chair
House Committee on Finance

Re: HB 2415 HD2 – Relating to The Nurse Licensure Compact

Dear Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of HB 2415 HD2 which will allow 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 and 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.

HMSA appreciates the work taken on by the Hawaii State Center for Nursing and the numerous stakeholders over the course of the 2023 interim to study the impact and feasibility of Hawaii joining the Nurse Licensure Compact. While various challenges were identified in the working group's final report, we feel that this option helps to address the shortages facing our healthcare professionals and supports our nurses and health care facilities statewide.

We support the legislature's attentiveness to strengthening our healthcare workforce and we are equally committed to addressing this critical issue to increase access and care in Hawaii.

Thank you for the opportunity to testify in support of HB 2415 HD2.

Sincerely,

Dawn Kurisu
Assistant Vice President
Community and Government Relations



1011 Waiuanue Avenue
Hilo, Hawaii 96720-2019
Phone: (808) 969-1733
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care@hawaiicarechoices.org
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Representative Kyle T. Yamashita, Chair
Representative Lisa Kitagawa, Vice Chair

RE: **TESTIMONY IN SUPPORT OF HB 2415 HD2**
RELATING TO THE NURSE LICENSURE COMPACT
Hearing: Wednesday, February 28, 2024 at 10:00 a.m.

Dear Chair Yamashita, Vice Chair Kitagawa and Members of the Committee:

Thank you for the opportunity to provide testimony in **SUPPORT** of HB 2415 HD2 allowing the Governor to enter the State into the multi-state Nurse Licensure Compact (NLC), which will expand access to nursing care and nurse mobility across the United States. Additionally, this Bill allows the State Board of Nursing to charge different fees customarily and historically charged for registered nurses and licensed practical nurses who hold a multistate license issued by the State beginning 1/1/2026.

An inadequate workforce can lead to challenges and gaps in healthcare provision and ultimately a disruption in care. Hawai'i Care Choices recognizes the critical need for nurses across all sectors of our health care industry, and care for the seriously ill is no exception. The NLC has enabled nurses the ability to practice in any compact state without obtaining and maintaining multiple licenses. This removes a burdensome expense for organizations that employ nurses, increases access to nursing services, and is a benefit in time of crisis. Today's healthcare requires a mobile workforce, whether responding to provider shortages or assisting during times of disaster.

Hawai'i Care Choices is a nonprofit, tax-exempt charitable organization, which exists to provide a continuum of quality and specialized care for seniors or for patients facing a serious and/or life-limiting illness, and their loved ones who care for them. In addition, our organization is committed to providing the community-at-large with bereavement support and grief counseling.

Again, we offer this testimony in **SUPPORT** of HB 2415 HD2 as we believe it will help increase access to quality health care – a critical component to the public's health and safety.

Sincerely,

Brenda S. Ho, MS, RN
Chief Executive Officer

HB-2415-HD-2

Submitted on: 2/27/2024 2:44:29 PM

Testimony for FIN on 2/28/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dede Heiman	Individual	Support	Written Testimony Only

Comments:

I support this bill to allow the the Nurse Licensure Compact . This bill would allow nurses licensed in other states to practice in Hawaii.

**Written Testimony Presented Before the
House Committee on Finance
Wednesday, February 28, 2024 at 10:00 A.M.
Conference Room 308 and via Videoconference**

By

**Anne Scharnhorst, DNP, RN, CNE
Professor of Nursing UH Maui College**

WRITTEN TESTIMONY IN SUPPORT on H.B. 2415, H.D. 2

Chair Yamashita, Vice Chair Kitagawa, and members of the Committee, thank you for hearing this measure, which will allow the Governor to enter the State into the multi-state Nurse Licensure Compact. **I, Anne Scharnhorst**, offer testimony in support.

Purpose

This bill would enable the Governor to enter Hawai'i into the Nurse Licensure Compact (NLC), allow the State Board of Nursing to charge different fees for registered nurses and licensed practical nurses who hold a multi-state license (MSL) issued by the State, and require that all health care facilities report to the board of nursing that employees have completed any demographic data surveys required by the board of nursing within 30 days of employment. Hawai'i would also continue to be able to issue "single state licenses" (SSLs) for Licensed Practical Nurses (LPNs) and Registered Nurses (RNs), which is the process the state administers today. This bill does not address Advanced Practice Registered Nurse licensure.

Impact on License Revenue

NCSBN estimates that by joining the NLC, approximately 8,000 nurses currently licensed in Hawai'i will no longer need a Hawai'i license due to their ability to use their current MSL from their resident state. PVL, RICO, and HSCN's operating budgets would be impacted by the loss of license fee revenues from these 8,000 nurses. Cost remediation efforts are needed. HSCN estimates that if 30% of nurses who reside in the state apply for an MSL, a \$190 MSL fee on top of the regular \$196 license fees will result in a relatively cost-neutral outcome for these three agencies. From this projection of a \$190 MSL fee, HSCN would need to receive 31% (\$59) of the MSL license fee in order for Hawai'i's membership in the NLC to have a neutral financial impact on the organization. HSCN would be able to sustain staff, research efforts, nursing professional development, and programs that support the recruitment and retention of nurses in Hawai'i at the current level. Delayed issuing of Hawai'i MSL or no MSL fees allocated to HSCN will result in significant revenue loss, therefore the Hawai'i State Center for Nursing does not recommend a partial-implementation scenario in which Hawai'i accepts out-of-state nurses using MSLs issued by other states while delaying the issuance of Hawai'i MSLs. The implementation date as written, with the state to grant permission-to-practice for out-of-state MSL licenses as well as issue MSL licenses, is the implementation strategy preferred by HSCN. *As the current Chair of the HSNC Advisory Board, this resonates deeply with me.*

Further, as it relates to the licensing of nursing, it is imperative to recognize that while an MSL will enable 30% of the nation's nurses to enter the state immediately, the licensing division of DCCA must still process license applications for the nursing applicants from anyone who falls within the remaining 70% of nurses who do not hold a MSL, as well as new graduates from Hawai'i or the nation who are applying to Hawai'i for their first nursing license. Further, if a nurse who started working in the state using their MSL from another state becomes a state resident, the rules of the NLC require them to change their license to a Hawai'i license.

Access to the National Nursing Workforce via the NLC

There are 5,584,936 LPNs and RNs¹ in the nation and there are 41 states and US territories² which have joined the NLC. Within those jurisdictions, not all nurses opt for an MSL. Across the nation, 30.3% of the total nursing workforce have opted for an MSL. Of nurses with an MSL, only 32.2% have used them – this equates to approximately 10% of the national nursing workforce.³ Within this, 9.5%⁴ use their MSL for travel nursing and 2.7%³ have used it for disaster response. To summarize, the NLC enables nurses to use their license across multiple jurisdictions, and it is a minority of nurses within each jurisdiction, and nationally, who have opted to get and utilize their MSL for multistate nursing practice. Therefore, it is critical that this strategy, joining the NLC, is implemented in addition to other strategies to ensure that Hawai'i has access to the nursing workforce it needs to deliver safe 24/7 nursing care and to ensure safe staffing standards.

Hawai'i's Nurses and Employers Want the NLC

The NLC allows states who have joined the compact to issue MSLs; states which are not part of the NLC may only issue "single state licenses" (SSLs). Nurses who hold an MSL from their resident state are granted permission-to-practice in the other states who are members of the NLC. Hawai'i's membership in the NLC would allow Hawai'i to issue MSLs to Hawai'i residents who are nurses, as well as grant permission-to-practice to nurses from other NLC states to work immediately upon entering Hawai'i. Like nurses entering Hawai'i with an MSL, Hawai'i nurses with an MSL would gain permission to practice in all other NLC member states without the need to be licensed in every other state in which they want to practice. Part I of this bill is the model legislation for the NLC. The NLC does not require nurses to report, register, or pay license fees to any NLC member state except their home state.

In a survey conducted by Hawai'i State Center for Nursing (HSCN) for the SCR 112 working group⁵, the majority of nurses who responded were in favor of Hawai'i's membership in the

¹ NSCBN Licensure Statistics <https://www.ncsbn.org/nursing-regulation/national-nursing-database/licensure-statistics.page>

² NLC Member Map <https://www.nursecompact.com/index.page#map>

³ Smiley, R. A., Allgeyer, R. L., Shobo, Y., Lyons, K. C., Letourneau, R., Zhong, E., Kaminski-Ozturk, N., & Alexander, M. (2023). The 2022 National Nursing Workforce Survey. *Journal of Nursing Regulation*, 14(1), S1–S90. [https://doi.org/10.1016/S2155-8256\(23\)00047-9](https://doi.org/10.1016/S2155-8256(23)00047-9)

⁴ Smiley, R.A. (2023). Presentation to the SCR112 Working Group, Slide 5. Referenced from:

https://docs.google.com/presentation/d/1fDP9E0kQMpHv43CNUhtlOBw0ICz67UTC?rtpof=true&usp=drive_fs

⁵ HSCN SCR 112 Working Group minutes and resources <https://www.hawaiiicenterfornursing.org/policy-and-legislation/nlc/>

NLC. These same nurses indicated intention to apply for an MSL if Hawai'i joins the NLC. Respondents to the survey indicated an interest in travel nursing, telehealth, teaching in out-of-state nursing programs, and disaster support, as well as wanting an MSL without a specific plan for use.

Hawai'i currently underproduces nursing students needed to fill all nursing positions in this state, therefore employers must seek nurses from outside the state to meet the state's nursing needs. In SCR 112¹, nursing employers cited delayed licensure as a cause for failed recruitment efforts of nurses, both for temporary (i.e., travel or contract positions) and long-term positions. By allowing nurses who hold an MSL immediate permission to practice in Hawai'i, it relieves the delay in accessing those nurses' services. Due to the shortfall of available nurses, the roles that employers are seeking to fill from local and out-of-state talent pools include specialty nurses, nurse leaders, nurse faculty, and novice to experienced staff nurses across multiple settings. The need is for nurses across all counties.

Additional Supportive Strategies for a Robust Nursing Workforce

Recognizing that the minority of the nation's nurses utilize MSLs, the SCR 112 working group identified that additional efforts are necessary to support the stabilization of the nursing workforce and ensure access to a broader population of nurses, as needed. HSCN agrees with the findings of the SCR 112 working group and underscores that these strategies must occur concurrently with the adoption of the NLC. These strategies include:

- Ensuring timely implementation of Temporary Permits issued by the BON for non-NLC nurses applying for licensure in Hawai'i;
- Ensuring the full staffing necessary to support the functions of the DCCA licensing division, BON, and RICO;
- Standardizing Emergency Proclamation language related to nurse license waivers to ensure license reporting for all nurses employed under a waiver during emergencies;
- Ensuring nursing education capacity in Hawai'i to facilitate nursing career opportunities to local residents;
- Requiring employers to report information about MSL nurses employed in the state. Louisiana, Guam, and Washington State have working models for these reporting requirements. This measure uses Washington State's model for reporting requirements.

The HSCN Advisory Board has prioritized nurse wellbeing, nursing education capacity, and leadership development. In addition, HSCN continues to engage in nursing workforce research, provide statewide support for transition-to-practice programs, centralized clinical placement, statewide evidence-based practice education, and nursing professional development. As the seventh largest workforce statewide, and the largest licensed group within DCCA, it is important to recognize the vastness and complexity of the nursing profession. At

this moment in time, many strategies are needed to stabilize and reform nursing so that we both have the right number of nurses needed, but also that individual nurses experience wellbeing during their working hours.

Implementation

The SCR 112 working group identified a number of conforming and enabling amendments that are likely needed to ensure the NLC can be operational. The HSCN defers to DCCA and within it, RICO and PVL, for any needed conforming and enabling amendments.

Finally, **I, Anne Scharnhorst**, would like to thank the Legislature for the opportunity to engage in a detailed inquiry into the feasibility of implementing the NLC through SCR 112. The working group was deeply committed to the process and delivered an in-depth study.⁶ Thank you for the opportunity to provide testimony in support.

⁶ Senate Concurrent Resolution 112, Session Laws of Hawai'i 2023 Working Group Study.

https://www.hawaii.edu/govrel/docs/reports/2024/scr112-slh2023_2024_nursing-licensure-compact_report.pdf

HB-2415-HD-2

Submitted on: 2/27/2024 6:19:49 PM

Testimony for FIN on 2/28/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Cortney Midla	Individual	Support	Written Testimony Only

Comments:

Aloha,

I support HB2415 relating to the nurse licensure compact. As a nurse, I understand how important it is to have adequate staffing for safe patient care, and this would help support that.

Mahalo,

Cortney Midla, RN

HB-2415-HD-2

Submitted on: 2/28/2024 1:42:37 AM

Testimony for FIN on 2/28/2024 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kathy Young	Individual	Oppose	Written Testimony Only

Comments:

To the legislature, I thank you for the opportunity to speak about my concerns & thoughts on this very important matter. To begin, I initially thought that Bill HB2415 HD2, which supports the idea of multi-state licensure & having more nurses working in our state, sounded like a potentially appropriate approach to the current nursing environment here in Hawaii.

However, I then started to ask myself, if Bill HB2415 HD2 were to pass, WHO would this be good for? HOW will it affect the current citizens of Hawaii? WHAT good can come out of this & at WHAT price? After 30 years of experience working full-time as a floor nurse, I've heard & witnessed the changes firsthand in our healthcare system, both the good & the bad.

These are my concerns & reasons why I believe that Bill HB2415 HD2 should not pass:

1. Our local nurses who consider Hawaii their home will lose job opportunities, & our future aspiring nurses will have no choice but to leave for another city that can give them adequate work. This theory that temporary patchwork & the disregard for finding permanent solutions for our local nurses will result in another example of the long-term dismantling of locals from their homes.
2. Hawaii is a very special & dear place to all of our hearts, & the people of Hawaii are just as special. Having someone unfamiliar & extrinsic to our ways on this island will invite delays & frustration on both sides. Time & time again, I have witnessed incidents where our patients are considered "interesting", being "whacked", who "don't make sense", & many other indifferent sayings due to culture shock & in some cases, a lack of care & empathy. Some travel nurses have adapted, while some weren't able to, & some flat-out refused to.
3. Having a workforce of local nurses will provide our patients with lifetime consistency, loyalty, & respect.

I've worked with countless travel nurses within the past 20 years of my career, where most of them are often asking me, "Where are the places to go for partying?", "What are the best beaches to surf at?", "Where should I go eat after I'm out of here?", among many other questions that fall outside of work. They ask & ponder what they'll be doing after they leave instead of answering call lights & not completing their work to the best of their abilities. Don't get me wrong; travel nurses are very competent & skillful, but many of their priorities lie in experiencing the world at a younger age while making some money on the side. As time goes by, the travel nurses are

written up by local nurses due to their lack of understanding of our kapuna's ways & sometimes behave disrespectfully to the locals. I unfortunately worked with some travel nurses whom my hospital refused to renew or even terminated their contract before expiration due to these recurring issues.

4. Our job as nurses is to be alert & consistent problem solvers.

We should all want our patients to be safe & to receive the best care possible. We assess & analyze the situation with all our senses, weigh out the facts, come to a conclusion, form a plan & follow through, then reanalyze the situation again & further adjust as needed. It is because of this thinking & loss of faith in our employers that nurses sacrifice more of themselves & their families & go on strike. For the greater good of all, we exercise our American rights & protest the injustices within our medical system. Allowing a temporary fix with an easier process to allow people who don't have the same commitment & loyalty to our island & its citizens is a dangerous game. I fully respect the occupation of nursing & applaud the nurses who want to work despite all of the obstacles we go through on a daily basis. However, creating this shortcut to quick-fix solutions through these nurses allows the hospital administration who have ignored our cries in the past to just replace us & continue to ignore the ones who are fighting for improvement, consistent prosperity, & permanent solutions within our local healthcare system.

I must ask the legislature a simple question: have any of you taken a nursing exam? The exam includes questions that go over scenarios & medical situations. The answers are laid in multiple-choice from A to E. The answers are curated so that all of the choices can be considered correct, but the examinee must assess & choose the BEST answer, or the question will be marked as wrong.

Please take a minute & ask yourself, through these decisions, are we doing the BEST for the citizens of Hawaii? Will Bill HB2415 HD2 be our BEST solution for our people when they are sick & in need of medical care? What percentage of the current citizens of Hawaii will benefit from this decision if made? By approving this decision, do you believe it will improve our innate healthcare system? Will a reliance on temporary fix & avoidance of permanent solutions to the workers with commitment & alliance to the island be the BEST solution?

For the ones who consider this island as their "home" instead of a "bucket-list destination", will it be the BEST solution? Thank you for taking in my words, concerns, & experiences. May you consider my & my colleagues' statements in your decisions & I hope the residents of this island receive the BEST support & care from our legislature, administration, & the working staff of our hospitals.