

JAN 23 2025

A BILL FOR AN ACT

RELATING TO THE INTERSTATE MEDICAL LICENSURE COMPACT.

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

1 SECTION 1. The legislature finds that it is necessary to
2 authorize the Hawaii medical board to conduct criminal history
3 record checks to fully comply with the statutes, rules,
4 policies, and bylaws of the Interstate Medical Licensure
5 Compact. This authorization will enable Hawaii to participate
6 as a state of principal license in the compact. Without the
7 designation as a state of principal license, physicians licensed
8 in Hawaii who are otherwise eligible and seeking to participate
9 in the compact would need to apply for compact licensure through
10 other states serving as their states of principal license.

11 Accordingly, the purpose of this Act is to authorize the
12 Hawaii medical board to perform criminal history record checks,
13 thereby allowing the Hawaii medical board to fully comply with
14 the statute, rules, policies, and bylaws of the Interstate
15 Medical Licensure Compact as a state of principal license.

16 SECTION 2. Section 846-2.7, Hawaii Revised Statutes, is
17 amended by amending subsection (b) to read as follows:

18 "(b) Criminal history record checks may be conducted by:

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- (1) The department of health or its designee on operators of adult foster homes for individuals with developmental disabilities or developmental disabilities domiciliary homes and their employees, as provided by section 321-15.2;
- (2) The department of health or its designee on prospective employees, persons seeking to serve as providers, or subcontractors in positions that place them in direct contact with clients when providing non-witnessed direct mental health or health care services as provided by section 321-171.5;
- (3) The department of health or its designee on all applicants for licensure or certification for, operators for, prospective employees, adult volunteers, and all adults, except adults in care, at healthcare facilities as defined in section 321-15.2;
- (4) The department of education on employees, prospective employees, and teacher trainees in any public school in positions that necessitate close proximity to children as provided by section 302A-601.5;
- (5) The counties on employees and prospective employees who may be in positions that place them in close

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proximity to children in recreation or child care
programs and services;

(6) The county liquor commissions on applicants for liquor
licenses as provided by section 281-53.5;

(7) The county liquor commissions on employees and
prospective employees involved in liquor
administration, law enforcement, and liquor control
investigations;

(8) The department of human services on operators and
employees of child caring institutions, child placing
organizations, and resource family homes as provided
by section 346-17;

(9) The department of human services on prospective
adoptive parents as established under section 346-
19.7;

(10) The department of human services or its designee on
applicants to operate child care facilities, household
members of the applicant, prospective employees of the
applicant, and new employees and household members of
the provider after registration or licensure as
provided by section 346-154, and persons subject to
section 346-152.5;

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- 1 (11) The department of human services on persons exempt
2 pursuant to section 346-152 to be eligible to provide
3 child care and receive child care subsidies as
4 provided by section 346-152.5;
- 5 (12) The department of health on operators and employees of
6 home and community-based case management agencies and
7 operators and other adults, except for adults in care,
8 residing in community care foster family homes as
9 provided by section 321-15.2;
- 10 (13) The department of human services on staff members of
11 the Hawaii youth correctional facility as provided by
12 section 352-5.5;
- 13 (14) The department of human services on employees,
14 prospective employees, and volunteers of contracted
15 providers and subcontractors in positions that place
16 them in close proximity to youth when providing
17 services on behalf of the office or the Hawaii youth
18 correctional facility as provided by section 352D-4.3;
- 19 (15) The judiciary on employees and applicants at detention
20 and shelter facilities as provided by section 571-34;
- 21 (16) The department of corrections and rehabilitation on
22 employees and prospective employees, volunteers,

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1 contract service providers, and subcontract service
2 providers who are directly involved with the treatment
3 and care of, or directly involved in providing
4 correctional programs and services to, persons
5 committed to a correctional facility, or placed in
6 close proximity to persons committed when providing
7 services on behalf of the department or the
8 correctional facility, as provided by section 353-1.5
9 and the department of law enforcement on employees and
10 prospective employees whose duties involve or may
11 involve the exercise of police powers including the
12 power of arrest as provided by section 353C-5;

13 (17) The board of private detectives and guards on
14 applicants for private detective or private guard
15 licensure as provided by section 463-9;

16 (18) Private schools and designated organizations on
17 employees and prospective employees who may be in
18 positions that necessitate close proximity to
19 children; provided that private schools and designated
20 organizations receive only indications of the states
21 from which the national criminal history record
22 information was provided pursuant to section 302C-1;

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(19) The public library system on employees and prospective employees whose positions place them in close proximity to children as provided by section 302A-601.5;

(20) The State or any of its branches, political subdivisions, or agencies on applicants and employees holding a position that has the same type of contact with children, vulnerable adults, or persons committed to a correctional facility as other public employees who hold positions that are authorized by law to require criminal history record checks as a condition of employment as provided by section 78-2.7;

(21) The department of health on licensed adult day care center operators, employees, new employees, subcontracted service providers and their employees, and adult volunteers as provided by section 321-15.2;

(22) The department of human services on purchase of service contracted and subcontracted service providers and their employees and volunteers, as provided by sections 346-2.5 and 346-97;

(23) The department of human services on foster grandparent program, senior companion program, and respite

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1 companion program participants as provided by section
2 346-97;

3 (24) The department of human services on contracted and
4 subcontracted service providers and their current and
5 prospective employees that provide home and community-
6 based services under section 1915(c) of the Social
7 Security Act, title 42 United States Code section
8 1396n(c), or under any other applicable section or
9 sections of the Social Security Act for the purposes
10 of providing home and community-based services, as
11 provided by section 346-97;

12 (25) The department of commerce and consumer affairs on
13 proposed directors and executive officers of a bank,
14 savings bank, savings and loan association, trust
15 company, and depository financial services loan
16 company as provided by section 412:3-201;

17 (26) The department of commerce and consumer affairs on
18 proposed directors and executive officers of a
19 nondepository financial services loan company as
20 provided by section 412:3-301;

21 (27) The department of commerce and consumer affairs on the
22 original chartering applicants and proposed executive

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officers of a credit union as provided by section

412:10-103;

(28) The department of commerce and consumer affairs on:

(A) Each principal of every non-corporate applicant

for a money transmitter license;

(B) Each person who upon approval of an application

by a corporate applicant for a money transmitter

license will be a principal of the licensee; and

(C) Each person who upon approval of an application

requesting approval of a proposed change in

control of licensee will be a principal of the

licensee,

as provided by sections 489D-9 and 489D-15;

(29) The department of commerce and consumer affairs on

applicants for licensure and persons licensed under

title 24;

(30) The Hawaii health systems corporation on:

(A) Employees;

(B) Applicants seeking employment;

(C) Current or prospective members of the corporation

board or regional system board; or

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(D) Current or prospective volunteers, providers, or contractors, in any of the corporation's health facilities as provided by section 323F-5.5;

(31) The department of commerce and consumer affairs on:

(A) An applicant for a mortgage loan originator license, or license renewal; and

(B) Each control person, executive officer, director, general partner, and managing member of an applicant for a mortgage loan originator company license or license renewal,

as provided by chapter 454F;

(32) The state public charter school commission or public charter schools on employees, teacher trainees, prospective employees, and prospective teacher trainees in any public charter school for any position that places them in close proximity to children, as provided in section 302D-33;

(33) The counties on prospective employees who work with children, vulnerable adults, or senior citizens in community-based programs;

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- 1 (34) The counties on prospective employees for fire
2 department positions that involve contact with
3 children or vulnerable adults;
- 4 (35) The counties on prospective employees for emergency
5 medical services positions that involve contact with
6 children or vulnerable adults;
- 7 (36) The counties on prospective employees for emergency
8 management positions and community volunteers whose
9 responsibilities involve planning and executing
10 homeland security measures including viewing,
11 handling, and engaging in law enforcement or
12 classified meetings and assisting vulnerable citizens
13 during emergencies or crises;
- 14 (37) The State and counties on employees, prospective
15 employees, volunteers, and contractors whose position
16 responsibilities require unescorted access to secured
17 areas and equipment related to a traffic management
18 center;
- 19 (38) The State and counties on employees and prospective
20 employees whose positions involve the handling or use
21 of firearms for other than law enforcement purposes;

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1 (39) The State and counties on current and prospective
2 systems analysts and others involved in an agency's
3 information technology operation whose position
4 responsibilities provide them with access to
5 proprietary, confidential, or sensitive information;

6 (40) The department of commerce and consumer affairs on:

7 (A) Applicants for real estate appraiser licensure or
8 certification as provided by chapter 466K;

9 (B) Each person who owns more than ten per cent of an
10 appraisal management company who is applying for
11 registration as an appraisal management company,
12 as provided by section -7; and

13 (C) Each of the controlling persons of an applicant
14 for registration as an appraisal management
15 company, as provided by section -7;

16 (41) The department of health or its designee on:

17 (A) Individual applicants or individuals acting on
18 behalf of applying entities for hemp processor
19 permits as provided under section 328G-2; and

20 (B) All license applicants, licensees, employees,
21 contractors, and prospective employees of medical
22 cannabis dispensaries, and individuals permitted

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1 to enter and remain in medical cannabis
2 dispensary facilities as provided under sections
3 329D-15(a)(4) and 329D-16(a)(3);

4 (42) The department of commerce and consumer affairs on
5 applicants for nurse licensure or license renewal,
6 reactivation, or restoration as provided by sections
7 457-7, 457-8, 457-8.5, and 457-9;

8 (43) The county police departments on applicants for
9 permits to acquire firearms pursuant to section 134-2,
10 on individuals registering their firearms pursuant to
11 section 134-3, and on applicants for new or renewed
12 licenses to carry a pistol or revolver and ammunition
13 pursuant to section 134-9;

14 (44) The department of commerce and consumer affairs on:
15 (A) Each of the controlling persons of the applicant
16 for licensure as an escrow depository, and each
17 of the officers, directors, and principals who
18 will be in charge of the escrow depository's
19 activities upon licensure; and
20 (B) Each of the controlling persons of an applicant
21 for proposed change in control of an escrow
22 depository licensee, and each of the officers,

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directors, and principals who will be in charge
of the licensee's activities upon approval of the
application,

as provided by chapter 449;

(45) The department of taxation on current or prospective
employees or contractors who have access to federal
tax information in order to comply with requirements
of federal law, regulation, or procedure, as provided
by section 231-1.6;

(46) The department of labor and industrial relations on
current or prospective employees or contractors who
have access to federal tax information in order to
comply with requirements of federal law, regulation,
or procedure, as provided by section 383-110;

(47) The department of human services on current or
prospective employees or contractors who have access
to federal tax information in order to comply with
requirements of federal law, regulation, or procedure,
and on current or prospective employees, volunteers,
contractors, or contractors' employees or volunteers,
subcontractors, or subcontractors' employees or
volunteers, whose position places or would place them

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in close proximity to minors, young adults, or
vulnerable adults, as provided by section 346-2.5;

(48) The child support enforcement agency on current or
prospective employees or contractors who have access
to federal tax information in order to comply with
federal law, regulation, or procedure, as provided by
section 576D-11.5;

(49) The department of the attorney general on current or
prospective employees or employees or agents of
contractors who have access to federal tax information
to comply with requirements of federal law,
regulation, or procedure, as provided by section 28-
17;

(50) The department of commerce and consumer affairs on
each control person, executive officer, director,
general partner, and managing member of an installment
loan licensee, or an applicant for an installment loan
license, as provided in chapter 480J;

(51) The university of Hawaii on current and prospective
employees and contractors whose duties include
ensuring the security of campus facilities and
persons; [and]

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1 (52) The department of commerce and consumer affairs on
2 applicants for physician licensure or license renewal,
3 through the Interstate Medical Licensure Compact as
4 provided by section 453B-2; and

5 [~~(52)~~] (53) Any other organization, entity, or the State,
6 its branches, political subdivisions, or agencies as
7 may be authorized by state law."

8 SECTION 3. There is appropriated out of the compliance
9 resolution fund the sum of \$25,000 or so much thereof as may be
10 necessary for fiscal year 2025-2026 and the same sum or so much
11 thereof as maybe necessary for fiscal year 2026-2027 for the
12 Hawaii medical board's implementation of the interstate medical
13 licensure compact, including internal database updates.

14 The sums appropriated shall be expended by the department
15 of commerce and consumer affairs for the purpose of this Act.

16 SECTION 4. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 5. This Act, upon its approval, shall take effect
19 on July 1, 2025; provided that the amendments made to section
20 846-2.7, Hawaii Revised Statutes, by section 2 of this Act shall
21 not be repealed when section 846-2.7, Hawaii Revised Statutes,

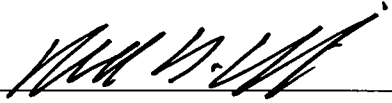
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1 is reenacted on July 1, 2027, pursuant to section 4 of Act 110,
2 Session Laws of Hawaii 2024.

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INTRODUCED BY:

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BY REQUEST

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Report Title:

Department of Commerce and Consumer Affairs; Hawaii Criminal Justice Data Center; Hawaii Medical Board; Interstate Medical Licensure Compact; Criminal History Record Checks; Appropriation

Description:

Authorizes the Hawaii Medical Board as the State of Principal License to investigate and request criminal history records of qualified physicians seeking licensing through the Interstate Medical Licensure Compact. Appropriates funds. Effective 07/01/2025.

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

JUSTIFICATION SHEET

DEPARTMENT: Commerce and Consumer Affairs

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

PURPOSE: To authorize the Hawaii Medical Board (Board) to conduct criminal history record checks for Interstate Medical Licensure Compact (Compact) applicants.

MEANS: Amend section 846-2.7(b), Hawaii Revised Statutes (HRS).

JUSTIFICATION: Hawaii is set to participate in the Compact as a member state on January 1, 2025. This means physicians originally licensed in a State of Principal License (SPL) may also practice in Hawaii with a Compact license, but Hawaii is currently unable to participate as an SPL because SPLs must conduct criminal history record checks. Section 846-2.7, HRS, the statute that lists which entities may conduct criminal history record checks, does not include the Board. This bill would add the Board to those entities authorized to conduct criminal history record checks for the purpose of implementing the Compact as an SPL.

Without this bill, Hawaii licensed physicians who are otherwise eligible and seeking to participate in the Compact would need to apply for Compact licensure through other SPL states. As an SPL state, in addition to being able to charge its license fees, Hawaii would also receive \$300.00 for purposes of conducting primary sourced checks for each applicant applying to Hawaii as a SPL.

This bill would allow the Board to fully comply with Compact statute, rules, policies, and bylaws as an SPL, which facilitates the ability of Hawaii licensed

physicians to apply through the Board to participate and practice in the Compact.

The bill would allow the Board to conduct criminal history record checks, so that the Board may participate in the Compact as an SPL.

Impact on the public: The physician shortage has reached a critical stage for our healthcare system. The proposed amendment would allow physicians to choose Hawaii as the SPL and enable Hawaii to fully participate in the Compact.

Impact on the department and other agencies: The Department of Commerce and Consumer Affairs' Professional and Vocational Licensing Division staff will require additional training and certifications to perform criminal record history checks.

GENERAL FUND:	None.
OTHER FUNDS:	CRF \$25,000
PPBS PROGRAM DESIGNATION:	CCA-105.
OTHER AFFECTED AGENCIES:	Department of the Attorney General
EFFECTIVE DATE:	July 1, 2025.