Nurse Licensure Compact

Telehealth is one of the fastest growing sectors within the health care industry. Nurses are increasingly being asked to deliver care through electronic means, offering opportunities for better patient care regardless of geographic boundaries. The NLC is a state-based licensure model that facilitates innovative care models by allowing nurses to legally deliver that care to patients through a multistate license. The NLC also has economic benefits, as it facilitates and expedites the hiring process for employers in their state, by enabling them to verify licenses online and to recruit from other states without having to go through the entire endorsement process. The NLC reduces licensure fees for nurses who practice in more than one state, eliminates unnecessary duplicative license procedures, reduces a nurse’s ability to move to another state to avoid a disciplinary action, and provides more expedient access to nurses in times of national crises. In the face of calls for the federal government to address health care licensing nationally, the NLC also offers a state-based solution to the claims that licensure is a barrier to interstate practice.

Two models of nurse licensure currently exist in the U.S.: the historical single-state licensure model and the NLC. In 1997, boards of nursing recognized the importance of facilitating interstate practice by endorsing the mutual recognition model of nurse licensure. This led to the development of model legislation for the NLC, which was first implemented in 2000. The NLC is an interstate compact agreement among participating states that allows for the mutual recognition of licensure between and among states. It facilitates mobility of RNs and LPN/VNs across state lines. Under the NLC, a license is issued in the jurisdiction of the nurse’s state of residence, granting the nurse a privilege to practice, otherwise known as a multistate license, in all other states participating in the NLC.

To date, a total of 25 states have adopted the NLC, with 24 having already implemented it. Most recently, the NLC was adopted by Montana. Implementation there is expected in October 2015.

Revising the NLC and APRN Compacts

Beginning in 2013, NCSBN’s member boards began revising the NLC in an effort to address concerns raised by states that have not yet joined. The drafting process was led by the NCSBN Executive Officer Forum, which engaged in a dialogue to identify barriers to the adoption of the NLC by member boards. The goal was to reach consensus among the executive officers who participated and to propose revisions to the NLC that are intended to accomplish its expeditious adoption by member boards. Throughout the process, revisions were made to the APRN compact in order to align it with the NLC where possible.

Notably, the mutual recognition model of licensure was maintained in both Compacts. The revision process for both Compacts concluded in March 2015.

On May 4, 2015, the NCSBN Delegate Assembly voted to approve final versions of both Compacts. Each state seeking to join either of the new Compacts, regardless of whether they are currently an NLC member, needs to adopt new legislation in order to join either Compact. NCSBN is preparing for states to be able to adopt the new NLC and APRN Compact legislation beginning in 2016 legislative sessions.
(Policy changes from the 1997 NLC are in *italics*.)

Article I Findings and Declaration of Purpose

- Facilitate the states’ responsibility to protect the public’s health and safety;
- Ensure and encourage the cooperation of party states in the areas of nurse licensure and regulation;
- Facilitate the exchange of information between party states in the areas of nurse regulation, investigation and adverse actions;
- Promote compliance with the laws governing the practice of nursing in each jurisdiction;
- Invest all party states with the authority to hold a nurse accountable for meeting all state practice laws in the state in which the patient is located at the time care is rendered through the mutual recognition of party state licenses;
- Decrease redundancies in the consideration and issuance of nurse licenses; and
- Provide opportunities for interstate practice by nurses who meet uniform licensure requirements.

Article II Definitions (self-explanatory)

Article III General Provisions and Jurisdiction

- *Eligibility and uniform licensure requirements for a multistate license*
- Authority to take adverse action against a multistate licensure privilege with application of state due process laws
- Nurse compliance with state practice laws
- Exclusion of advanced practice nurses
- *Grandfathering provision*

Article IV Applications for Licensure in a Party State

- Required verification of licensure information via the coordinated licensure information system
- Limitation to one home state license
- Outlines process for change of primary residence/home state

Article V Additional Authorities Invested in Party State Licensing Boards

- Provides authority to
  - Take adverse action against a multistate licensure privilege
  - Allow cease and desist orders to limit privileges
  - Issue subpoenas
  - Obtain and submit criminal background checks
- Requires deactivation of multistate licensure privileges when license encumbered
- Allows for alternative to discipline program participation

Article VI Coordinated Licensure Information System and Exchange of Information

- Requires participation in Coordinated Licensure Information System
- *Requires prompt reporting of* adverse action, current significant investigative information and *participation in alternative to discipline programs when known to the board of nursing.*
• Provides for exchange of information with other party states

Article VII Establishment of the Interstate Commission of Nurse Licensure Compact Administrators
Establishes the governing body as a public agency known as an “Interstate Commission.” This term is commonly used by other interstate compact governing bodies.

Article VIII Rulemaking
Allows for rules to be adopted directly by the Commission. Such rulemaking is legally binding in all party states. There is no requirement that rules be ratified or adopted by individual states. Such rulemaking authority has been permitted and exercised by other interstate compacts. The procedural requirements are based on the national Model Administrative Procedures Act, which is similar to most state APAs and includes:
• Provision for notice to the public of proposed and adopted rules
• Opportunity for comment
• Opportunity for public hearing
• Consideration and voting upon proposed rules
• Responding to comments received

Article IX Oversight, Dispute Resolution and Enforcement
Ensures compliance with the compact by member states. The procedures to be followed in the event of a failure by a party state to comply with the Compact include:
• A period of technical assistance in curing the default
• Improved dispute resolution processes; and
• Termination from the Compact in the event no other means of compliance has been successful.

Article X Effective Date, Withdrawal and Amendment
Addresses the method for states to enter, withdraw from or amend the compact.

Article XI Construction and Severability
Provides for the compact to remain valid in a state when any provision is declared to be contrary to a party state’s constitution.
Suggested State Legislation

>Title, enacting clause, etc.

Article I. [Findings and Declaration of Purpose.]

1. The party states find that:

2. The health and safety of the public are affected by the degree of compliance with and the
   effectiveness of enforcement activities related to state nurse licensure laws;

3. Violations of nurse licensure and other laws regulating the practice of nursing may result
   in injury or harm to the public;

4. The expanded mobility of nurses and the use of advanced communication technologies as
   part of our nation’s health care delivery system require greater coordination and
   cooperation among states in the areas of nurse licensure and regulation;

5. New practice modalities and technology make compliance with individual state nurse
   licensure laws difficult and complex;

6. The current system of duplicative licensure for nurses practicing in multiple states is
   cumbersome and redundant for both nurses and states; and

7. Uniformity of nurse licensure requirements throughout the states promotes public safety
   and public health benefits.

b. The general purposes of this Compact are to:

   1. Facilitate the states’ responsibility to protect the public’s health and safety;

   2. Ensure and encourage the cooperation of party states in the areas of nurse licensure and
      regulation;

   3. Facilitate the exchange of information between party states in the areas of nurse regulation,
      investigation and adverse actions;

   4. Promote compliance with the laws governing the practice of nursing in each jurisdiction;

   5. Invest all party states with the authority to hold a nurse accountable for meeting all state
      practice laws in the state in which the patient is located at the time care is rendered
      through the mutual recognition of party state licenses;

   6. Decrease redundancies in the consideration and issuance of nurse licenses; and

   7. Provide opportunities for interstate practice by nurses who meet uniform licensure
      requirements.

Article II. [Definitions.]

1. As used in this Compact:

   a. “Adverse action” means any administrative, civil, equitable or criminal action permitted by a
      state’s laws which is imposed by a licensing board or other authority against a nurse,
      including actions against an individual’s license or multistate licensure privilege such as
      revocation, suspension, probation, monitoring of the licensee, limitation on the licensee’s
      practice, or any other encumbrance on licensure affecting a nurse’s authorization to practice,
      including issuance of a cease and desist action.

   b. “Alternative program” means a non-disciplinary monitoring program approved by a licensing
      board.
c. “Coordinated licensure information system” means an integrated process for collecting, storing and sharing information on nurse licensure and enforcement activities related to nurse licensure laws that is administered by a nonprofit organization composed of and controlled by licensing boards.

d. “Current significant investigative information” means:

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

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

e. “Encumbrance” means a revocation or suspension of, or any limitation on, the full and unrestricted practice of nursing imposed by a licensing board.

f. “Home state” means the party state which is the nurse’s primary state of residence.

g. “Licensing board” means a party state’s regulatory body responsible for issuing nurse licenses.

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

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

j. “Nurse” means RN or LPN/VN, as those terms are defined by each party state’s practice laws.

k. “Party state” means any state that has adopted this Compact.

l. “Remote state” means a party state, other than the home state.

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

n. “State” means a state, territory or possession of the United States and the District of Columbia.

o. “State practice laws” means a party state’s laws, rules and regulations that govern the practice of nursing, define the scope of nursing practice, and create the methods and grounds for imposing discipline. “State practice laws” do not include requirements necessary to obtain and retain a license, except for qualifications or requirements of the home state.

Article III. [General Provisions and Jurisdiction.]

a. A multistate license to practice registered or licensed practical/vocational nursing issued by a home state to a resident in that state will be recognized by each party state as authorizing a nurse to practice as a registered nurse (RN) or as a licensed practical/vocational nurse (LPN/VN), under a multistate licensure privilege, in each party state.

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

c. Each party state shall require the following for an applicant to obtain or retain a multistate license in the home state:
1. Meets the home state’s qualifications for licensure or renewal of licensure, as well as, all
other applicable state laws;

2. 
   i. Has graduated or is eligible to graduate from a licensing board-approved RN or
      LPN/VN prelicensure education program; or
   ii. Has graduated from a foreign RN or LPN/VN prelicensure education program that (a)
       has been approved by the authorized accrediting body in the applicable country and
       (b) has been verified by an independent credentials review agency to be comparable
       to a licensing board-approved prelicensure education program;

3. Has, if a graduate of a foreign prelicensure education program not taught in English or if
   English is not the individual’s native language, successfully passed an English
   proficiency examination that includes the components of reading, speaking, writing and
   listening;

4. Has successfully passed an NCLEX-RN® or NCLEX-PN® Examination or recognized
   predecessor, as applicable;

5. Is eligible for or holds an active, unencumbered license;

6. Has submitted, in connection with an application for initial licensure or licensure by
   endorsement, fingerprints or other biometric data for the purpose of obtaining criminal
   history record information from the Federal Bureau of Investigation and the agency
   responsible for retaining that state’s criminal records;

7. Has not been convicted or found guilty, or has entered into an agreed disposition, of a
   felony offense under applicable state or federal criminal law;

8. Has not been convicted or found guilty, or has entered into an agreed disposition, of a
   misdemeanor offense related to the practice of nursing as determined on a case-by-case
   basis;

9. Is not currently enrolled in an alternative program;

10. Is subject to self-disclosure requirements regarding current participation in an alternative
    program; and

11. Has a valid United States Social Security number.

d. All party states shall be authorized, in accordance with existing state due process law, to take
    adverse action against a nurse’s multistate licensure privilege such as revocation, suspension,
    probation or any other action that affects a nurse’s authorization to practice under a multistate
    licensure privilege, including cease and desist actions. If a party state takes such action, it
    shall promptly notify the administrator of the coordinated licensure information system. The
    administrator of the coordinated licensure information system shall promptly notify the home
    state of any such actions by remote states.

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

f. Individuals not residing in a party state shall continue to be able to apply for a party state’s
   single-state license as provided under the laws of each party state. However, the single-state
   license granted to these individuals will not be recognized as granting the privilege to practice...
nursing in any other party state. Nothing in this Compact shall affect the requirements established by a party state for the issuance of a single-state license.
g. Any nurse holding a home state multistate license, on the effective date of this Compact, may retain and renew the multistate license issued by the nurse’s then-current home state, provided that:
1. A nurse, who changes primary state of residence after this Compact’s effective date, must meet all applicable Article III.c. requirements to obtain a multistate license from a new home state.
2. A nurse who fails to satisfy the multistate licensure requirements in Article III.c. due to a disqualifying event occurring after this Compact’s effective date shall be ineligible to retain or renew a multistate license, and the nurse’s multistate license shall be revoked or deactivated in accordance with applicable rules adopted by the Interstate Commission of Nurse Licensure Compact Administrators (“Commission”).

Article IV. [Applications for Licensure in a Party State.]
a. Upon application for a multistate license, the licensing board in the issuing party state shall ascertain, through the coordinated licensure information system, whether the applicant has ever held, or is the holder of, a license issued by any other state, whether there are any encumbrances on any license or multistate licensure privilege held by the applicant, whether any adverse action has been taken against any license or multistate licensure privilege held by the applicant and whether the applicant is currently participating in an alternative program.
b. A nurse may hold a multistate license, issued by the home state, in only one party state at a time.
c. If a nurse changes primary state of residence by moving between two party states, the nurse must apply for licensure in the new home state, and the multistate license issued by the prior home state will be deactivated in accordance with applicable rules adopted by the Commission.
1. The nurse may apply for licensure in advance of a change in primary state of residence.
2. A multistate license shall not be issued by the new home state until the nurse provides satisfactory evidence of a change in primary state of residence to the new home state and satisfies all applicable requirements to obtain a multistate license from the new home state.
d. If a nurse changes primary state of residence by moving from a party state to a non-party state, the multistate license issued by the prior home state will convert to a single-state license, valid only in the former home state.

Article V. [Additional Authorities Invested in Party State Licensing Boards.]
a. In addition to the other powers conferred by state law, a licensing board shall have the authority to:
1. Take adverse action against a nurse’s multistate licensure privilege to practice within that party state.
   i. Only the home state shall have the power to take adverse action against a nurse’s license issued by the home state.
   ii. For purposes of taking adverse action, the home state licensing board shall give the same priority and effect to reported conduct received from a remote state as it
would if such conduct had occurred within the home state. In so doing, the home
state shall apply its own state laws to determine appropriate action.

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

3. Complete any pending investigations of a nurse who changes primary state of residence
during the course of such investigations. The licensing board shall also have the authority
to take appropriate action(s) and shall promptly report the conclusions of such
investigations to the administrator of the coordinated licensure information system. The
administrator of the coordinated licensure information system shall promptly notify the
new home state of any such actions.

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

5. Obtain and submit, for each nurse licensure applicant, fingerprint or other biometric-
based information to the Federal Bureau of Investigation for criminal background checks,
receive the results of the Federal Bureau of Investigation record search on criminal
background checks and use the results in making licensure decisions.

6. If otherwise permitted by state law, recover from the affected nurse the costs of
investigations and disposition of cases resulting from any adverse action taken against
that nurse.

7. Take adverse action based on the factual findings of the remote state, provided that the
licensing board follows its own procedures for taking such adverse action.

b. If adverse action is taken by the home state against a nurse’s multistate license, the nurse’s
multistate licensure privilege to practice in all other party states shall be deactivated until all
cumbrances have been removed from the multistate license. All home state disciplinary
orders that impose adverse action against a nurse’s multistate license shall include a
statement that the nurse’s multistate licensure privilege is deactivated in all party states
during the pendency of the order.

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

Article VI. [Coordinated Licensure Information System and Exchange of Information.]
a. All party states shall participate in a coordinated licensure information system of all licensed
registered nurses (RNs) and licensed practical/vocational nurses (LPNs/VNs). This system
will include information on the licensure and disciplinary history of each nurse, as submitted
by party states, to assist in the coordination of nurse licensure and enforcement efforts.

b. The Commission, in consultation with the administrator of the coordinated licensure
information system, shall formulate necessary and proper procedures for the identification,
collection and exchange of information under this Compact.
c. All licensing boards shall promptly report to the coordinated licensure information system any adverse action, any current significant investigative information, denials of applications (with the reasons for such denials) and nurse participation in alternative programs known to the licensing board regardless of whether such participation is deemed nonpublic or confidential under state law.

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

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

f. Any personally identifiable information obtained from the coordinated licensure information system by a party state licensing board shall not be shared with non-party states or disclosed to other entities or individuals except to the extent permitted by the laws of the party state contributing the information.

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

h. The Compact administrator of each party state shall furnish a uniform data set to the Compact administrator of each other party state, which shall include, at a minimum:
   1. Identifying information;
   2. Licensure data;
   3. Information related to alternative program participation; and
   4. Other information that may facilitate the administration of this Compact, as determined by Commission rules.

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

Article VII. [Establishment of the Interstate Commission of Nurse Licensure Compact Administrators.]

a. The party states hereby create and establish a joint public entity known as the Interstate Commission of Nurse Licensure Compact Administrators.
   1. The Commission is an instrumentality of the party states.
   2. Venue is proper, and judicial proceedings by or against the Commission shall be brought solely and exclusively, in a court of competent jurisdiction where the principal office of the Commission is located. The Commission may waive venue and jurisdictional defenses to the extent it adopts or consents to participate in alternative dispute resolution proceedings.
   3. Nothing in this Compact shall be construed to be a waiver of sovereign immunity.

b. Membership, Voting and Meetings
   1. Each party state shall have and be limited to one administrator. The head of the state licensing board or designee shall be the administrator of this Compact for each party state. Any administrator may be removed or suspended from office as provided by the law of the state from which the Administrator is appointed. Any vacancy occurring in the
Commission shall be filled in accordance with the laws of the party state in which the
vacancy exists.

2. Each administrator shall be entitled to one (1) vote with regard to the promulgation of
rules and creation of bylaws and shall otherwise have an opportunity to participate in the
business and affairs of the Commission. An administrator shall vote in person or by such
other means as provided in the bylaws. The bylaws may provide for an administrator’s
participation in meetings by telephone or other means of communication.

3. The Commission shall meet at least once during each calendar year. Additional meetings
shall be held as set forth in the bylaws or rules of the commission.

4. All meetings shall be open to the public, and public notice of meetings shall be given in
the same manner as required under the rulemaking provisions in Article VIII.

5. The Commission may convene in a closed, nonpublic meeting if the Commission must
discuss:
   i. Noncompliance of a party state with its obligations under this Compact;
   ii. The employment, compensation, discipline or other personnel matters, practices or
       procedures related to specific employees or other matters related to the Commission’s
       internal personnel practices and procedures;
   iii. Current, threatened or reasonably anticipated litigation;
   iv. Negotiation of contracts for the purchase or sale of goods, services or real estate;
   v. Accusing any person of a crime or formally censuring any person;
   vi. Disclosure of trade secrets or commercial or financial information that is privileged or
       confidential;
   vii. Disclosure of information of a personal nature where disclosure would constitute a
       clearly unwarranted invasion of personal privacy;
   viii. Disclosure of investigatory records compiled for law enforcement purposes;
   ix. Disclosure of information related to any reports prepared by or on behalf of the
       Commission for the purpose of investigation of compliance with this Compact; or
   x. Matters specifically exempted from disclosure by federal or state statute.

6. If a meeting, or portion of a meeting, is closed pursuant to this provision, the
Commission’s legal counsel or designee shall certify that the meeting may be closed and
shall reference each relevant exempting provision. The Commission shall keep minutes
that fully and clearly describe all matters discussed in a meeting and shall provide a full
and accurate summary of actions taken, and the reasons therefor, including a description
of the views expressed. All documents considered in connection with an action shall be
identified in such minutes. All minutes and documents of a closed meeting shall remain
under seal, subject to release by a majority vote of the Commission or order of a court of
competent jurisdiction.

c. The Commission shall, by a majority vote of the administrators, prescribe bylaws or rules to
govern its conduct as may be necessary or appropriate to carry out the purposes and exercise
the powers of this Compact, including but not limited to:
   1. Establishing the fiscal year of the Commission;
   2. Providing reasonable standards and procedures:
      i. For the establishment and meetings of other committees; and
      ii. Governing any general or specific delegation of any authority or function of the
          Commission;
   3. Providing reasonable procedures for calling and conducting meetings of the Commission,
ensuring reasonable advance notice of all meetings and providing an opportunity for attendance of such meetings by interested parties, with enumerated exceptions designed to protect the public’s interest, the privacy of individuals, and proprietary information, including trade secrets. The Commission may meet in closed session only after a majority of the administrators vote to close a meeting in whole or in part. As soon as practicable, the Commission must make public a copy of the vote to close the meeting revealing the vote of each administrator, with no proxy votes allowed;

4. Establishing the titles, duties and authority and reasonable procedures for the election of the officers of the Commission;

5. Providing reasonable standards and procedures for the establishment of the personnel policies and programs of the Commission. Notwithstanding any civil service or other similar laws of any party state, the bylaws shall exclusively govern the personnel policies and programs of the Commission; and

6. Providing a mechanism for winding up the operations of the Commission and the equitable disposition of any surplus funds that may exist after the termination of this Compact after the payment or reserving of all of its debts and obligations;

d. The Commission shall publish its bylaws and rules, and any amendments thereto, in a convenient form on the website of the Commission.

e. The Commission shall maintain its financial records in accordance with the bylaws.

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

g. The Commission shall have the following powers:

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

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

3. To purchase and maintain insurance and bonds;

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

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

6. To hire employees, elect or appoint officers, fix compensation, define duties, grant such individuals appropriate authority to carry out the purposes of this Compact, and to establish the Commission’s personnel policies and programs relating to conflicts of interest, qualifications of personnel and other related personnel matters;

7. To accept any and all appropriate donations, grants and gifts of money, equipment, supplies, materials and services, and to receive, utilize and dispose of the same; provided that at all times the Commission shall avoid any appearance of impropriety or conflict of interest;

8. To lease, purchase, accept appropriate gifts or donations of, or otherwise to own, hold, improve or use, any property, whether real, personal or mixed; provided that at all times the Commission shall avoid any appearance of impropriety;
9. To sell, convey, mortgage, pledge, lease, exchange, abandon or otherwise dispose of any property, whether real, personal or mixed;
10. To establish a budget and make expenditures;
11. To borrow money;
12. To appoint committees, including advisory committees comprised of administrators, state nursing regulators, state legislators or their representatives, and consumer representatives, and other such interested persons;
13. To provide and receive information from, and to cooperate with, law enforcement agencies;
14. To adopt and use an official seal; and
15. To perform such other functions as may be necessary or appropriate to achieve the purposes of this Compact consistent with the state regulation of nurse licensure and practice.

h. Financing of the Commission
1. The Commission shall pay, or provide for the payment of, the reasonable expenses of its establishment, organization and ongoing activities.
2. The Commission may also levy on and collect an annual assessment from each party state to cover the cost of its operations, activities and staff in its annual budget as approved each year. The aggregate annual assessment amount, if any, shall be allocated based upon a formula to be determined by the Commission, which shall promulgate a rule that is binding upon all party states.
3. The Commission shall not incur obligations of any kind prior to securing the funds adequate to meet the same; nor shall the Commission pledge the credit of any of the party states, except by, and with the authority of, such party state.
4. The Commission shall keep accurate accounts of all receipts and disbursements. The receipts and disbursements of the Commission shall be subject to the audit and accounting procedures established under its bylaws. However, all receipts and disbursements of funds handled by the Commission shall be audited yearly by a certified or licensed public accountant, and the report of the audit shall be included in and become part of the annual report of the Commission.

i. Qualified Immunity, Defense and Indemnification
1. The administrators, officers, executive director, employees and representatives of the Commission shall be immune from suit and liability, either personally or in their official capacity, for any claim for damage to or loss of property or personal injury or other civil liability caused by or arising out of any actual or alleged act, error or omission that occurred, or that the person against whom the claim is made had a reasonable basis for believing occurred, within the scope of Commission employment, duties or responsibilities; provided that nothing in this paragraph shall be construed to protect any such person from suit or liability for any damage, loss, injury or liability caused by the intentional, willful or wanton misconduct of that person.
2. The Commission shall defend any administrator, officer, executive director, employee or representative of the Commission in any civil action seeking to impose liability arising out of any actual or alleged act, error or omission that occurred within the scope of Commission employment, duties or responsibilities, or that the person against whom the claim is made had a reasonable basis for believing occurred within the scope of Commission employment, duties or responsibilities; provided that nothing herein shall be
construed to prohibit that person from retaining his or her own counsel; and provided
further that the actual or alleged act, error or omission did not result from that person’s
intentional, willful or wanton misconduct.
3. The Commission shall indemnify and hold harmless any administrator, officer, executive
director, employee or representative of the Commission for the amount of any settlement
or judgment obtained against that person arising out of any actual or alleged act, error or
omission that occurred within the scope of Commission employment, duties or
responsibilities, or that such person had a reasonable basis for believing occurred within
the scope of Commission employment, duties or responsibilities, provided that the actual
or alleged act, error or omission did not result from the intentional, willful or wanton
misconduct of that person.

Article VIII. [Rulemaking.]
a. The Commission shall exercise its rulemaking powers pursuant to the criteria set forth in this
Article and the rules adopted thereunder. Rules and amendments shall become binding as of
the date specified in each rule or amendment and shall have the same force and effect as
provisions of this Compact;
b. Rules or amendments to the rules shall be adopted at a regular or special meeting of the
Commission.
c. Prior to promulgation and adoption of a final rule or rules by the Commission, and at least
sixty (60) days in advance of the meeting at which the rule will be considered and voted upon,
the Commission shall file a notice of proposed rulemaking:
   1. On the website of the Commission; and
   2. On the website of each licensing board or the publication in which each state would
      otherwise publish proposed rules.
d. The notice of proposed rulemaking shall include:
   1. The proposed time, date and location of the meeting in which the rule will be considered
      and voted upon;
   2. The text of the proposed rule or amendment, and the reason for the proposed rule;
   3. A request for comments on the proposed rule from any interested person; and
   4. The manner in which interested persons may submit notice to the Commission of their
      intention to attend the public hearing and any written comments.
e. Prior to adoption of a proposed rule, the Commission shall allow persons to submit written
   data, facts, opinions and arguments, which shall be made available to the public.
f. The Commission shall grant an opportunity for a public hearing before it adopts a rule or
   amendment.
g. The Commission shall publish the place, time and date of the scheduled public hearing.
   1. Hearings shall be conducted in a manner providing each person who wishes to comment a
      fair and reasonable opportunity to comment orally or in writing. All hearings will be
      recorded, and a copy will be made available upon request.
   2. Nothing in this section shall be construed as requiring a separate hearing on each rule.
      Rules may be grouped for the convenience of the Commission at hearings required by this
      section.
h. If no one appears at the public hearing, the Commission may proceed with promulgation of
   the proposed rule.
i. Following the scheduled hearing date, or by the close of business on the scheduled hearing
date if the hearing was not held, the Commission shall consider all written and oral comments
received.
j. The Commission shall, by majority vote of all administrators, take final action on the proposed
rule and shall determine the effective date of the rule, if any, based on the rulemaking record
and the full text of the rule.
k. Upon determination that an emergency exists, the Commission may consider and adopt an
emergency rule without prior notice, opportunity for comment or hearing, provided that the
usual rulemaking procedures provided in this Compact and in this section shall be
retroactively applied to the rule as soon as reasonably possible, in no event later than ninety
(90) days after the effective date of the rule. For the purposes of this provision, an emergency
rule is one that must be adopted immediately in order to:
1. Meet an imminent threat to public health, safety or welfare;
2. Prevent a loss of Commission or party state funds; or
3. Meet a deadline for the promulgation of an administrative rule that is required by federal
law or rule.
l. The Commission may direct revisions to a previously adopted rule or amendment for purposes
of correcting typographical errors, errors in format, errors in consistency or grammatical
errors. Public notice of any revisions shall be posted on the website of the Commission. The
revision shall be subject to challenge by any person for a period of thirty (30) days after
posting. The revision may be challenged only on grounds that the revision results in a
material change to a rule. A challenge shall be made in writing, and delivered to the
Commission, prior to the end of the notice period. If no challenge is made, the revision will
take effect without further action. If the revision is challenged, the revision may not take
effect without the approval of the Commission.

Article IX. [Oversight, Dispute Resolution and Enforcement.]
a. Oversight
1. Each party state shall enforce this Compact and take all actions necessary and appropriate
to effectuate this Compact’s purposes and intent.
2. The Commission shall be entitled to receive service of process in any proceeding that may
affect the powers, responsibilities or actions of the Commission, and shall have standing
to intervene in such a proceeding for all purposes. Failure to provide service of process in
such proceeding to the Commission shall render a judgment or order void as to the
Commission, this Compact or promulgated rules.
b. Default, Technical Assistance and Termination
1. If the Commission determines that a party state has defaulted in the performance of its
obligations or responsibilities under this Compact or the promulgated rules, the
Commission shall:
   i. Provide written notice to the defaulting state and other party states of the nature of the
default, the proposed means of curing the default or any other action to be taken by the
Commission; and
   ii. Provide remedial training and specific technical assistance regarding the default.
2. If a state in default fails to cure the default, the defaulting state’s membership in this
Compact may be terminated upon an affirmative vote of a majority of the administrators,
and all rights, privileges and benefits conferred by this Compact may be terminated on
the effective date of termination. A cure of the default does not relieve the offending state of obligations or liabilities incurred during the period of default.

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

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

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

6. The defaulting state may appeal the action of the Commission by petitioning the U.S. District Court for the District of Columbia or the federal district in which the Commission has its principal offices. The prevailing party shall be awarded all costs of such litigation, including reasonable attorneys’ fees.

c. Dispute Resolution

1. Upon request by a party state, the Commission shall attempt to resolve disputes related to the Compact that arise among party states and between party and non-party states.

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

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

   i. The party states may submit the issues in dispute to an arbitration panel, which will be comprised of individuals appointed by the Compact administrator in each of the affected party states and an individual mutually agreed upon by the Compact administrators of all the party states involved in the dispute.

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

d. Enforcement

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

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

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

Article X. [Effective Date, Withdrawal and Amendment.]

a. This Compact shall become effective and binding on the earlier of the date of legislative enactment of this Compact into law by no less than twenty-six (26) states or December 31, 2018. All party states to this Compact, that also were parties to the prior Nurse Licensure Compact, superseded by this Compact, (“Prior Compact”), shall be deemed to have
withdrawn from said Prior Compact within six (6) months after the effective date of this Compact.

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

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

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

e. Nothing contained in this Compact shall be construed to invalidate or prevent any nurse licensure agreement or other cooperative arrangement between a party state and a non-party state that is made in accordance with the other provisions of this Compact.

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

g. Representatives of non-party states to this Compact shall be invited to participate in the activities of the Commission, on a nonvoting basis, prior to the adoption of this Compact by all states.

Article XI. [Construction and Severability.]

This Compact shall be liberally construed so as to effectuate the purposes thereof. The provisions of this Compact shall be severable, and if any phrase, clause, sentence or provision of this Compact is declared to be contrary to the constitution of any party state or of the United States, or if the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this Compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this Compact shall be held to be contrary to the constitution of any party state, this Compact shall remain in full force and effect as to the remaining party states and in full force and effect as to the party state affected as to all severable matters.