

HOUSE BILL NO. 669

INTRODUCED BY E. ARNTZEN

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A BILL FOR AN ACT ENTITLED: "AN ACT ESTABLISHING DISCIPLINARY ACTION AGAINST AN INDIVIDUAL OR A HEALTH CARE FACILITY THAT KNOWINGLY HIRES AN INDIVIDUAL WHO REPRESENTS TO THE PUBLIC THAT THE INDIVIDUAL IS A REGISTERED PROFESSIONAL NURSE OR LICENSED PRACTICAL NURSE WITHOUT VALID LICENSURE; AND RELEASING A HEALTH CARE FACILITY FROM LIABILITY FOR DETRIMENTALLY RELYING ON FALSE LICENSING INFORMATION."

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

**NEW SECTION. Section 1. Disciplinary action against individual.** If the board determines that an individual has been representing to the public that the individual is a registered professional nurse or a licensed practical nurse without valid licensure, the board may impose against the individual, for each violation, a civil penalty not to exceed \$10,000 that deprives the individual of any economic advantage gained by the violation and that reimburses the board for costs of the investigation and proceedings resulting in disciplinary action.

**NEW SECTION. Section 2. Disciplinary action against health care facility.** (1) Except as provided in subsection (2), if the department determines that a health care facility, as defined in 50-5-101, knowingly hired an individual as a registered professional nurse or licensed practical nurse without valid licensure, the department may take one or more of the following actions:

- (a) refuse to grant or renew licensure of the health care facility;
- (b) suspend licensure of the health care facility for a period not exceeding 1 year;
- (c) revoke licensure of the health care facility;
- (d) take any reasonable lesser action against the health care facility upon proof of violation of 37-8-401;

or

(e) impose, for each violation, a civil penalty not to exceed \$10,000 that deprives the health care facility of any economic advantage gained by the violation and that reimburses the department for costs of the investigation and proceedings resulting in disciplinary action.

(2) For purposes of this section, "health care facility":

- 1 (a) does not include hospitals or critical access hospitals; and
- 2 (b) includes offices of private physicians and dentists.

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4 **NEW SECTION. Section 3. Nonliability of health care facility.** A health care facility, as defined in  
5 [section 2], that unknowingly relied on false license information submitted by the individual may not be held liable  
6 for detrimentally relying on the false information.

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8 **NEW SECTION. Section 4. Codification instruction.** (1) [Section 1] is intended to be codified as an  
9 integral part of Title 37, chapter 8, part 4, and the provisions of Title 37, chapter 8, part 4, apply to [section 1].

10 (2) [Sections 2 and 3] are intended to be codified as an integral part of Title 50, chapter 5, part 2, and  
11 the provisions of Title 50, chapter 5, part 2, apply to [sections 2 and 3].

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