

HOUSE BILL NO. 429

INTRODUCED BY E. HILL, A. OLSZEWSKI, A. WITTICH

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A BILL FOR AN ACT ENTITLED: "AN ACT ENACTING THE INTERSTATE MEDICAL LICENSURE COMPACT;
PROVIDING FOR THE INTERSTATE LICENSURE OF PHYSICIANS; AND DESIGNATING AN APPOINTING
AUTHORITY."

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

NEW SECTION. **Section 1. Enactment -- provisions.** The Interstate Medical Licensure Compact is enacted into law and entered into with all other jurisdictions joining in the compact in the form substantially as follows:

SECTION 1
PURPOSE

In order to strengthen access to health care, and in recognition of the advances in the delivery of health care, the member states of the Interstate Medical Licensure Compact have allied in common purpose to develop a comprehensive process that complements the existing licensing and regulatory authority of state medical boards and provides a streamlined process that allows physicians to become licensed in multiple states, thereby enhancing the portability of a medical license and ensuring the safety of patients. The compact creates another pathway for licensure and does not otherwise change a state's existing Medical Practice Act. The compact also adopts the prevailing standard for licensure and affirms that the practice of medicine occurs where the patient is located at the time of the physician-patient encounter, and therefore requires the physician to be under the jurisdiction of the state medical board where the patient is located. State medical boards that participate in the compact retain the jurisdiction to impose an adverse action against a license to practice medicine in that state issued to a physician through the procedures in the compact.

SECTION 2
DEFINITIONS

In this compact:
(1) "Bylaws" means those bylaws established by the interstate commission pursuant to Section 11 for its governance, or for directing and controlling its actions and conduct.



1 (2) "Commissioner" means the voting representative appointed by each member board pursuant to
2 Section 11.

3 (3) "Conviction" means a finding by a court that an individual is guilty of a criminal offense through
4 adjudication or entry of a plea of guilt or no contest to the charge by the offender. Evidence of an entry of a
5 conviction of a criminal offense by the court shall be considered final for purposes of disciplinary action by a
6 member board.

7 (4) "Expedited license" means a full and unrestricted medical license granted by a member state to an
8 eligible physician through the process set forth in the compact.

9 (5) "Interstate commission" means the interstate commission created pursuant to Section 11.

10 (6) "License" means authorization by a state for a physician to engage in the practice of medicine, which
11 would be unlawful without the authorization.

12 (7) "Medical Practice Act" means laws and regulations governing the practice of allopathic and
13 osteopathic medicine within a member state.

14 (8) "Member board" means a state agency in a member state that acts in the sovereign interests of the
15 state by protecting the public through licensure, regulation, and education of physicians as directed by the state
16 government.

17 (9) "Member state" means a state that has enacted the compact.

18 (10) "Practice of medicine" means the clinical prevention, diagnosis, or treatment of human disease,
19 injury, or condition requiring a physician to obtain and maintain a license in compliance with the Medical Practice
20 Act of a member state.

21 (11) "Physician" means any person who:

22 (a) is a graduate of a medical school accredited by the Liaison Committee on Medical Education, the
23 Commission on Osteopathic College Accreditation, or a medical school listed in the International Medical
24 Education Directory or its equivalent;

25 (b) passed each component of the United States Medical Licensing Examination (USMLE) or the
26 Comprehensive Osteopathic Medical Licensing Examination (COMLEX-USA) within three attempts, or any of its
27 predecessor examinations accepted by a state medical board as an equivalent examination for licensure
28 purposes;

29 (c) successfully completed graduate medical education approved by the Accreditation Council for
30 Graduate Medical Education or the American Osteopathic Association;

1 (d) holds specialty certification or a time-unlimited specialty certificate recognized by the American Board
2 of Medical Specialties or the American Osteopathic Association's Bureau of Osteopathic Specialists;

3 (e) possesses a full and unrestricted license to engage in the practice of medicine issued by a member
4 board;

5 (f) has never been convicted, received adjudication, deferred adjudication, community supervision, or
6 deferred disposition for any offense by a court of appropriate jurisdiction;

7 (g) has never held a license authorizing the practice of medicine subjected to discipline by a licensing
8 agency in any state, federal, or foreign jurisdiction, excluding any action related to nonpayment of fees related
9 to a license;

10 (h) has never had a controlled substance license or permit suspended or revoked by a state or the United
11 States Drug Enforcement Administration; and

12 (i) is not under active investigation by a licensing agency or law enforcement authority in any state,
13 federal, or foreign jurisdiction.

14 (12) "Offense" means a felony, gross misdemeanor, or crime of moral turpitude.

15 (13) "Rule" means a written statement by the interstate commission promulgated pursuant to Section 12
16 of the compact that is of general applicability, implements, interprets, or prescribes a policy or provision of the
17 compact, or an organizational, procedural, or practice requirement of the interstate commission, and has the force
18 and effect of statutory law in a member state, and includes the amendment, repeal, or suspension of an existing
19 rule.

20 (14) "State" means any state, commonwealth, district, or territory of the United States.

21 (15) "State of principal license" means a member state where a physician holds a license to practice
22 medicine and which has been designated as such by the physician for purposes of registration and participation
23 in the compact.

24 SECTION 3

25 ELIGIBILITY

26 (1) A physician must meet the eligibility requirements as defined in Section 2(11) to receive an expedited
27 license under the terms and provisions of the compact.

28 (2) A physician who does not meet the requirements of Section 2(11) may obtain a license to practice
29 medicine in a member state if the individual complies with all laws and requirements, other than the compact,
30 relating to the issuance of a license to practice medicine in that state.

SECTION 4

DESIGNATION OF STATE OF PRINCIPAL LICENSE

(1) A physician shall designate a member state as the state of principal license for purposes of registration for expedited licensure through the compact if the physician possesses a full and unrestricted license to practice medicine in that state, and the state is:

(a) the state of primary residence for the physician; or

(b) the state where at least 25% of the practice of medicine occurs; or

(c) the location of the physician's employer; or

(d) if no state qualifies under subsection (1)(a), subsection (1)(b), or subsection (1)(c), the state designated as state of residence for the purpose of federal income tax.

(2) A physician may redesignate a member state as state of principal license at any time, as long as the state meets the requirements in subsection (1).

(3) The interstate commission is authorized to develop rules to facilitate redesignation of another member state as the state of principal license.

SECTION 5

APPLICATION AND ISSUANCE OF EXPEDITED LICENSURE

(1) A physician seeking licensure through the compact shall file an application for an expedited license with the member board of the state selected by the physician as the state of principal license.

(2) Upon receipt of an application for an expedited license, the member board within the state selected as the state of principal license shall evaluate whether the physician is eligible for expedited licensure and issue a letter of qualification, verifying or denying the physician's eligibility, to the interstate commission.

(a) Static qualifications, which include verification of medical education, graduate medical education, results of any medical or licensing examination, and other qualifications as determined by the interstate commission through rule, shall not be subject to additional primary source verification where already primary source verified by the state of principal license.

(b) The member board within the state selected as the state of principal license shall, in the course of verifying eligibility, perform a criminal background check of an applicant, including the use of the results of fingerprint or other biometric data checks compliant with the requirements of the Federal Bureau of Investigation, with the exception of federal employees who have suitability determination in accordance with C.F.R. 731.202.

(c) Appeal on the determination of eligibility shall be made to the member state where the application was

1 filed and shall be subject to the law of that state.

2 (3) Upon verification in subsection (2), physicians eligible for an expedited license shall complete the
3 registration process established by the interstate commission to receive a license in a member state selected
4 pursuant to subsection (1), including the payment of any applicable fees.

5 (4) After receiving verification of eligibility under subsection (2) and any fees under subsection (3), a
6 member board shall issue an expedited license to the physician. This license shall authorize the physician to
7 practice medicine in the issuing state consistent with the Medical Practice Act and all applicable laws and
8 regulations of the issuing member board and member state.

9 (5) An expedited license shall be valid for a period consistent with the licensure period in the member
10 state and in the same manner as required for other physicians holding a full and unrestricted license within the
11 member state.

12 (6) An expedited license obtained through the compact shall be terminated if a physician fails to maintain
13 a license in the state of principal licensure for a nondisciplinary reason, without redesignation of a new state of
14 principal licensure.

15 (7) The interstate commission is authorized to develop rules regarding the application process, including
16 payment of any applicable fees, and the issuance of an expedited license.

17 SECTION 6

18 FEES FOR EXPEDITED LICENSURE

19 (1) A member state issuing an expedited license authorizing the practice of medicine in that state may
20 impose a fee for a license issued or renewed through the compact.

21 (2) The interstate commission is authorized to develop rules regarding fees for expedited licenses.

22 SECTION 7

23 RENEWAL AND CONTINUED PARTICIPATION

24 (1) A physician seeking to renew an expedited license granted in a member state shall complete a
25 renewal process with the interstate commission if the physician:

26 (a) maintains a full and unrestricted license in a state of principal license;

27 (b) has not been convicted, received adjudication, deferred adjudication, community supervision, or
28 deferred disposition for any offense by a court of appropriate jurisdiction;

29 (c) has not had a license authorizing the practice of medicine subject to discipline by a licensing agency
30 in any state, federal, or foreign jurisdiction, excluding any action related to nonpayment of fees related to a

1 license; and

2 (d) has not had a controlled substance license or permit suspended or revoked by a state or the United
3 States Drug Enforcement Administration.

4 (2) Physicians shall comply with all continuing professional development or continuing medical education
5 requirements for renewal of a license issued by a member state.

6 (3) The interstate commission shall collect any renewal fees charged for the renewal of a license and
7 distribute the fees to the applicable member board.

8 (4) Upon receipt of any renewal fees collected in subsection (3), a member board shall renew the
9 physician's license.

10 (5) Physician information collected by the interstate commission during the renewal process will be
11 distributed to all member boards.

12 (6) The interstate commission is authorized to develop rules to address renewal of licenses obtained
13 through the compact.

14 SECTION 8

15 COORDINATED INFORMATION SYSTEM

16 (1) The interstate commission shall establish a database of all physicians licensed, or who have applied
17 for licensure, under Section 5.

18 (2) Notwithstanding any other provision of law, member boards shall report to the interstate commission
19 any public action or complaints against a licensed physician who has applied or received an expedited license
20 through the compact.

21 (3) Member boards shall report disciplinary or investigatory information determined as necessary and
22 proper by rule of the interstate commission.

23 (4) Member boards may report any nonpublic complaint or disciplinary or investigatory information not
24 required by subsection (3) to the interstate commission.

25 (5) Member boards shall share complaint or disciplinary information about a physician upon request of
26 another member board.

27 (6) All information provided to the interstate commission or distributed by member boards shall be
28 confidential, filed under seal, and used only for investigatory or disciplinary matters.

29 (7) The interstate commission is authorized to develop rules for mandated or discretionary sharing of
30 information by member boards.

SECTION 9

JOINT INVESTIGATIONS

(1) Licensure and disciplinary records of physicians are deemed investigative.

(2) In addition to the authority granted to a member board by its respective Medical Practice Act or other applicable state law, a member board may participate with other member boards in joint investigations of physicians licensed by the member boards.

(3) A subpoena issued by a member state shall be enforceable in other member states.

(4) Member boards may share any investigative, litigation, or compliance materials in furtherance of any joint or individual investigation initiated under the compact.

(5) Any member state may investigate actual or alleged violations of the statutes authorizing the practice of medicine in any other member state in which a physician holds a license to practice medicine.

SECTION 10

DISCIPLINARY ACTIONS

(1) Any disciplinary action taken by any member board against a physician licensed through the compact shall be deemed unprofessional conduct which may be subject to discipline by other member boards, in addition to any violation of the Medical Practice Act or regulations in that state.

(2) If a license granted to a physician by the member board in the state of principal license is revoked, surrendered, or relinquished in lieu of discipline, or suspended, then all licenses issued to the physician by member boards shall automatically be placed, without further action necessary by any member board, on the same status. If the member board in the state of principal license subsequently reinstates the physician's license, a license issued to the physician by any other member board shall remain encumbered until that respective member board takes action to reinstate the license in a manner consistent with the Medical Practice Act of that state.

(3) If disciplinary action is taken against a physician by a member board not in the state of principal license, any other member board may deem the action conclusive as to matter of law and fact decided, and:

(a) impose the same or lesser sanctions against the physician so long as such sanctions are consistent with the Medical Practice Act of that state; or

(b) pursue separate disciplinary action against the physician under its respective Medical Practice Act, regardless of the action taken in other member states.

(4) If a license granted to a physician by a member board is revoked, surrendered, or relinquished in lieu

1 of discipline, or suspended, then any license issued to the physician by any other member board shall be
2 suspended, automatically and immediately without further action necessary by the other member board, for 90
3 days upon entry of the order by the disciplining board, to permit the member board to investigate the basis for
4 the action under the Medical Practice Act of that state. A member board may terminate the automatic suspension
5 of the license it issued prior to the completion of the 90-day suspension period in a manner consistent with the
6 Medical Practice Act of that state.

7 SECTION 11

8 INTERSTATE MEDICAL LICENSURE COMPACT COMMISSION

9 (1) The member states hereby create the "Interstate Medical Licensure Compact Commission".

10 (2) The purpose of the interstate commission is the administration of the Interstate Medical Licensure
11 Compact, which is a discretionary state function.

12 (3) The interstate commission shall be a body corporate and joint agency of the member states and shall
13 have all the responsibilities, powers, and duties set forth in the compact, and such additional powers as may be
14 conferred upon it by a subsequent concurrent action of the respective legislatures of the member states in
15 accordance with the terms of the compact.

16 (4) The interstate commission shall consist of two voting representatives appointed by each member state
17 who shall serve as commissioners. In states where allopathic and osteopathic physicians are regulated by
18 separate member boards, or if the licensing and disciplinary authority is split between multiple member boards
19 within a member state, the member state shall appoint one representative from each member board. A
20 commissioner shall be:

21 (a) an allopathic or osteopathic physician appointed to a member board;

22 (b) an executive director, executive secretary, or similar executive of a member board; or

23 (c) a member of the public appointed to a member board.

24 (5) The interstate commission shall meet at least once each calendar year. A portion of this meeting shall
25 be a business meeting to address such matters as may properly come before the commission, including the
26 election of officers. The chairperson may call additional meetings and shall call for a meeting upon the request
27 of a majority of the member states.

28 (6) The bylaws may provide for meetings of the interstate commission to be conducted by
29 telecommunication or electronic communication.

30 (7) Each commissioner participating at a meeting of the interstate commission is entitled to one vote. A

1 majority of commissioners shall constitute a quorum for the transaction of business, unless a larger quorum is
2 required by the bylaws of the interstate commission. A commissioner shall not delegate a vote to another
3 commissioner. In the absence of its commissioner, a member state may delegate voting authority for a specified
4 meeting to another person from that state who shall meet the requirements of subsection (4).

5 (8) The interstate commission shall provide public notice of all meetings and all meetings shall be open
6 to the public. The interstate commission may close a meeting, in full or in portion, where it determines by a
7 two-thirds vote of the commissioners present that an open meeting would be likely to:

8 (a) relate solely to the internal personnel practices and procedures of the interstate commission;

9 (b) discuss matters specifically exempted from disclosure by federal statute;

10 (c) discuss trade secrets or commercial or financial information that is privileged or confidential;

11 (d) involve accusing a person of a crime or formally censuring a person;

12 (e) discuss information of a personal nature where disclosure would constitute a clearly unwarranted
13 invasion of personal privacy;

14 (f) discuss investigative records compiled for law enforcement purposes; or

15 (g) specifically relate to the participation in a civil action or other legal proceeding.

16 (9) The interstate commission shall keep minutes which shall fully describe all matters discussed in a
17 meeting and shall provide a full and accurate summary of actions taken, including record of any roll call votes.

18 (10) The interstate commission shall make its information and official records, to the extent not otherwise
19 designated in the compact or by its rules, available to the public for inspection.

20 (11) The interstate commission shall establish an executive committee, which shall include officers,
21 members, and others as determined by the bylaws. The executive committee shall have the power to act on
22 behalf of the interstate commission, with the exception of rulemaking, during periods when the interstate
23 commission is not in session. When acting on behalf of the interstate commission, the executive committee shall
24 oversee the administration of the compact including enforcement and compliance with the provisions of the
25 compact, its bylaws and rules, and other such duties as necessary.

26 (12) The interstate commission may establish other committees for governance and administration of the
27 compact.

28 SECTION 12

29 POWERS AND DUTIES OF THE INTERSTATE COMMISSION

30 The interstate commission shall have the duty and power to:

- 1 (1) oversee and maintain the administration of the compact;
- 2 (2) promulgate rules which shall be binding to the extent and in the manner provided for in the compact;
- 3 (3) issue, upon the request of a member state or member board, advisory opinions concerning the
4 meaning or interpretation of the compact, its bylaws, rules, and actions;
- 5 (4) enforce compliance with compact provisions, the rules promulgated by the interstate commission, and
6 the bylaws, using all necessary and proper means, including but not limited to the use of judicial process;
- 7 (5) establish and appoint committees including, but not limited to, an executive committee as required
8 by Section 11, which shall have the power to act on behalf of the interstate commission in carrying out its powers
9 and duties;
- 10 (6) pay or provide for the payment of the expenses related to the establishment, organization, and
11 ongoing activities of the interstate commission;
- 12 (7) establish and maintain one or more offices;
- 13 (8) borrow, accept, hire, or contract for services of personnel;
- 14 (9) purchase and maintain insurance and bonds;
- 15 (10) employ an executive director who shall have such powers to employ, select, or appoint employees,
16 agents, or consultants, and to determine their qualifications, define their duties, and fix their compensation;
- 17 (11) establish personnel policies and programs relating to conflicts of interest, rates of compensation,
18 and qualifications of personnel;
- 19 (12) accept donations and grants of money, equipment, supplies, materials and services, and to receive,
20 utilize, and dispose of it in a manner consistent with the conflict of interest policies established by the interstate
21 commission;
- 22 (13) lease, purchase, accept contributions or donations of, or otherwise to own, hold, improve or use, any
23 property, real, personal, or mixed;
- 24 (14) sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property,
25 real, personal, or mixed;
- 26 (15) establish a budget and make expenditures;
- 27 (16) adopt a seal and bylaws governing the management and operation of the interstate commission;
- 28 (17) report annually to the legislatures and governors of the member states concerning the activities of
29 the interstate commission during the preceding year. Such reports shall also include reports of financial audits
30 and any recommendations that may have been adopted by the interstate commission.

- 1 (18) coordinate education, training, and public awareness regarding the compact, its implementation, and
2 its operation;
- 3 (19) maintain records in accordance with the bylaws;
- 4 (20) seek and obtain trademarks, copyrights, and patents; and
- 5 (21) perform such functions as may be necessary or appropriate to achieve the purposes of the compact.

6 SECTION 13

7 FINANCE POWERS

8 (1) The interstate commission may levy on and collect an annual assessment from each member state
9 to cover the cost of the operations and activities of the interstate commission and its staff. The total assessment
10 must be sufficient to cover the annual budget approved each year for which revenue is not provided by other
11 sources. The aggregate annual assessment amount shall be allocated upon a formula to be determined by the
12 interstate commission, which shall promulgate a rule binding upon all member states.

13 (2) The interstate commission shall not incur obligations of any kind prior to securing the funds adequate
14 to meet the same.

15 (3) The interstate commission shall not pledge the credit of any of the member states, except by, and with
16 the authority of, the member state.

17 (4) The interstate commission shall be subject to a yearly financial audit conducted by a certified or
18 licensed public accountant and the report of the audit shall be included in the annual report of the interstate
19 commission.

20 SECTION 14

21 ORGANIZATION AND OPERATION OF THE INTERSTATE COMMISSION

22 (1) The interstate commission shall, by a majority of commissioners present and voting, adopt bylaws
23 to govern its conduct as may be necessary or appropriate to carry out the purposes of the compact within 12
24 months of the first interstate commission meeting.

25 (2) The interstate commission shall elect or appoint annually from among its commissioners a
26 chairperson, a vice-chairperson, and a treasurer, each of whom shall have such authority and duties as may be
27 specified in the bylaws. The chairperson, or in the chairperson's absence or disability, the vice-chairperson, shall
28 preside at all meetings of the interstate commission.

29 (3) Officers selected in subsection (2) shall serve without remuneration from the interstate commission.

30 (4) The interstate commission shall defend the executive director, its employees, and subject to the

1 approval of the attorney general or other appropriate legal counsel of the member state represented by an
2 interstate commission representative, shall defend such interstate commission representative in any civil action
3 seeking to impose liability arising out of an actual or alleged act, error, or omission that occurred within the scope
4 of interstate commission employment, duties, or responsibilities, or that the defendant had a reasonable basis
5 for believing occurred within the scope of interstate commission employment, duties, or responsibilities, provided
6 that the actual or alleged act, error, or omission did not result from intentional or willful and wanton misconduct
7 on the part of such person.

8 SECTION 15

9 RULEMAKING FUNCTIONS OF THE INTERSTATE COMMISSION

10 (1) The interstate commission shall promulgate reasonable rules in order to effectively and efficiently
11 achieve the purposes of the compact. Notwithstanding the foregoing, in the event the interstate commission
12 exercises its rulemaking authority in a manner that is beyond the scope of the purposes of the compact, or the
13 powers granted hereunder, then such an action by the interstate commission shall be invalid and have no force
14 or effect.

15 (2) Rules deemed appropriate for the operations of the interstate commission shall be made pursuant
16 to a rulemaking process that substantially conforms to the "Model State Administrative Procedure Act" of 2010,
17 and subsequent amendments thereto.

18 (3) Not later than 30 days after a rule is promulgated, any person may file a petition for judicial review
19 of the rule in the United States District Court for the District of Columbia or the federal district where the interstate
20 commission has its principal offices, provided that the filing of such a petition shall not stay or otherwise prevent
21 the rule from becoming effective unless the court finds that the petitioner has a substantial likelihood of success.
22 The court shall give deference to the actions of the interstate commission consistent with applicable law and shall
23 not find the rule to be unlawful if the rule represents a reasonable exercise of the authority granted to the
24 interstate commission.

25 SECTION 16

26 OVERSIGHT OF INTERSTATE COMPACT

27 (1) The executive, legislative, and judicial branches of state government in each member state shall
28 enforce the compact and shall take all actions necessary and appropriate to effectuate the compact's purposes
29 and intent. The provisions of the compact and the rules promulgated hereunder shall have standing as statutory
30 law but shall not override existing state authority to regulate the practice of medicine.

1 (2) All courts shall take judicial notice of the compact and the rules in any judicial or administrative
2 proceeding in a member state pertaining to the subject matter of the compact which may affect the powers,
3 responsibilities, or actions of the interstate commission.

4 (3) The interstate commission shall be entitled to receive all service of process in any such proceeding,
5 and shall have standing to intervene in the proceeding for all purposes. Failure to provide service of process to
6 the interstate commission shall render a judgment or order void as to the interstate commission, the compact,
7 or promulgated rules.

8 SECTION 17

9 ENFORCEMENT OF INTERSTATE COMPACT

10 (1) The interstate commission, in the reasonable exercise of its discretion, shall enforce the provisions
11 and rules of the compact.

12 (2) The interstate commission may, by majority vote of the commissioners, initiate legal action in the
13 United States District Court for the District of Columbia, or, at the discretion of the interstate commission, in the
14 federal district where the interstate commission has its principal offices, to enforce compliance with the provisions
15 of the compact, and its promulgated rules and bylaws, against a member state in default. The relief sought may
16 include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing party
17 shall be awarded all costs of such litigation including reasonable attorney's fees.

18 (3) The remedies herein shall not be the exclusive remedies of the interstate commission. The interstate
19 commission may avail itself of any other remedies available under state law or the regulation of a profession.

20 SECTION 18

21 DEFAULT PROCEDURES

22 (1) The grounds for default include, but are not limited to, failure of a member state to perform such
23 obligations or responsibilities imposed upon it by the compact, or the rules and bylaws of the interstate
24 commission promulgated under the compact.

25 (2) If the interstate commission determines that a member state has defaulted in the performance of its
26 obligations or responsibilities under the compact, or the bylaws or promulgated rules, the interstate commission
27 shall:

28 (a) provide written notice to the defaulting state and other member states of the nature of the default, the
29 means of curing the default, and any action taken by the interstate commission. The interstate commission shall
30 specify the conditions by which the defaulting state must cure its default; and

1 (b) provide remedial training and specific technical assistance regarding the default.

2 (3) If the defaulting state fails to cure the default, the defaulting state shall be terminated from the
3 compact upon an affirmative vote of a majority of the commissioners and all rights, privileges, and benefits
4 conferred by the compact shall terminate on the effective date of termination. A cure of the default does not
5 relieve the offending state of obligations or liabilities incurred during the period of the default.

6 (4) Termination of membership in the compact shall be imposed only after all other means of securing
7 compliance have been exhausted. Notice of intent to terminate shall be given by the interstate commission to the
8 governor, the majority and minority leaders of the defaulting state's legislature, and each of the member states.

9 (5) The interstate commission shall establish rules and procedures to address licenses and physicians
10 that are materially impacted by the termination of a member state or the withdrawal of a member state.

11 (6) The member state which has been terminated is responsible for all dues, obligations, and liabilities
12 incurred through the effective date of termination including obligations, the performance of which extends beyond
13 the effective date of termination.

14 (7) The interstate commission shall not bear any costs relating to any state that has been found to be in
15 default or which has been terminated from the compact, unless otherwise mutually agreed upon in writing
16 between the interstate commission and the defaulting state.

17 (8) The defaulting state may appeal the action of the interstate commission by petitioning the United
18 States District Court for the District of Columbia or the federal district where the interstate commission has its
19 principal offices. The prevailing party shall be awarded all costs of such litigation including reasonable attorney's
20 fees.

21 SECTION 19

22 DISPUTE RESOLUTION

23 (1) The interstate commission shall attempt, upon the request of a member state, to resolve disputes
24 which are subject to the compact and which may arise among member states or member boards.

25 (2) The interstate commission shall promulgate rules providing for both mediation and binding dispute
26 resolution as appropriate.

27 SECTION 20

28 MEMBER STATES, EFFECTIVE DATE AND AMENDMENT

29 (1) Any state is eligible to become a member state of the compact.

30 (2) The compact shall become effective and binding upon legislative enactment of the compact into law

1 by no less than seven states. Thereafter, it shall become effective and binding on a state upon enactment of the
2 compact into law by that state.

3 (3) The governors of nonmember states, or their designees, shall be invited to participate in the activities
4 of the interstate commission on a nonvoting basis prior to adoption of the compact by all states.

5 (4) The interstate commission may propose amendments to the compact for enactment by the member
6 states. No amendment shall become effective and binding upon the interstate commission and the member states
7 unless and until it is enacted into law by unanimous consent of the member states.

8 SECTION 21

9 WITHDRAWAL

10 (1) Once effective, the compact shall continue in force and remain binding upon each and every member
11 state; provided that a member state may withdraw from the compact by specifically repealing the statute which
12 enacted the compact into law.

13 (2) Withdrawal from the compact shall be by the enactment of a statute repealing the same, but shall not
14 take effect until 1 year after the effective date of such statute and until written notice of the withdrawal has been
15 given by the withdrawing state to the governor of each other member state.

16 (3) The withdrawing state shall immediately notify the chairperson of the interstate commission in writing
17 upon the introduction of legislation repealing the compact in the withdrawing state.

18 (4) The interstate commission shall notify the other member states of the withdrawing state's intent to
19 withdraw within 60 days of its receipt of notice provided under subsection (3).

20 (5) The withdrawing state is responsible for all dues, obligations, and liabilities incurred through the
21 effective date of withdrawal, including obligations the performance of which extend beyond the effective date of
22 withdrawal.

23 (6) Reinstatement following withdrawal of a member state shall occur upon the withdrawing state
24 reenacting the compact or upon such later date as determined by the interstate commission.

25 (7) The interstate commission is authorized to develop rules to address the impact of the withdrawal of
26 a member state on licenses granted in other member states to physicians who designated the withdrawing
27 member state as the state of principal license.

28 SECTION 22

29 DISSOLUTION

30

1 (1) The compact shall dissolve effective upon the date of the withdrawal or default of the member state
2 which reduces the membership in the compact to one member state.

3 (2) Upon the dissolution of the compact, the compact becomes null and void and shall be of no further
4 force or effect, and the business and affairs of the interstate commission shall be concluded and surplus funds
5 shall be distributed in accordance with the bylaws.

6 SECTION 23

7 SEVERABILITY AND CONSTRUCTION

8 (1) The provisions of the compact shall be severable, and if any phrase, clause, sentence, or provision
9 is deemed unenforceable, the remaining provisions of the compact shall be enforceable.

10 (2) The provisions of the compact shall be liberally construed to effectuate its purposes.

11 (3) Nothing in the compact shall be construed to prohibit the applicability of other interstate compacts to
12 which the states are members.

13 SECTION 24

14 BINDING EFFECT OF COMPACT AND OTHER LAWS

15 (1) Nothing herein prevents the enforcement of any other law of a member state that is not inconsistent
16 with the compact.

17 (2) All laws in a member state in conflict with the compact are superseded to the extent of the conflict.

18 (3) All lawful actions of the interstate commission, including all rules and bylaws promulgated by the
19 commission, are binding upon the member states.

20 (4) All agreements between the interstate commission and the member states are binding in accordance
21 with their terms.

22 (5) In the event any provision of the compact exceeds the constitutional limits imposed on the legislature
23 of any member state, such provision shall be ineffective to the extent of the conflict with the constitutional
24 provision in question in that member state.

25

26 NEW SECTION. **Section 2. Designation of appointing authority.** The governor shall appoint
27 members of the board of medical examiners or the board's executive secretary to serve as commissioners on
28 the interstate medical licensure compact commission provided for in [section 1].

29

30 NEW SECTION. **Section 3. Codification instruction.** [Sections 1 and 2] are intended to be codified

1 as an integral part of Title 37, chapter 3, and the provisions of Title 37, chapter 3, apply to [sections 1 and 2].

2 - END -