

# ASSEMBLY, No. 5406

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## STATE OF NEW JERSEY

### 218th LEGISLATURE

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INTRODUCED MAY 20, 2019

**Sponsored by:**

**Assemblywoman CAROL A. MURPHY**

**District 7 (Burlington)**

**SYNOPSIS**

Enters New Jersey into Interstate Medical Licensure Compact.

**CURRENT VERSION OF TEXT**

As introduced.



1 AN ACT entering New Jersey into the Interstate Medical Licensure  
2 Compact and supplementing Title 45 of the Revised Statutes.

3

4 **BE IT ENACTED** *by the Senate and General Assembly of the State*  
5 *of New Jersey:*

6

7 1. The State of New Jersey enacts and enters into the Interstate  
8 Medical Licensure Compact with all other jurisdictions that legally  
9 join the compact in the form substantially as follows:

10

11 Section 1. Purpose.

12

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

31

32 Section 2. Definitions.

33

34 As used in this compact:

35 a. "Bylaws" means the bylaws established by the Interstate  
36 Commission pursuant to section 11 of this compact for its  
37 governance, or for directing and controlling its actions and conduct.

38 b. "Commissioner" means the voting representative appointed  
39 by each member board pursuant to section 11 of this compact.

40 c. "Conviction" means a finding by a court that an individual is  
41 guilty of a criminal offense through adjudication, or entry of a plea  
42 of guilt or no contest to the charge by the offender. Evidence of an  
43 entry of a conviction of a criminal offense by the court shall be  
44 considered final for purposes of disciplinary action by a member  
45 board.

46 d. "Expedited license" means a full and unrestricted medical  
47 license granted by a member state to an eligible physician through  
48 the process set forth in the compact.

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- 1 e. “Interstate Commission” means the Interstate Medical  
2 Licensure Compact Commission created pursuant to section 11 of  
3 this compact.
- 4 f. “License” means authorization by a state for a physician to  
5 engage in the practice of medicine, which would be unlawful  
6 without the authorization.
- 7 g. “Medical practice act” means laws and regulations  
8 governing the practice of allopathic and osteopathic medicine  
9 within a member state.
- 10 h. “Member board” means a state agency in a member state  
11 that acts in the sovereign interests of the state by protecting the  
12 public through licensure, regulation, and education of physicians as  
13 directed by the state government.
- 14 i. “Member state” means a state that has enacted the compact.
- 15 j. “Practice of medicine” means the clinical prevention,  
16 diagnosis, or treatment of human disease, injury, or condition  
17 requiring a physician to obtain and maintain a license in compliance  
18 with the medical practice act of a member state.
- 19 k. “Physician” means any person who:
- 20 (1) Is a graduate of a medical school accredited by the Liaison  
21 Committee on Medical Education, the Commission on Osteopathic  
22 College Accreditation, or a medical school listed in the  
23 International Medical Education Directory or its equivalent;
- 24 (2) Passed each component of the United States medical  
25 Licensing Examination (USMLE) or the Comprehensive  
26 Osteopathic Medical Licensing Examination (COMLEX-USA)  
27 within three attempts, or any of its predecessor examinations  
28 accepted by a state medical board as an equivalent examination for  
29 licensure purposes;
- 30 (3) Successfully completed graduate medical education  
31 approved by the Accreditation Council for Graduate Medical  
32 Education or the American Osteopathic Association;
- 33 (4) Holds specialty certification or a time-unlimited specialty  
34 certificate recognized by the American Board of Medical  
35 Specialties or the American Osteopathic Association’s Bureau of  
36 Osteopathic Specialists;
- 37 (5) Possesses a full and unrestricted license to engage in the  
38 practice of medicine issued by a member board;
- 39 (6) Has never been convicted, received adjudication, deferred  
40 adjudication, community supervision, or deferred disposition for  
41 any offense by a court of appropriate jurisdiction;
- 42 (7) Has never held a license authorizing the practice of medicine  
43 subjected to discipline by a licensing agency in any state, federal, or  
44 foreign jurisdiction, excluding any action related to non-payment of  
45 fees related to a license;
- 46 (8) Has never had a controlled substance license or permit  
47 suspended or revoked by a state or the United States Drug  
48 Enforcement Administration; and

1 (9) Is not under active investigation by a licensing agency or  
2 law enforcement authority in any state, federal, or foreign  
3 jurisdiction.

4 l. "Offense" means a felony, gross misdemeanor, or crime of  
5 moral turpitude.

6 m. "Rule" means a written statement by the Interstate  
7 Commission promulgated pursuant to section 12 of this compact  
8 that is of general applicability, implements, interprets, or prescribes  
9 a policy or provision of the compact, or an organizational,  
10 procedural, or practice requirement of the Interstate Commission,  
11 and has the force and effect of statutory law in a member state, and  
12 includes the amendment, repeal, or suspension of an existing rule.

13 n. "State" means any state, commonwealth, district, or territory  
14 of the United States.

15 o. "State of principal license" means a member state where a  
16 physician holds a license to practice medicine and which has been  
17 designated as such by the physician for purposes of registration and  
18 participation in the compact.

19

20 Section 3. Eligibility.

21

22 a. A physician shall meet the eligibility requirements specified  
23 in subsection k. of section 2 of this compact to receive an expedited  
24 license under the terms and provisions of the compact.

25 b. A physician who does not meet the eligibility requirements  
26 set forth in subsection k. of section 2 of this compact may obtain a  
27 license to practice medicine in a member state if the individual  
28 complies with all laws and requirements, other than the compact,  
29 related to the issuance of a license to practice medicine in that state.

30

31 Section 4. Designation of State of Principal License.

32

33 a. A physician shall designate a member state as the state of  
34 principal license for purposes of registration for expedited licensure  
35 through the compact if the physician possesses a full and  
36 unrestricted license to practice medicine in that state, and the state  
37 is:

38 (1) the state of primary residence for the physician;

39 (2) the state where at least 25 percent of the physician's practice  
40 of medicine occurs;

41 (3) the location of the physician's employer; or

42 (4) if no state qualifies under paragraphs (1) through (3) of this  
43 subsection, the state designated as the physician's state of residence  
44 for federal income tax purposes.

45 b. A physician may redesignate a member state as the  
46 physician's state of principal license at any time, provided the state  
47 meets the requirements for designation set forth in subsection a. of  
48 this section.

1 c. The Interstate Commission is authorized to develop rules to  
2 facilitate redesignation of another member state as the physician's  
3 state of principal license.

4  
5 Section 5. Application and Issuance of Expedited Licensure.

6  
7 a. A physician seeking licensure through the compact shall file  
8 an application for an expedited license with the member board of  
9 the state selected by the physician as the physician's state of  
10 principal license.

11 b. Upon receipt of an application for an expedited license, the  
12 member board within the state selected as the physician's state of  
13 principal license shall evaluate whether the physician is eligible for  
14 expedited licensure and issue a letter of qualification to the  
15 Interstate Commission verifying or denying the physician's  
16 eligibility.

17 (1) Static qualifications, which include verification of medical  
18 education, graduate medical education, results of any medical or  
19 licensing examination, and other qualifications as determined by the  
20 Interstate Commission through rule, shall not be subject to  
21 additional primary source verification where already primary source  
22 verified by the physician's state of principal license.

23 (2) The member board within the state selected as the  
24 physician's state of principal license shall, in the course of verifying  
25 eligibility, perform a criminal background check of an applicant,  
26 including the use of the results of fingerprint or other biometric data  
27 checks compliant with the requirements of the Federal Bureau of  
28 Investigation, with the exception of federal employees who have  
29 suitability determination in accordance with 5 CFR 731.202.

30 (3) Appeal on the determination of eligibility shall be made to  
31 the member state where the application was filed and shall be  
32 subject to the law of that state.

33 c. Upon verification of a physician's eligibility for expedited  
34 licensure pursuant to subsection b. of this section, the physician  
35 shall complete the registration process established by the Interstate  
36 Commission to receive a license in a member state selected  
37 pursuant to subsection a. of this section, including the payment of  
38 any applicable fees.

39 d. Upon receiving verification of a physician's eligibility for  
40 expedited licensure pursuant to subsection b. of this section and  
41 payment of any applicable fees pursuant to subsection c. of this  
42 section, a member board shall issue an expedited license to the  
43 physician. The license shall authorize the physician to practice  
44 medicine in the issuing state consistent with the medical practice at  
45 and all applicable laws and regulations of the issuing member board  
46 and member state.

47 e. An expedited license shall be valid for a period consistent  
48 with the licensure period in the member state and in the same

1 manner as required for other physicians holding a full and  
2 unrestricted license within the member state.

3 f. An expedited license obtained through the compact shall be  
4 terminated if the physician fails to maintain a license in the  
5 physician's state of principal licensure for a non-disciplinary  
6 reason, without redesignation of a new state of principal licensure.

7 g. The Interstate Commission is authorized to develop rules  
8 regarding the application process, including payment of any  
9 applicable fees and the issuance of an expedited license.

10

11 Section 6. Fees for Expedited Licensure.

12

13 a. A member state issuing an expedited license authorizing the  
14 practice of medicine in that state may impose a fee for a license  
15 issued or renewed through the compact.

16 b. The Interstate Commission is authorized to develop rules  
17 regarding fees for expedited licenses.

18

19 Section 7. Renewal and Continued Participation.

20

21 a. A physician seeking to renew an expedited license granted in  
22 a member state shall complete a renewal process with the Interstate  
23 Commission if the physician:

24 (1) Maintains a full and unrestricted license in a state of  
25 principal license;

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

29 (3) Has not had a license authorizing the practice of medicine  
30 subject to discipline by a licensing agency in any state, federal, or  
31 foreign jurisdiction, excluding any action related to non-payment of  
32 fees related to a license; and

33 (4) Has not had a controlled substance license or permit  
34 suspended or revoked by a state or the United States Drug  
35 Enforcement Administration.

36 b. Physicians shall comply with all continuing professional  
37 development or continuing medical education requirements for  
38 renewal of a license issued by a member state.

39 c. The Interstate Commission shall collect any renewal fees  
40 charged for the renewal of a license and distribute the fees to the  
41 applicable member board.

42 d. Upon receipt of any renewal fees collected pursuant to  
43 subsection c. of this section, a member board shall renew the  
44 physician's license.

45 e. Physician information collected by the Interstate  
46 Commission during the renewal process will be distributed to all  
47 member boards.

1 f. The Interstate Commission is authorized to develop rules to  
2 address renewal of licenses obtained through the compact.

3

4 Section 8. Coordinated Information System.

5

6 a. The Interstate Commission shall establish a database of all  
7 physicians licensed, or who have applied for licensure, pursuant to  
8 section 5 of this compact.

9 b. Notwithstanding any other provision of law, member boards  
10 shall report to the Interstate Commission any public action or  
11 complaints against a licensed physician who has applied for or  
12 received an expedited license through the compact.

13 c. Member boards shall report disciplinary or investigatory  
14 information determined as necessary and proper by rule of the  
15 Interstate Commission.

16 d. Member boards may report any non-public complaint,  
17 disciplinary, or investigatory information not required pursuant to  
18 subsection c. of this section.

19 e. Member boards shall share complaint or disciplinary  
20 information about a physician upon request of another member  
21 board.

22 f. All information provided to the Interstate Commission or  
23 distributed by member boards shall be confidential, filed under seal,  
24 and used only for investigatory or disciplinary matters.

25 g. The Interstate Commission is authorized to develop rules for  
26 mandated or discretionary sharing of information by member  
27 boards.

28

29 Section 9. Joint Investigations.

30

31 a. Licensure and disciplinary records of physicians are deemed  
32 investigative.

33 b. In addition to the authority granted to a member board by its  
34 respective medical practice act or other applicable state law, a  
35 member board may participate with other member boards in joint  
36 investigations of physicians licensed by the member boards.

37 c. A subpoena issued by a member state shall be enforceable in  
38 other member states.

39 d. Member boards may share any investigative, litigation, or  
40 compliance materials in furtherance of any joint or individual  
41 investigation initiated under the compact.

42 e. Any member state may investigate actual or alleged  
43 violations of the statutes authorizing the practice of medicine in any  
44 other member state in which a physician holds a license to practice  
45 medicine.

1 Section 10. Disciplinary Actions.

2

3 a. Any disciplinary action taken by any member board against  
4 a physician licensed through the compact shall be deemed  
5 unprofessional conduct which may be subject to discipline by other  
6 member boards, in addition to any violation of the medical practice  
7 act or regulations in that state.

8 b. If a license granted to a physician by the member board in  
9 the state of principal license is revoked, surrendered, or  
10 relinquished in lieu of discipline, or suspended, then all licenses  
11 issued to the physician by member boards shall automatically be  
12 placed, without further action necessary by any member board, on  
13 the same status. If the member board in the state of principal  
14 license subsequently reinstates the physician's license, a license  
15 issued to the physician by any other member board shall remain  
16 encumbered until that respective member board takes action to  
17 reinstate the license in a manner consistent with the medical  
18 practice act of that state.

19 c. If disciplinary action is taken against a physician by a  
20 member board not in the state of principal license, any other  
21 member board may deem the action conclusive as to matter of law  
22 and fact decided, and:

23 (1) impose the same or a lesser sanction against the physician,  
24 provided that the sanction is consistent with the medical practice act  
25 of that state; or

26 (2) pursue separate disciplinary action against the physician  
27 under its respective medical practice act, regardless of the action  
28 taken in other member states.

29 d. If a license granted to a physician by a member board is  
30 revoked, surrendered, or relinquished in lieu of discipline, or  
31 suspended, then any license issued to the physician by any other  
32 member board shall be suspended, automatically and immediately  
33 without further action necessary by the other member board, for 90  
34 days upon entry of the order by the disciplining board, to permit the  
35 member board to investigate the basis for the action under the  
36 medical practice act of that state. A member board may terminate  
37 the automatic suspension of the license it issued prior to the  
38 completion of the 90 day suspension period in a manner consistent  
39 with the medical practice act of that state.

40

41 Section 11. Interstate Medical Licensure Compact Commission.

42

43 a. The member states hereby create the "Interstate Medical  
44 Licensure Compact Commission."

45 b. The purpose of the Interstate Commission is the  
46 administration of the Interstate Medical Licensure Compact, which  
47 is a discretionary state function.



1 c. The Interstate Commission shall be a body corporate and  
2 joint agency of the member states and shall have all the  
3 responsibilities, powers, and duties set forth in the compact, and  
4 such additional powers as may be conferred upon it by a subsequent  
5 concurrent action of the respective legislatures of the member states  
6 in accordance with the terms of the compact.

7 d. The Interstate Commission shall consist of two voting  
8 representatives appointed by each member state, who shall serve as  
9 commissioners. In states where allopathic and osteopathic  
10 physicians are regulated by separate member boards, or if the  
11 licensing and disciplinary authority is split between multiple  
12 member boards within a member state, the member state shall  
13 appoint one representative from each member board. Each  
14 commissioner shall be:

15 (1) an allopathic or osteopathic physician appointed to a  
16 member board;

17 (2) an executive director, executive secretary, or similar  
18 executive of a member board; or

19 (3) a member of the public appointed to a member board.

20 e. The Interstate Commission shall meet at least once each  
21 calendar year. A portion of the meeting shall be a business meeting  
22 to address such matters as may properly come before the  
23 commission, including the election of officers. The chairperson  
24 may call additional meetings and shall call for a meeting upon the  
25 request of a majority of the member states.

26 f. The bylaws may provide for meetings of the Interstate  
27 Commission to be conducted by telecommunication or electronic  
28 communication.

29 g. Each commissioner participating at a meeting of the  
30 Interstate Commission is entitled to one vote. A majority of  
31 commissioners shall constitute a quorum for the transaction of  
32 business, unless a larger quorum is required by the bylaws of the  
33 Interstate Commission. A commissioner shall not delegate a vote to  
34 another commissioner. In the absence of its commissioner, a  
35 member state may delegate voting authority for a specified meeting  
36 to another person from that state who meets the requirements to  
37 serve as a commissioner pursuant to subsection d. of this section.

38 h. The Interstate Commission shall provide public notice of all  
39 meetings and all meeting shall be open to the public. The Interstate  
40 Commission may close a meeting in full or in part, where it  
41 determines by a two-thirds vote of the commissioners present that  
42 an open meeting would be likely to:

43 (1) Relate solely to the internal personnel practices and  
44 procedures of the Interstate Commission;

45 (2) Discuss matters specifically exempted from disclosure by  
46 federal statute;

47 (3) Discuss trade secrets or commercial or financial information  
48 that is privileged or confidential;

- 1 (4) Involve accusing a person of a crime, or formally censuring  
2 a person;
- 3 (5) Discuss information of a personal nature where disclosure  
4 would constitute a clearly unwarranted invasion of personal  
5 privacy;
- 6 (6) Discuss investigative records compiled for law enforcement  
7 purposes; or
- 8 (7) Specifically relate to the participation in a civil action or  
9 other legal proceeding.
- 10 i. The Interstate Commission shall keep minutes, which shall  
11 fully describe all matters discussed in a meeting and shall provide a  
12 full and accurate summary of actions taken, including a record of  
13 any roll call votes.
- 14 j. The Interstate Commission shall make its information and  
15 official records, to the extent not otherwise designated in the  
16 compact or by its rules, available to the public for inspection.
- 17 k. The Interstate Commission shall establish an executive  
18 committee, which shall include officers, members, and others as  
19 determined by the bylaws. The executive committee shall have the  
20 power to act on behalf of the Interstate Commission, with the  
21 exception of rulemaking, during periods when the Interstate  
22 Commission is not in session. When acting on behalf of the  
23 Interstate Commission, the executive committee shall oversee the  
24 administration of the compact, including enforcement and  
25 compliance with the provisions of the compact, its bylaws and  
26 rules, and other such duties as may be necessary.
- 27 l. The Interstate Commission may establish other committees  
28 for governance and administration of the compact.

29

30 Section 12. Powers and Duties of the Interstate Commission.

31

32 The Interstate Commission shall have the duty and power to:

- 33 a. Oversee and maintain the administration of the compact;
- 34 b. Promulgate rules, which shall be binding to the extent and in  
35 the manner provided for in the compact;
- 36 c. Issue, upon the request of a member state or member board,  
37 advisory opinions concerning the meaning or interpretation of the  
38 compact and its bylaws, rules, and actions;
- 39 d. Enforce compliance with compact provisions, the rules  
40 promulgated by the Interstate Commission, and the bylaws, using  
41 all necessary and proper means, including, but not limited to, the  
42 use of judicial process;
- 43 e. Establish and appoint committees, including, but not limited  
44 to, an executive committee as required pursuant to section 11 of this  
45 compact, which shall have the power to act on behalf of the  
46 Interstate Commission in carrying out its powers and duties;

- 1 f. Pay, or provide for the payment of, the expenses related to  
2 the establishment, organization, and ongoing activities of the  
3 Interstate Commission;
- 4 g. Establish and maintain one or more offices;
- 5 h. Borrow, accept, hire, or contract for services of personnel;
- 6 i. Purchase and maintain insurance and bonds;
- 7 j. Employ an executive director, who shall have the power to  
8 employ, select, or appoint employees, agents, or consultants, and to  
9 determine their qualifications, define their duties, and fix their  
10 compensation;
- 11 k. Establish personnel policies and programs relating to  
12 conflicts of interest, rates of compensation, and qualifications of  
13 personnel;
- 14 l. Accept donations and grants of money, equipment, supplies,  
15 materials, and services, and to receive, utilize, and dispose of the  
16 same in a manner consistent with the conflict of interest policies  
17 established by the Interstate Commission;
- 18 m. Lease, purchase, accept contributions or donations of, or  
19 otherwise own, hold, improve, or use any real or personal property;
- 20 n. Sell, convey, mortgage, pledge, lease, exchange, abandon,  
21 or otherwise dispose of any real or personal property;
- 22 o. Establish a budget and make expenditures;
- 23 p. Adopt a seal and bylaws governing the management and  
24 operation of the Interstate Commission;
- 25 q. Report annually to the legislatures and governors of the  
26 member states concerning the activities of the Interstate  
27 Commission during the preceding year. Such reports shall also  
28 include reports of financial audits and any recommendations that  
29 may have been adopted by the Interstate Commission;
- 30 r. Coordinate education, training, and public awareness  
31 regarding the compact, its implementation, and its operation;
- 32 s. Maintain records in accordance with the bylaws;
- 33 t. Seek and obtain trademarks, copyrights, and patents; and
- 34 u. Perform such functions as may be necessary or appropriate  
35 to achieve the purposes of the compact.

36

37 Section 13. Finance Powers.

38

- 39 a. The Interstate Commission may levy on and collect an  
40 annual assessment from each member state to cover the cost of the  
41 operations and activities of the Interstate Commission and its staff.  
42 The total assessment shall be sufficient to cover the annual budget  
43 approved each year for which revenue is not provided by other  
44 sources. The aggregate annual assessment amount shall be  
45 allocated upon a formula to be determined by the Interstate  
46 Commission, which shall promulgate a rule binding upon all  
47 member states.

1       b. The Interstate Commission shall not incur obligations of any  
2 kind prior to securing the funds adequate to meet the same.

3       c. The Interstate Commission shall not pledge the credit of any  
4 of the member states, except by, and with the authority of, the  
5 member state.

6       d. The Interstate Commission shall be subject to a yearly  
7 financial audit conducted by a certified or licensed public  
8 accountant and the report of the audit shall be included in the  
9 Interstate Commission's annual report.

10

11       Section 14. Organization and Operation of the Interstate  
12 Commission.

13

14       a. The Interstate Commission shall, within 12 months of the  
15 first Interstate Compact meeting and by a majority of  
16 commissioners present and voting, adopt bylaws to govern its  
17 conduct as may be necessary or appropriate to carry out the  
18 purposes of the compact.

19       b. The Interstate Commission shall elect or appoint annually  
20 from among its commissioners a chairperson, a vice-chairperson,  
21 and a treasurer, each of whom shall have such authority and duties  
22 as may be specified in the bylaws. The chairperson, or in the  
23 chairperson's absence or disability, the vice-chairperson, shall  
24 preside at all meetings of the Interstate Commission.

25       c. Officers selected pursuant to subsection b. of this section  
26 shall serve without remuneration from the Interstate Commission.

27       d. The officers and employees of the Interstate Commission  
28 shall be immune from suit and liability, either personally or in their  
29 official capacity, for a claim for damage to or loss of property or  
30 personal injury or other civil liability caused or arising out of, or  
31 relating to, an actual or alleged act, error, or omission that occurred,  
32 or that such person has a reasonable basis for believing occurred,  
33 within the scope of Interstate Commission employment, duties, or  
34 responsibilities; provided that such person shall not be protected  
35 from suit or liability for damage, loss, injury, or liability caused by  
36 the intentional or willful and wanton misconduct of such person.

37       (1) The liability of the executive director and employees of the  
38 Interstate Commission or representatives of the Interstate  
39 Commission, acting within the scope of such person's employment  
40 or duties for acts, errors, or omissions occurring within such  
41 person's state, may not exceed the limits of liability set forth under  
42 the constitution and laws of that state for state officials, employees,  
43 and agents. The Interstate Commission is considered to be an  
44 instrumentality of the states for the purposes of any such action.  
45 Nothing in this subsection shall be construed to protect such person  
46 from suit or liability for damage, loss, injury, or liability caused by  
47 the intentional or willful and wanton misconduct of such person.

1 (2) The Interstate Commission shall defend the executive  
2 director and its employees and, subject to the approval of the  
3 attorney general or other appropriate legal counsel of the member  
4 state represented by an Interstate Commission representative, shall  
5 defend such Interstate Commission representative in any civil  
6 action seeking to impose liability arising out of an actual or alleged  
7 act, error, or omission that occurred within the scope of Interstate  
8 Commission employment, duties, or responsibilities, or that the  
9 defendant had a reasonable basis for believing occurred within the  
10 scope of Interstate Commission employment, duties, or  
11 responsibilities, provided that the actual or alleged act, error, or  
12 omission did not result from intentional or willful and wanton  
13 misconduct on the part of such person.

14 (3) To the extent not covered by the state involved, member  
15 state, or the Interstate Commission, the representatives or  
16 employees of the Interstate Commission shall be held harmless in  
17 the amount of a settlement or judgment, including attorney's fees  
18 and costs, obtained against such person arising out of an actual or  
19 alleged act, error, or omission that occurred within the scope of  
20 Interstate Commission employment, duties, or responsibilities, or  
21 that such persons had a reasonable basis for believing occurred  
22 within the scope of Interstate Commission employment, duties, or  
23 responsibilities, provided that the actual or alleged act, error, or  
24 omission did not result from intentional or willful and wanton  
25 misconduct on the part of such persons.

26

27 Section 15. Rulemaking Functions of the Interstate Commission.

28

29 a. The Interstate Commission shall promulgate reasonable rules  
30 in order to effectively and efficiently achieve the purposes of the  
31 Compact. Notwithstanding the foregoing, in the event the Interstate  
32 Commission exercises its rulemaking authority in a manner that is  
33 beyond the scope of the purposes of the compact, or the powers  
34 granted hereunder, then such an action by the Interstate  
35 Commission shall be invalid and have no force or effect.

36 b. Rules deemed appropriate for the operations of the Interstate  
37 Commission shall be made pursuant to a rulemaking process that  
38 substantially conforms to the "Model State Administrative  
39 Procedure Act" of 2010, and subsequent amendments thereto.

40 c. No later than 30 days after a rule is promulgated, any person  
41 may file a petition for judicial review of the rule in the United  
42 States District Court for the District of Columbia or the federal  
43 district where the Interstate Commission has its principal offices,  
44 provided that the filing of such a petition shall not stay or otherwise  
45 prevent the rule from becoming effective unless the court finds that  
46 the petitioner has a substantial likelihood of success. The court  
47 shall give deference to the actions of the Interstate Commission  
48 consistent with applicable law and shall not find the rule to be

1 unlawful if the rule represents a reasonable exercise of the authority  
2 granted to the Interstate Commission.

3

4 Section 16. Oversight of the Interstate Compact.

5

6 a. The executive, legislative, and judicial branches of state  
7 government in each member state shall enforce the compact and  
8 shall take all actions necessary and appropriate to effectuate the  
9 purposes and intent of the compact. The provisions of the compact  
10 and the rules promulgated hereunder shall have standing as  
11 statutory law but shall not override existing state authority to  
12 regulate the practice of medicine.

13 b. All courts shall take judicial notice of the compact and the  
14 rules in any judicial or administrative proceeding in a member state  
15 pertaining to the subject matter of the compact which may affect the  
16 powers, responsibilities, or actions of the Interstate Commission.

17 c. The Interstate Commission shall be entitled to receive all  
18 service of process in any such proceeding, and shall have standing  
19 to intervene in the proceeding for all purposes. Failure to provide  
20 service of process to the Interstate Commission shall render a  
21 judgment or order void as to the Interstate Commission, the  
22 compact, or promulgated rules.

23

24 Section 17. Enforcement of Interstate Compact.

25

26 a. The Interstate Commission, in the reasonable exercise of its  
27 discretion, shall enforce the provisions and rules of the compact.

28 b. The Interstate Commission may, by majority vote of the  
29 commissioners, initiate legal action in the United States District  
30 Court for the District of Columbia, or, at the discretion of the  
31 Interstate Commission, in the federal district where the Interstate  
32 Commission has its principal offices, to enforce compliance with  
33 the provisions of the Compact, and its promulgated rules and  
34 bylaws, against a member state in default. The relief sought may  
35 include both injunctive relief and damages. In the event judicial  
36 enforcement is necessary, the prevailing party shall be awarded all  
37 costs of such litigation, including reasonable attorney's fees.

38 c. The remedies herein shall not be the exclusive remedies of  
39 the Interstate Commission. The Interstate Commission may avail  
40 itself of any other remedies available under state law or the  
41 regulation of a profession.

42

43 Section 18. Default Procedures.

44

45 a. The grounds for default include, but are not limited to,  
46 failure of a member state to perform such obligations or  
47 responsibilities imposed on it by the compact or the rules and

1 bylaws of the Interstate Commission promulgated under the  
2 compact.

3 b. If the Interstate Commission determines that a member state  
4 has defaulted in the performance of its obligations or  
5 responsibilities under the compact, or the bylaws or promulgated  
6 rules, the Interstate Commission shall:

7 (1) Provide written notice to the defaulting state and other  
8 member states of the nature of the default, the means of curing the  
9 default, and any action taken by the Interstate Commission. The  
10 Interstate Commission shall specify the conditions by which the  
11 defaulting state shall cure its default; and

12 (2) Provide remedial training and specific technical assistance  
13 regarding the default.

14 c. If the defaulting state fails to cure the default, the defaulting  
15 state shall be terminated from the compact upon an affirmative vote  
16 of a majority of the commissioners and all rights, privileges, and  
17 benefits conferred by the compact shall terminate on the effective  
18 date of termination. A cure of the default does not relieve the  
19 offending state of obligations or liabilities incurred during the  
20 period of the default.

21 d. Termination of membership in the compact shall be imposed  
22 only after all other means of securing compliance have been  
23 exhausted. Notice of intent to terminate shall be given by the  
24 Interstate Commission to the governor, the majority and minority  
25 leaders of the defaulting state's legislature, and each of the member  
26 states.

27 e. The Interstate Commission shall establish rules and  
28 procedures to address licenses and physicians that are materially  
29 affected by the termination of a member state or the withdrawal of a  
30 member state.

31 f. The member state which has been terminated is responsible  
32 for all dues, obligations, and liabilities incurred through the  
33 effective date of termination, including any obligations for which  
34 the performance of the obligation extends beyond the effective date  
35 of termination.

36 g. The Interstate Commission shall not bear any costs relating  
37 to any state that has been found to be in default or which has been  
38 terminated from the compact, unless otherwise mutually agreed  
39 upon in writing between the Interstate Commission and the  
40 defaulting state.

41 h. The defaulting state may appeal the action of the Interstate  
42 Commission by petitioning the United States District Court for the  
43 District of Columbia or the federal district where the Interstate  
44 Commission has its principal offices. The prevailing party shall be  
45 awarded all costs of such litigation, including reasonable attorney's  
46 fees.

1 Section 19. Dispute Resolution.

2

3 a. The Interstate Commission shall attempt, upon the request of  
4 a member state, to resolve disputes which are subject to the  
5 compact and which may arise among member states or member  
6 boards.

7 b. The Interstate Commission shall promulgate rules providing  
8 for both mediation and binding dispute resolution, as appropriate.

9

10 Section 20. Member States, Effective Date, and Amendment.

11

12 a. Any state is eligible to become a member state of the  
13 compact.

14 b. The compact shall become effective and binding upon  
15 legislative enactment of the compact into law by no less than seven  
16 states. Thereafter, it shall become effective and binding on a state  
17 upon enactment of the compact into law by that state.

18 c. The governors of non-member states, or their designees,  
19 shall be invited to participate in the activities of the Interstate  
20 Compact on a non-voting basis prior to adoption of the compact by  
21 all states.

22 d. The Interstate Commission may propose amendments to the  
23 compact for enactment by member states. No amendment shall  
24 become effective and binding upon the Interstate Commission and  
25 the member states unless and until it is enacted into law by  
26 unanimous consent of the member states.

27

28 Section 21. Withdrawal.

29

30 a. Once effective, the compact shall continue in force and  
31 remain binding upon each and every member state; provided that a  
32 member state may withdraw from the compact by specifically  
33 repealing the statute that enacted the compact into law.

34 b. Withdrawal from the compact shall be by the enactment of a  
35 statute repealing the same, but shall not take effect until one year  
36 after the effective date of such statute and until written notice of the  
37 withdrawal has been given by the withdrawing state to the governor  
38 of each member state.

39 c. The withdrawing state shall immediately notify the  
40 chairperson of the Interstate Commission in writing upon the  
41 introduction of legislation repealing the compact in the withdrawing  
42 state.

43 d. The Interstate Commission shall notify the other member  
44 states of the withdrawing state's intent to withdraw within 60 days  
45 after receiving notice provided pursuant to subsection c. of this  
46 section.

47 e. The withdrawing state shall be responsible for all dues,  
48 obligations, and liabilities incurred through the effective date of



1 withdrawal, including any obligations for which the performance of  
2 the obligation extends beyond the effective date of withdrawal.

3 f. Reinstatement following withdrawal of a member state shall  
4 occur upon the withdrawing state reenacting the compact or upon  
5 such later date as determined by the Interstate Commission.

6 g. The Interstate Commission shall be authorized to develop  
7 rules to address the effect of withdrawal of a member state on  
8 licenses granted in other member states to physicians who  
9 designated the withdrawing member state as the state of principal  
10 licensure.

11

12 Section 22. Dissolution.

13

14 a. The compact shall dissolve effective upon the date of the  
15 withdrawal or default of the member state which reduces the  
16 membership in the compact to one member state.

17 b. Upon the dissolution of the compact, the compact becomes  
18 null and void and shall be of no further force or effect, and the  
19 business and affairs of the Interstate Commission shall be  
20 concluded and surplus finds shall be distributed in accordance with  
21 the bylaws.

22

23 Section 23. Severability and Construction.

24

25 a. The provisions of the compact shall be severable, and if any  
26 phrase, clause, sentence, or provision is deemed unenforceable, the  
27 remaining provisions of the compact shall be enforceable.

28 b. The provisions of the compact shall be liberally construed to  
29 effectuate its purposes.

30 c. Nothing in the compact shall be construed to prohibit the  
31 applicability of other interstate compacts to which the states are  
32 members.

33

34 Section 24. Binding Effect of Compact and Other Laws.

35

36 a. Nothing herein prevents the enforcement of any other law of  
37 a member state that is not inconsistent with the compact.

38 b. All laws in a member state in conflict with the compact are  
39 superseded to the extent of the conflict.

40 c. All lawful actions of the Interstate Commission, including  
41 all rules and bylaws promulgated by the Commission, are binding  
42 upon the member states.

43 d. All agreements between the Interstate Commission and the  
44 member states are binding in accordance with their terms.

45 e. In the event any provision of the compact exceeds the  
46 constitutional limits imposed on the legislature of any member  
47 state, such provision shall be ineffective to the extent of the conflict  
48 with the constitutional provision in question in that member state.

1       2. This act shall take effect immediately.

2

3

4

STATEMENT

5

6       This bill enters New Jersey into the Interstate Medical Licensure  
7 Compact (Compact), which is an interstate agreement that provides  
8 a streamlined process for physicians who are in good standing in  
9 their own states to quickly and easily become licensed in other  
10 member states without the need to complete the full standard  
11 licensing process in the other state. A license issued under the  
12 Compact for a member state constitutes a full and unrestricted  
13 license to practice medicine in that member state. The Compact  
14 does not change the medical practice laws in any member state, and  
15 the requirements to obtain expedited licensure reflect the prevailing  
16 standard for physician licensure nationwide. Physicians providing  
17 health care services are subject to the medical practice laws of the  
18 state in which the patient is located. The Compact will be  
19 administered by the “Interstate Medical Licensure Compact  
20 Commission” (Interstate Commission), which is comprised of  
21 delegates from each member state.

22

23

Expedited Licensure

24

25       To qualify for licensure in another state through the Compact, a  
26 physician will be required to be a graduate of an accredited medical  
27 school, have passed the licensing examination within three  
28 attempts, have successfully completed graduate medical education,  
29 hold a specialty certification, possess a full and unrestricted license  
30 to practice medicine in the physician’s principal state of licensure,  
31 have no criminal convictions, have never been subject to license-  
32 related disciplinary action, have never had a controlled substance  
33 license or permit suspended or revoked, and not be under active  
34 investigation by a licensing or law enforcement agency. A  
35 physician who does not meet the requirements for expedited  
36 licensure may still apply for licensure in another state under that  
37 state’s standard licensure process.

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A physician applying for expedited licensure will be required to designate a state of principal license, which will be the physician’s state of primary residence, the state where at least 25 percent of the physician’s practice of medicine occurs, the location of the physician’s employer, or the state designated as the physician’s state of residence for federal income tax purposes. Physicians may change their states of principal license, provided the physician’s ties to the new state meet the requirements for designation.

An application for expedited licensure is to be filed with the physician’s state of principal license. The licensing board in that state will evaluate the physician’s eligibility based on a review of

1 the physician's educational background, the results of the  
2 physician's licensing examinations, and a criminal background  
3 check. Once the state of principal license verifies the physician's  
4 eligibility, it will submit a letter to the Interstate Commission, and  
5 the physician will receive member state licenses in each state  
6 requested by the physician and for which the physician pays the  
7 applicable licensure fee. License and renewal fees are  
8 independently established by each member state.

9 The member state license will be valid for a period consistent  
10 with that state's laws, and the physician will be required to comply  
11 with all practice laws in the member state. There is no limit to the  
12 number of member state licenses a physician may obtain under the  
13 Compact; however, after the initial application process, an  
14 additional fee applies to subsequent applications for expedited  
15 licensure. A member state license will be renewed if the physician  
16 continues to meet the eligibility requirements for licensure under  
17 the Compact. Physicians are subject to continuing professional  
18 education requirements for each state in which the physician  
19 maintains a license.

20 The Interstate Commission will be required to establish a  
21 database of all physicians who apply for or who are issued a license  
22 under the Compact. The licensing boards in each member state  
23 are required to report to the database complaints, public actions, and  
24 disciplinary actions taken against a physician listed in the database,  
25 and may additionally report non-public complaints, disciplinary  
26 actions, and investigations. Information reported to the database is  
27 to be kept confidential.

28 Member boards are authorized to engage in joint investigations  
29 of a physician, share investigative and related materials with other  
30 member states, and issue subpoenas, which other member states are  
31 required to comply with. Member states may investigate alleged  
32 violations of the medical practice laws of any other member state.  
33 A disciplinary action taken by a member board against a physician  
34 constitutes grounds for other member states to institute disciplinary  
35 action against the physician.

36 If a license granted to a physician by the member board in the  
37 state of principal license is suspended, revoked, surrendered, or  
38 relinquished in lieu of discipline, all licenses issued to the physician  
39 by member boards will automatically be placed on the same status.  
40 If the member board in the state of principal license subsequently  
41 reinstates the physician's license, a license issued to the physician  
42 by any other member board will remain encumbered until that  
43 respective member board takes action to reinstate the license. If a  
44 state other than the state of principal license takes disciplinary  
45 action against a physician, all other member states may use the  
46 same grounds to impose the same or a lesser sanction against the  
47 physician or take independent action against the physician under  
48 that state's own laws. If a physician's license is revoked,

1 surrendered, or relinquished in a member state, all other member  
2 state licenses will be suspended for 90 days.

3

4 Interstate Medical Licensure Compact Commission

5

6 The Interstate Commission will consist of two voting  
7 representatives appointed by each member state, called  
8 “commissioners.” Each commissioner is required to be a member  
9 of that state’s medical licensure board. The Interstate Commission  
10 will meet at least once each calendar year and at other times when  
11 called by the chair or upon request of a majority of member states.  
12 Meetings are generally open to the public, but closed meetings may  
13 be conducted to discuss internal personnel matters, matters  
14 involving privileged or confidential information, criminal  
15 accusations and formal censures, private personal information,  
16 criminal investigations, or civil proceedings. Interstate  
17 Commission records will be available to the public for inspection,  
18 unless otherwise held confidential. The Compact provides for  
19 limited liability and indemnification for the executive director,  
20 officers, and employees of the Interstate Commission in connection  
21 with their official duties.

22 The Interstate Commission has the power to promulgate rules,  
23 establish bylaws, issue advisory opinions, enforce compliance,  
24 initiate litigation, establish and appoint committees, employ an  
25 executive director, report to the member states, and take other  
26 actions necessary to administer and achieve the purposes of the  
27 Compact. The Interstate Commission will establish an executive  
28 committee, which will have the power to act on behalf of the  
29 Interstate Commission during periods when the Interstate  
30 Commission is not in session, including overseeing the  
31 administration and enforcement of the Compact. The Interstate  
32 Commission will additionally be tasked with resolving disputes  
33 among member states upon request.

34 The Interstate Commission may collect an annual assessment  
35 from each member state to cover the cost of the operations and  
36 activities of the Interstate Commission and its staff, which is to be  
37 sufficient to cover the annual budget approved each year for which  
38 revenue is not provided by other sources. The Interstate  
39 Commission may not incur obligations until it has secured funds to  
40 cover the obligation. The Interstate Commission will be subject to  
41 a yearly financial audit, which will be included in its annual report.

42

43 Membership in the Compact

44

45 States can join the Compact by enacting a statute adopting the  
46 Compact language. The Compact took effect upon adoption by  
47 seven states, and currently 24 states, the District of Columbia, and  
48 Guam have adopted enabling legislation; the current member states

1 include Alabama, Arizona, Colorado, Idaho, Illinois, Iowa, Kansas,  
2 Maine, Maryland, Minnesota, Mississippi, Montana, Nebraska, New  
3 Hampshire, Nevada, Pennsylvania, South Dakota, Tennessee, Utah,  
4 Vermont, Washington, West Virginia, Wisconsin, and Wyoming.  
5 States may withdraw from the Compact by repealing the enabling  
6 statute, and the Compact will dissolve when the number of member  
7 states is reduced to one.

8 Amendments may be made to the Compact if each member state  
9 enacts legislation adopting the amendment.

10 The provisions of the Compact will not override existing state  
11 authority to regulate the practice of medicine; however, the  
12 Compact provides that other laws in member states that are in  
13 conflict with the Compact are superseded to the extent of the  
14 conflict, and all lawful actions of the Interstate Commission are  
15 binding on the member states. When the Compact exceeds  
16 constitutional limits within a member state, the relevant provision  
17 of the Compact is ineffective to the extent of the conflict.

18 The executive, legislative, and judicial branches of state  
19 government in each member state are to enforce the Compact and  
20 take all actions necessary and appropriate to effectuate the purposes  
21 and intent of the Compact. Courts are to take judicial notice of the  
22 Compact in any judicial proceeding that may affect the powers,  
23 responsibilities, or actions of the Interstate Commission. The  
24 Interstate Commission is entitled to receive service of process and  
25 intervene in any such proceeding, and the failure to provide service  
26 of process will render a judgment or order void as to the Interstate  
27 Commission.

28 Member states may be found in default of the Compact based on  
29 the failure to perform obligations or responsibilities imposed by the  
30 Compact. The Interstate Commission is to provide written notice to  
31 a defaulting state and the other member states of the nature of the  
32 default, the means of curing the default, and any specific action or  
33 conditions necessary to cure the default. The Interstate  
34 Commission is to additionally provide remedial training and  
35 specific technical assistance regarding the default. Failure to cure a  
36 default will result in the member state being terminated from the  
37 Compact.