

HOUSE FLOOR SUBSTITUTE FOR
SENATE BILL 1

57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SPECIAL SESSION, 2025

AN ACT

RELATING TO HEALTH; EXPANDING THE PERMISSIBLE USES OF THE RURAL
HEALTH CARE DELIVERY FUND TO ALLOW FOR GRANTS TO HEALTH CARE
PROVIDERS AND FACILITIES IN HIGH-NEEDS GEOGRAPHIC HEALTH
PROFESSIONAL SHORTAGE AREAS AND TO STABILIZE THE PROVISION OF
EXISTING HEALTH CARE SERVICES; ENACTING THE INTERSTATE MEDICAL
LICENSURE COMPACT; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 24A-1-17 NMSA 1978 (being Laws 2024,
Chapter 39, Section 38) is amended to read:

"24A-1-17. RURAL HEALTH CARE DELIVERY FUND--GRANTS--
APPLICATIONS--AWARDS.--

A. The "rural health care delivery fund" is created
as a nonreverting fund in the state treasury. The fund
consists of appropriations, gifts, grants, donations, income

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1 from investment of the fund and any other revenue credited to
2 the fund. The authority shall administer the fund, and money
3 in the fund is appropriated to the authority to carry out the
4 provisions of this section. Expenditures shall be by warrant
5 of the secretary of finance and administration pursuant to
6 vouchers signed by the secretary or the secretary's authorized
7 representative.

8 B. A rural health care provider or rural health
9 care facility may apply to the authority for a grant to:

10 (1) defray operating losses, including rural
11 health care provider or rural health care facility start-up
12 costs, incurred in providing inpatient, outpatient, primary,
13 specialty or behavioral health care services to New Mexico
14 residents; or

15 (2) stabilize the provision of existing health
16 care services when those services are at risk of reduction or
17 closure.

18 C. The authority may award a grant from the rural
19 health care delivery fund to a rural health care provider or
20 rural health care facility that is providing a new or expanded
21 health care service as approved by the authority that covers
22 operating losses for the new or expanded health care service,
23 subject to the following conditions and limitations:

24 (1) the rural health care provider or rural
25 health care facility meets state licensing requirements to

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1 provide health care services and is an enrolled medicaid
2 provider that actively serves medicaid recipients;

3 (2) grants are for one year and for no more
4 than the first five years of operation as a newly constructed
5 rural health care facility or the operation of a new or
6 expanded health care service;

7 (3) grants are limited to covering operating
8 losses for which recognized revenue is not sufficient;

9 (4) the rural health care provider or rural
10 health care facility provides adequate cost data, as defined by
11 rule of the authority, based on financial and statistical
12 records that can be verified by qualified auditors and which
13 data are based on an approved method of cost finding and the
14 accrual basis of accounting and can be confirmed as having been
15 delivered through review of claims;

16 (5) grant award amounts shall be reconciled by
17 the authority to audited operating losses after the close of
18 the grant period;

19 (6) in the case of a rural health care
20 provider, the provider commits to:

21 (a) a period of operation equivalent to
22 the number of years grants are awarded; and

23 (b) actively serve medicaid recipients
24 throughout the duration of the grant period; and

25 (7) in prioritizing grant awards, the

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1 authority shall consider the health needs of the state and the
2 locality and the long-term sustainability of the new or
3 expanded service.

4 D. Grants shall not be used for operations outside
5 of New Mexico.

6 ~~[G.]~~ E. As used in this section:

7 (1) "allowable costs" means necessary and
8 proper costs defined by rule of the authority based on medicare
9 reimbursement principles, including reasonable direct expenses,
10 but not including general overhead and management fees paid to
11 a parent corporation;

12 (2) "health care services" means services for
13 the diagnosis, prevention, treatment, cure or relief of a
14 physical, dental, behavioral or mental health condition,
15 substance use disorder, illness, injury or disease and for
16 medical or behavioral health ground transportation;

17 (3) "medicaid" means the medical assistance
18 program established pursuant to Title 19 of the federal Social
19 Security Act and rules issued pursuant to that act;

20 (4) "medicaid provider" means a person that
21 provides medicaid-related services to medicaid recipients;

22 (5) "medicaid recipient" means a person whom
23 the authority has determined to be eligible to receive
24 medicaid-related services in the state;

25 (6) "operating losses" means the projected

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1 difference between recognized revenue and allowable costs for a
2 grant request period;

3 (7) "recognized revenue" means operating
4 revenue, including revenue directly related to the rendering of
5 patient care services and revenue from nonpatient care services
6 to patients and persons other than patients; the value of
7 donated commodities; supplemental payments; distributions from
8 the safety net care pool fund; and distributions of federal
9 funds;

10 (8) "rural health care facility" means a
11 health care facility licensed in the state that provides
12 inpatient or outpatient physical or behavioral health services
13 or programmatic services:

14 (a) in a county that has a population of
15 one hundred thousand or fewer according to the most recent
16 federal decennial census;

17 (b) in a high-needs geographic health
18 professional shortage area as designated by the United States
19 health resources and services administration; or

20 (c) in a tribally operated health care
21 facility;

22 (9) "rural health care provider" means an
23 individual health professional licensed by the appropriate
24 board, a medical or behavioral health ground transportation
25 entity licensed by the public regulation commission or a health

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1 facility organization licensed by the authority to provide
2 health care diagnosis and treatment of physical or behavioral
3 health or programmatic services:

4 (a) in a county that has a population of
5 one hundred thousand or fewer according to the most recent
6 federal decennial census; or

7 (b) in a high-needs geographic health
8 professional shortage area as designated by the United States
9 health resources and services administration; and

10 (10) "start-up costs" means the planning,
11 development and operation of rural health care services,
12 including legal fees; accounting fees; costs associated with
13 leasing equipment, a location or property; depreciation of
14 equipment costs; and staffing costs. "Start-up costs" does not
15 mean the construction or purchase of land or buildings."

16 SECTION 2. [NEW MATERIAL] INTERSTATE MEDICAL LICENSURE
17 COMPACT ENTERED INTO.--The "Interstate Medical Licensure
18 Compact" is enacted into law and entered into on behalf of New
19 Mexico with any and all other states legally joining therein in
20 a form substantially as follows:

21 "INTERSTATE MEDICAL LICENSURE COMPACT

22 ARTICLE 1 - Purpose

23 In order to strengthen access to health care, and in
24 recognition of the advances in the delivery of health care, the
25 member states of the Interstate Medical Licensure Compact have

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1 allied in common purpose to develop a comprehensive process
2 that complements the existing licensing and regulatory
3 authority of state medical boards, provides a streamlined
4 process that allows physicians to become licensed in multiple
5 states, enhances the portability of a medical license and
6 ensures the safety of patients. The compact creates another
7 pathway for licensure and does not otherwise change a state's
8 existing medical practice act. The compact also adopts the
9 prevailing standard for licensure and affirms that the practice
10 of medicine occurs where the patient is located at the time of
11 the physician-patient encounter and, therefore, requires the
12 physician to be under the jurisdiction of the state medical
13 board where the patient is located. State medical boards that
14 participate in the compact retain the jurisdiction to impose an
15 adverse action against a license to practice medicine in that
16 state issued to a physician through the procedures in the
17 compact.

18 ARTICLE 2 - Definitions

19 In the Interstate Medical Licensure Compact:

20 A. "bylaws" means those bylaws established by the
21 interstate commission;

22 B. "commissioner" means the voting representative
23 appointed by each member board;

24 C. "conviction" means a finding by a court that a
25 person is guilty of a criminal offense through adjudication or

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1 entry of a plea of guilt or no contest to the charge by the
2 offender. Evidence of an entry of a conviction of a criminal
3 offense by the court shall be considered final for purposes of
4 disciplinary action by a member board;

5 D. "expedited license" means a full and
6 unrestricted medical license granted by a member state to an
7 eligible physician through the process set forth in the
8 Interstate Medical Licensure Compact;

9 E. "interstate commission" means the interstate
10 medical licensure compact commission;

11 F. "license" means authorization by a member state
12 for a physician to engage in the practice of medicine, which
13 would be unlawful without authorization;

14 G. "medical practice act" means laws and rules
15 governing the practice of allopathic and osteopathic medicine
16 within a member state;

17 H. "member board" means a state agency in a member
18 state that acts in the sovereign interests of the state by
19 protecting the public through licensure, regulation and
20 education of physicians as directed by the state government;

21 I. "member state" means a state that has enacted
22 the Interstate Medical Licensure Compact;

23 J. "offense" means a felony or gross misdemeanor;

24 K. "physician" means a person who:

25 (1) is a graduate of a medical school

1 accredited by the liaison committee on medical education, the
2 commission on osteopathic college accreditation or a medical
3 school listed in the *World Directory of Medical Schools* or its
4 equivalent;

5 (2) passed each component of the United States
6 medical licensing examination or the comprehensive osteopathic
7 medical licensing examination of the United States within three
8 attempts, or any of its predecessor examinations accepted by a
9 state medical board as an equivalent examination for licensure
10 purposes;

11 (3) successfully completed graduate medical
12 education approved by the accreditation council for graduate
13 medical education or the American osteopathic association;

14 (4) holds specialty certification or a time-
15 unlimited specialty certificate recognized by the American
16 board of medical specialties or the American osteopathic
17 association bureau of osteopathic specialists;

18 (5) possesses a full and unrestricted license
19 to engage in the practice of medicine issued by a member board;

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

24 (7) has never held a license authorizing the
25 practice of medicine subjected to discipline by a licensing

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1 agency in any state, federal or foreign jurisdiction, excluding
2 any action related to nonpayment of fees related to a license;

3 (8) has never had a controlled substance
4 license or permit suspended or revoked by a state or the United
5 States drug enforcement administration; and

6 (9) is not under active investigation by a
7 licensing agency or law enforcement authority in any state,
8 federal or foreign jurisdiction;

9 L. "practice of medicine" means that clinical
10 prevention, diagnosis or treatment of human disease, injury or
11 condition requiring a physician to obtain and maintain a
12 license in compliance with the medical practice act of a member
13 state;

14 M. "rule" means a written statement by the
15 interstate commission promulgated pursuant to Article 12 of the
16 Interstate Medical Licensure Compact that is of general
17 applicability, implements, interprets or prescribes a policy or
18 provision of the compact, or is an organizational, procedural
19 or practice requirement of the interstate commission, and has
20 the force and effect of statutory law in a member state and
21 includes the amendment, repeal or suspension of an existing
22 rule;

23 N. "state" means any state, commonwealth, district
24 or territory of the United States; and

25 O. "state of principal license" means a member

1 state in which a physician holds a license to practice medicine
2 and that has been designated as such by the physician for
3 purposes of registration and participation in the Interstate
4 Medical Licensure Compact.

5 ARTICLE 3 - Eligibility

6 A. A physician must meet the eligibility
7 requirements as defined in Subsection K of Article 2 of the
8 Interstate Medical Licensure Compact to receive an expedited
9 license under the terms and provisions of that compact.

10 B. A physician who does not meet the requirements
11 of Subsection K of Article 2 of the Interstate Medical
12 Licensure Compact may obtain a license to practice medicine in
13 a member state if the person complies with all laws and
14 requirements other than that compact relating to the issuance
15 of a license to practice medicine in that state.

16 ARTICLE 4 - Designation of State of Principal License

17 A. A physician shall designate a member state as
18 the state of principal license for purposes of registration for
19 expedited licensure through the Interstate Medical Licensure
20 Compact if the physician possesses a full and unrestricted
21 license to practice medicine in that state, and the state is:

22 (1) the state of principal residence for the
23 physician;

24 (2) the state in which at least twenty-five
25 percent of the physician's practice of medicine occurs;

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

3 (4) the state designated as state of residence
4 for the purpose of federal income tax if a state does not
5 qualify under Paragraph (1), (2) or (3) of this subsection.

6 B. A physician may redesignate a member state as a
7 state of principal license at any time if the state meets the
8 requirements of Subsection A of this article.

9 C. The interstate commission is authorized to
10 develop rules to facilitate redesignation of another member
11 state as the state of principal license.

12 ARTICLE 5 - Application and Issuance of Expedited Licensure

13 A. A physician seeking licensure through the
14 Interstate Medical Licensure Compact shall file an application
15 for an expedited license with the member board of the state
16 selected by the physician as the state of principal license.

17 B. Upon receipt of an application for an expedited
18 license, the member board within the state of principal license
19 shall evaluate whether the physician is eligible for expedited
20 licensure and issue a letter of qualification, verifying or
21 denying the physician's eligibility, to the interstate
22 commission.

23 (1) Static qualifications, which include
24 verification of medical education, graduate medical education,
25 results of any medical or licensing examination and other

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1 qualifications as determined by the interstate commission
2 through rule, shall not be subject to additional primary-source
3 verification if primary-source verification has been conducted
4 by the state of principal license.

5 (2) The member board of the state of principal
6 license shall, in the course of verifying eligibility, perform
7 a criminal background check of an applicant, including the use
8 of the results of fingerprint or other biometric data checks
9 compliant with the requirements of the federal bureau of
10 investigation, with the exception of federal employees who have
11 suitability determination in accordance with 5 Code of Federal
12 Register Section 731.202.

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

16 C. Upon verification pursuant to Subsection B of
17 this article, physicians eligible for an expedited license
18 shall complete the registration process established by the
19 interstate commission to receive a license in a member state
20 selected pursuant to Subsection A of this article, including
21 the payment of applicable fees.

22 D. After receiving verification of eligibility
23 pursuant to Subsection B of this article and payment of fees
24 pursuant to Subsection C of this article, a member board shall
25 issue an expedited license to the physician. This license

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1 shall authorize the physician to practice medicine in the
2 issuing state consistent with the medical practice act and all
3 applicable laws and rules of the issuing member board and
4 member state.

5 E. An expedited license shall be valid for a period
6 consistent with the licensure period in the member state and in
7 the same manner as required for other physicians holding a full
8 and unrestricted license within the member state.

9 F. An expedited license obtained through the
10 Interstate Medical Licensure Compact shall be terminated if a
11 physician fails to maintain the license in the state of
12 principal licensure for a non-disciplinary reason, without
13 redesignation of a new state of principal licensure.

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

18 ARTICLE 6 - Fees for Expedited Licensure

19 A. A member state issuing an expedited license
20 authorizing the practice of medicine in that state may impose a
21 fee for a license issued or renewed through the Interstate
22 Medical Licensure Compact.

23 B. The interstate commission is authorized to
24 develop rules regarding fees for expedited licenses.

25 ARTICLE 7 - Renewal and Continued Participation

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1 A. A physician seeking to renew an expedited
2 license granted in a member state shall complete a renewal
3 process with the interstate commission if the physician:

4 (1) maintains a full and unrestricted license
5 in the state of principal license;

6 (2) has not been convicted, received
7 adjudication, deferred adjudication, community supervision or
8 deferred disposition for an offense by a court of appropriate
9 jurisdiction;

10 (3) has not had a license authorizing the
11 practice of medicine subject to discipline by a licensing
12 agency in any state, federal or foreign jurisdiction, excluding
13 any action related to nonpayment of fees related to a license;
14 and

15 (4) has not had a controlled substance license
16 or permit suspended or revoked by a state or the United States
17 drug enforcement administration.

18 B. Physicians shall comply with all continuing
19 professional development or continuing medical education
20 requirements for renewal of a license issued by a member state.

21 C. The interstate commission shall collect the
22 renewal fees charged for the renewal of a license and
23 distribute the fees to the applicable member board.

24 D. Upon receipt of the renewal fees collected in
25 Subsection C of this article, a member board shall renew the

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1 physician's license.

2 E. Physician information collected by the
3 interstate commission during the renewal process will be
4 distributed to all member boards.

5 F. The interstate commission is authorized to
6 develop rules to address renewal of licenses obtained through
7 the Interstate Medical Licensure Compact.

8 ARTICLE 8 - Coordinated Information System

9 A. The interstate commission shall establish a
10 database of all physicians licensed, or who have applied for
11 licensure, pursuant to Article 5 of the Interstate Medical
12 Licensure Compact.

13 B. Notwithstanding any other provision of law,
14 member boards shall report to the interstate commission any
15 public action or complaint against a licensed physician who has
16 applied or received an expedited license through the Interstate
17 Medical Licensure Compact.

18 C. Member boards shall report disciplinary or
19 investigatory information determined as necessary and proper by
20 rule of the interstate commission.

21 D. Member boards may report any nonpublic
22 complaint, disciplinary or investigatory information not
23 required by Subsection C of this article to the interstate
24 commission.

25 E. Member boards shall share complaint or

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1 disciplinary information about a physician upon request of
2 another member board.

3 F. All information provided to the interstate
4 commission or distributed by member boards shall be
5 confidential, filed under seal and used only for investigatory
6 or disciplinary matters.

7 G. The interstate commission is authorized to
8 develop rules for mandated or discretionary sharing of
9 information by member boards.

10 ARTICLE 9 - Joint Investigations

11 A. Licensure and disciplinary records of physicians
12 are deemed investigative.

13 B. In addition to the authority granted to a member
14 board by its respective medical practice act or other
15 applicable state law, a member board may participate with other
16 member boards in joint investigations of physicians licensed by
17 the member boards.

18 C. A subpoena issued by a member state shall be
19 enforceable in other member states, but only to the extent that
20 both states agree to and are participating in a joint
21 investigation pursuant to the Interstate Medical Licensure
22 Compact.

23 D. Member boards may share investigative,
24 litigation or compliance materials in furtherance of any joint
25 or individual investigation initiated under the Interstate

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1 Medical Licensure Compact.

2 E. A member state may investigate actual or alleged
3 violations of the statutes authorizing the practice of medicine
4 in any other member state in which a physician holds a license
5 to practice medicine.

6 ARTICLE 10 - Disciplinary Actions

7 A. A disciplinary action taken by a member board
8 against a physician licensed through the Interstate Medical
9 Licensure Compact shall be deemed unprofessional conduct that
10 may be subject to discipline by other member boards, in
11 addition to a violation of the medical practice act or rules in
12 that state.

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

25 C. If disciplinary action is taken against a

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1 physician by a member board not in the state of principal
2 license, any other member board may deem the action conclusive
3 as to matter of law and fact decided and:

4 (1) impose the same or lesser sanctions
5 against the physician so long as such sanctions are consistent
6 with the medical practice act of that state; or

7 (2) pursue separate disciplinary action
8 against the physician under that state's respective medical
9 practice act, regardless of the action taken in other member
10 states.

11 D. If a license granted to a physician by a member
12 board is revoked, surrendered or relinquished in lieu of
13 discipline or suspended, then any licenses issued to the
14 physician by other member boards shall be suspended,
15 automatically and immediately without further action necessary
16 by the other member boards, for ninety days upon entry of the
17 order by the disciplining board, to permit the member boards to
18 investigate the basis for the action under the medical practice
19 act of that state. A member board may terminate the automatic
20 suspension of the license the member board issued prior to the
21 completion of the ninety-day suspension period in a manner
22 consistent with the medical practice act of that state.

23 E. A license, certification or authorization that
24 is automatically suspended or revoked pursuant to this article
25 shall be immediately reinstated if the suspension or revocation

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1 is solely on the basis that a health care practitioner
2 performed, recommended or provided reproductive health services
3 or gender-affirming care as authorized in Article 1 of the
4 Interstate Medical Licensure Compact.

5 ARTICLE 11 - Interstate Medical Licensure Compact Commission

6 A. The "interstate medical licensure compact
7 commission" is created by the member states in accordance with
8 the provisions of this article.

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

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

19 D. The interstate commission shall consist of two
20 voting representatives appointed by each member state who shall
21 serve as commissioners. In states where allopathic and
22 osteopathic physicians are regulated by separate member boards
23 or if the licensing and disciplinary authority is split between
24 separate member boards or if the licensing and disciplinary
25 authority is split between multiple member boards within a

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1 member state, the member state shall appoint one representative
2 from each member board. A commissioner shall be:

3 (1) an allopathic or osteopathic physician
4 appointed to a member board;

5 (2) an executive director, executive secretary
6 or similar executive of a member board; or

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

9 E. The interstate commission shall meet at least
10 once each calendar year. A portion of this meeting shall be a
11 business meeting to address such matters as may properly come
12 before the commission, including the election of officers. The
13 chair may call additional meetings and shall call for a meeting
14 upon the request of a majority of the member states.

15 F. The bylaws may provide for meetings of the
16 interstate commission to be conducted by telecommunication or
17 electronic communication.

18 G. Each commissioner participating at a meeting of
19 the interstate commission is entitled to one vote. A majority
20 of commissioners shall constitute a quorum for the transaction
21 of business unless a larger quorum is required by the bylaws of
22 the interstate commission. A commissioner shall not delegate a
23 vote to another commissioner. In the absence of a member
24 state's commissioner, the member state may delegate voting
25 authority for a specified meeting to another person from that

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1 state who shall meet the requirements of Subsection D of this
2 article.

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

9 (1) relate solely to the internal personnel
10 practice and procedures of the interstate commission;

11 (2) discuss matters specifically exempted from
12 disclosure by federal statute;

13 (3) discuss trade secrets or commercial or
14 financial information that is privileged or confidential;

15 (4) involve accusing a person of a crime or
16 formally censuring a person;

17 (5) discuss information of a personal nature,
18 in which disclosure would constitute a clearly unwarranted
19 invasion of personal privacy;

20 (6) discuss investigative records compiled for
21 law enforcement purposes; or

22 (7) specifically relate to the participation
23 in a civil action or other legal proceeding.

24 I. The interstate commission shall keep minutes
25 that shall fully describe all matters discussed in a meeting

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1 and shall provide a full and accurate summary of actions taken,
2 including record of any roll call votes.

3 J. The interstate commission shall make its
4 information and official records, to the extent not otherwise
5 designated in the Interstate Medical Licensure Compact or by
6 its rules, available to the public for inspection.

7 K. The interstate commission shall establish an
8 executive committee that shall include officers, members and
9 others as determined by the bylaws. The executive committee
10 shall have the power to act on behalf of the interstate
11 commission, with the exception of rulemaking, during periods
12 when the interstate commission is not in session. When acting
13 on behalf of the interstate commission, the executive committee
14 shall oversee the administration of the Interstate Medical
15 Licensure Compact, including enforcement and compliance with
16 the provisions of the compact, its bylaws and rules and other
17 such duties as necessary.

18 L. The interstate commission shall establish other
19 committees for governance and administration of the Interstate
20 Medical Licensure Compact.

21 ARTICLE 12 - Powers and Duties of the Interstate Commission

22 The interstate commission shall have the duty and power
23 to:

24 A. oversee and maintain the administration of the
25 Interstate Medical Licensure Compact;

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1 B. promulgate rules that shall be binding to the
2 extent and in the manner provided for in the Interstate Medical
3 Licensure Compact;

4 C. issue, upon the request of a member state or
5 member board, advisory opinions concerning the meaning or
6 interpretation of the Interstate Medical Licensure Compact, its
7 bylaws, rules and actions;

8 D. enforce compliance with Interstate Medical
9 Licensure Compact provisions, the rules promulgated by the
10 interstate commission and the bylaws, using all necessary and
11 proper means, including the use of judicial process;

12 E. establish and appoint committees, including an
13 executive committee as required by Article 11 of the Interstate
14 Medical Licensure Compact, which shall have the power to act on
15 behalf of the interstate commission in carrying out the
16 interstate commission's powers and duties;

17 F. pay, or provide for the payment of, the expenses
18 related to the establishment, organization and ongoing
19 activities of the interstate commission;

20 G. establish and maintain one or more offices;

21 H. borrow, accept, hire or contract for services of
22 personnel;

23 I. purchase and maintain insurance and bonds;

24 J. employ an executive director who shall have such
25 powers to employ, select or appoint employees, agents or

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1 consultants and to determine their qualifications, define their
2 duties and fix their compensation;

3 K. establish personnel policies and programs
4 relating to conflicts of interest, rates of compensation and
5 qualifications of personnel;

6 L. accept donations and grants of money, equipment,
7 supplies, materials and services and to receive, utilize and
8 dispose of donations and grants of money, equipment, supplies,
9 materials and services in a manner consistent with the conflict
10 of interest policies established by the interstate commission;

11 M. lease, purchase, accept contributions or
12 donations of or otherwise to own, hold, improve or use any
13 property, real, personal or mixed;

14 N. sell, convey, mortgage, pledge, lease, exchange,
15 abandon or otherwise dispose of any property, real, personal or
16 mixed;

17 O. establish a budget and make expenditures;

18 P. adopt a seal and bylaws governing the management
19 and operation of the interstate commission;

20 Q. report annually to the legislatures and
21 governors of the member states concerning the activities of the
22 interstate commission during the preceding year. Such reports
23 shall also include reports of financial audits and any
24 recommendations that may have been adopted by the interstate
25 commission;

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1 R. coordinate education, training and public
2 awareness regarding the Interstate Medical Licensure Compact,
3 its implementation and its operation;

4 S. maintain records in accordance with the bylaws;

5 T. seek and obtain trademarks, copyrights and
6 patents; and

7 U. perform such functions as may be necessary or
8 appropriate to achieve the purpose of the Interstate Medical
9 Licensure Compact.

10 ARTICLE 13 - Finance Powers

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

20 B. The interstate commission shall not incur
21 obligations of any kind prior to securing the funds adequate to
22 meet the same.

23 C. The interstate commission shall not pledge the
24 credit of any of the member states, except by, and with the
25 authority of, the member state.

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1 liability caused or arising out of, or relating to, an actual
 2 or alleged act, error or omission that occurred, or that such
 3 person had a reasonable basis for believing occurred, within
 4 the scope of interstate commission employment, duties or
 5 responsibilities; provided that such person shall not be
 6 protected from suit or liability for damage, loss, injury or
 7 liability caused by the intentional or willful and wanton
 8 misconduct of such person.

9 E. The liability of the executive director and
 10 employees of the interstate commission or representatives of
 11 the interstate commission, acting within the scope of such
 12 person's employment or duties for acts, errors or omissions
 13 occurring within such person's state, may not exceed the limits
 14 of liability set forth under the constitution and laws of that
 15 state for state officials, employees and agents. The
 16 interstate commission is considered to be an instrumentality of
 17 the states for the purpose of any such action. Nothing in this
 18 subsection shall be construed to protect such person from suit
 19 or liability for damage, loss, injury or liability caused by
 20 the intentional or willful and wanton misconduct of such
 21 person.

22 F. The interstate commission shall defend the
 23 executive director and its employees, and, subject to the
 24 approval of the attorney general or other appropriate legal
 25 counsel of the member state represented by an interstate

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

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

24 ARTICLE 15 - Rulemaking Functions of the Interstate Commission

25 A. The interstate commission shall promulgate

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1 reasonable rules to effectively and efficiently achieve the
 2 purpose of the Interstate Medical Licensure Compact; provided
 3 that in the event the interstate commission exercises
 4 rulemaking authority in a manner that is beyond the scope of
 5 the purposes of that compact or the powers granted by that
 6 compact, then such an action by the interstate commission shall
 7 be invalid and have no force or effect.

8 B. Rules deemed appropriate for the operations of
 9 the interstate commission shall be made pursuant to a
 10 rulemaking process that substantially conforms to the model
 11 state administrative procedure act of 2010 and subsequent
 12 amendments to that act.

13 C. No later than thirty days after a rule is
 14 promulgated, a person may file a petition for judicial review
 15 of the rule in the United States district court for the
 16 District of Columbia or the federal district where the
 17 interstate commission has its principal offices; provided that
 18 the filing of such a petition shall not stay or otherwise
 19 prevent the rule from becoming effective unless the court finds
 20 that the petitioner has a substantial likelihood of success.
 21 The court shall give deference to the actions of the interstate
 22 commission consistent with applicable law and shall not find
 23 the rule to be unlawful if the rule represents a reasonable
 24 exercise of the authority granted to the interstate commission.

25 ARTICLE 16 - Oversight of Interstate Medical Licensure Compact

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1 A. The executive, legislative and judicial branches
2 of state government in each member state shall enforce the
3 Interstate Medical Licensure Compact and shall take all actions
4 necessary and appropriate to effectuate the compact's purposes
5 and intent. The provisions of that compact and the rules
6 promulgated pursuant to that compact shall have standing as
7 statutory law but shall not override existing state authority
8 to regulate the practice of medicine.

9 B. All courts shall take judicial notice of the
10 Interstate Medical Licensure Compact and rules promulgated
11 pursuant to that compact in any judicial or administrative
12 proceeding in a member state pertaining to the subject matter
13 of that compact that may affect the powers, responsibilities or
14 actions of the interstate commission.

15 C. The interstate commission shall be entitled to
16 receive all services of process in such proceeding and shall
17 have standing to intervene in the proceeding for all purposes.
18 Failure to provide service of process to the interstate
19 commission shall render a judgment or order void as to the
20 interstate commission, the Interstate Medical Licensure Compact
21 or promulgated rules.

22 ARTICLE 17 - Enforcement of Interstate Medical Licensure
23 Compact

24 A. The interstate commission, in the reasonable
25 exercise of its discretion, shall enforce the provisions and

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1 rules of the Interstate Medical Licensure Compact.

2 B. The interstate commission may, by majority vote
3 of the commissioners, initiate legal action in the United
4 States district court for the District of Columbia, or, at the
5 discretion of the interstate commission, in the federal
6 district where the interstate commission has its principal
7 offices, to enforce compliance with the provisions of the
8 Interstate Medical Licensure Compact, and its promulgated rules
9 and bylaws, against a member state in default. The relief
10 sought may include both injunctive relief and damages. In the
11 event judicial enforcement is necessary, the prevailing party
12 shall be awarded all costs of such litigation, including
13 reasonable attorney fees.

14 C. The remedies provided in this article shall not
15 be the exclusive remedies of the interstate commission. The
16 interstate commission may avail itself of any other remedies
17 available under state law or regulation of a profession.

18 ARTICLE 18 - Default Procedures

19 A. The grounds for default include failure of a
20 member state to perform such obligations or responsibilities
21 imposed upon the member state by the Interstate Medical
22 Licensure Compact or the rules and bylaws of the interstate
23 commission promulgated pursuant to that compact.

24 B. If the interstate commission determines that a
25 member state has defaulted in the performance of the member

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1 state's obligations or responsibilities under the Interstate
2 Medical Licensure Compact, or the bylaws or promulgated rules,
3 the interstate commission shall:

4 (1) provide written notice to the defaulting
5 state and other member states of the nature of the default, the
6 means of curing the default and any action taken by the
7 interstate commission. The interstate commission shall specify
8 the conditions by which the defaulting state must cure its
9 default; and

10 (2) provide remedial training and specific
11 technical assistance regarding the default.

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

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

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1 E. The interstate commission shall establish rules
2 and procedures to address licenses and physicians that are
3 materially impacted by the termination of a member state or the
4 withdrawal of a member state.

5 F. The member state that has been terminated is
6 responsible for all dues, obligations and liabilities incurred
7 through the effective date of termination, including
8 obligations, the performance of which extend beyond the
9 effective date of termination.

10 G. The interstate commission shall not bear any
11 costs relating to any state that has been found to be in
12 default or that has been terminated from the Interstate Medical
13 Licensure Compact unless otherwise mutually agreed upon in
14 writing between the interstate commission and the defaulting
15 state.

16 H. The defaulting state may appeal the action of
17 the interstate commission by petitioning the United States
18 district court for the District of Columbia or the federal
19 district where the interstate commission has its principal
20 offices. The prevailing party shall be awarded all costs of
21 such litigation, including reasonable attorney fees.

22 ARTICLE 19 - Dispute Resolution

23 A. The interstate commission shall attempt, upon
24 the request of a member state, to resolve disputes that are
25 subject to the Interstate Medical Licensure Compact and that

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1 may arise among member states or member boards.

2 B. The interstate commission shall promulgate rules
3 providing for both mediation and binding dispute resolution as
4 appropriate.

5 ARTICLE 20 - Member States, Effective Date and Amendment

6 A. Any state is eligible to become a member of the
7 Interstate Medical Licensure Compact.

8 B. The Interstate Medical Licensure Compact shall
9 become effective and binding upon legislative enactment of the
10 compact into law by no less than seven states. Thereafter, it
11 shall become effective and binding on a state upon enactment of
12 the compact into law by that state.

13 C. The governors of nonmember states, or the
14 governors' designees, shall be invited to participate in the
15 activities of the interstate commission on a nonvoting basis
16 prior to adoption of the Interstate Medical Licensure Compact
17 by all states.

18 D. The interstate commission may propose amendments
19 to the Interstate Medical Licensure Compact for enactment by
20 the member states. No amendment shall become effective and
21 binding upon the interstate commission and the member states
22 unless and until the amendment is enacted into law by unanimous
23 consent of the member states.

24 ARTICLE 21 - Withdrawal

25 A. Once effective, the Interstate Medical Licensure

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1 Compact shall continue in force and remain binding upon each
2 member state; provided that a member state may withdraw from
3 the compact by specifically repealing the statute that enacted
4 the compact into law.

5 B. Withdrawal from the Interstate Medical Licensure
6 Compact shall be by the enactment of a statute repealing the
7 compact, but shall not take effect until one year after the
8 effective date of that law and until written notice of the
9 withdrawal has been given by the withdrawing state to the
10 governor of each other member state.

11 C. The withdrawing state shall immediately notify
12 the chair of the interstate commission in writing upon the
13 introduction of legislation to repeal the Interstate Medical
14 Licensure Compact in the withdrawing state.

15 D. The interstate commission shall notify the other
16 member states of the withdrawing state's intent to withdraw
17 within sixty days of receipt of notice provided under
18 Subsection C of this article.

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

24 F. Reinstatement following withdrawal of a member
25 state shall occur upon the withdrawing state reenacting the

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1 Interstate Medical Licensure Compact or upon such later date as
2 determined by the interstate commission.

3 G. The interstate commission is authorized to
4 develop rules to address the impact of the withdrawal of a
5 member state on licenses granted in other member states to
6 physicians who designated the withdrawing member state as the
7 state of principal license.

8 ARTICLE 22 - Dissolution

9 A. The Interstate Medical Licensure Compact shall
10 dissolve effective upon the date of the withdrawal or default
11 of the member state that reduces the membership of the compact
12 to one member state.

13 B. Upon the dissolution of the Interstate Medical
14 Licensure Compact, the compact becomes void and shall be of no
15 further force, and the business and affairs of the interstate
16 commission shall be concluded and surplus funds shall be
17 distributed in accordance with the bylaws.

18 ARTICLE 23 - Severability and Construction

19 A. The provisions of the Interstate Medical
20 Licensure Compact shall be severable, and if any phrase,
21 clause, sentence or provision is deemed unenforceable, the
22 remaining provisions of the compact shall be enforceable.

23 B. The provisions of the Interstate Medical
24 Licensure Compact shall be liberally construed to effectuate
25 the purposes of that compact.

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1 C. Nothing in the Interstate Medical Licensure
2 Compact shall be construed to prohibit the applicability of
3 other interstate compacts to which the member states are
4 members.

5 ARTICLE 24 - Binding Effect of the Interstate Medical Licensure
6 Compact and Other Laws

7 A. Nothing in the Interstate Medical Licensure
8 Compact prevents the enforcement of any other law of a member
9 state that is not inconsistent with that compact.

10 B. All laws in a member state in conflict with the
11 Interstate Medical Licensure Compact are superseded to the
12 extent of the conflict.

13 C. All lawful actions of the interstate commission,
14 including all rules and bylaws promulgated by the interstate
15 commission, are binding upon the member states.

16 D. All agreements between the interstate commission
17 and the member states are binding in accordance with their
18 terms.

19 E. In the event any provision of the Interstate
20 Medical Licensure Compact exceeds the constitutional limits
21 imposed on the legislature of any member state, such provision
22 shall be ineffective to the extent of the conflict with the
23 constitutional provision in question in that member state."

24 SECTION 3. EMERGENCY.--It is necessary for the public
25 peace, health and safety that this act take effect immediately.

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