

GENERAL ASSEMBLY OF NORTH CAROLINA  
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SENATE BILL DRS55042-MGqq-57B\* (02/21)

Short Title: Establish New Nurse Licensure Compact. (Public)

Sponsors: Senators Pate, Hise, and Krawiec (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT REPEALING AND REPLACING NORTH CAROLINA'S CURRENT NURSE  
3 LICENSURE COMPACT.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 90-171.80 through G.S. 90-171.94 are repealed.

6 SECTION 2. Article 9G of Chapter 90 of the General Statutes is amended by  
7 adding new sections to read:

8 **"§ 90-171.95. Findings and declaration of purpose.**

9 (a) The party states make the following findings:

- 10 (1) The health and safety of the public are affected by the degree of compliance  
11 with and the effectiveness of enforcement activities related to state nurse  
12 licensure laws.  
13 (2) Violations of nurse licensure and other laws regulating the practice of  
14 nursing may result in injury or harm to the public.  
15 (3) The expanded mobility of nurses and the use of advanced communication  
16 technologies as part of our nation's health care delivery system require  
17 greater coordination and cooperation among states in the areas of nurse  
18 licensure and regulation.  
19 (4) New practice modalities and technology make compliance with individual  
20 state nurse licensure laws difficult and complex.  
21 (5) The current system of duplicative licensure for nurses practicing in multiple  
22 states is cumbersome and redundant for both nurses and states.  
23 (6) Uniformity of nurse licensure requirements throughout the states promotes  
24 public safety and public health benefits.

25 (b) The general purposes of this Compact are as follows:

- 26 (1) Facilitate the states' responsibility to protect the public's health and safety.  
27 (2) Ensure and encourage the cooperation of party states in the areas of nurse  
28 licensure and regulation.  
29 (3) Facilitate the exchange of information between party states in the areas of  
30 nurse regulation, investigation, and adverse actions.  
31 (4) Promote compliance with the laws governing the practice of nursing in each  
32 jurisdiction.  
33 (5) Invest all party states with the authority to hold a nurse accountable for  
34 meeting all state practice laws in the state in which the patient is located at  
35 the time care is rendered through the mutual recognition of party state  
36 licenses.



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1           (6)    Decrease redundancies in the consideration and issuance of nurse licenses.

2           (7)    Provide opportunities for interstate practice by nurses who meet uniform  
3           licensure requirements.

4   **"§ 90-171.95A. Definitions.**

5       As used in this Compact:

6       (a)    Adverse Action. – Any administrative, civil, equitable, or criminal action permitted  
7       by a state's laws which is imposed by a licensing board or other authority against a nurse,  
8       including actions against an individual's license or multistate licensure privilege such as  
9       revocation, suspension, probation, monitoring of the licensee, limitation on the licensee's  
10       practice, or any other encumbrance on licensure affecting a nurse's authorization to practice,  
11       including issuance of a cease and desist action.

12       (b)    Alternative Program. – A nondisciplinary monitoring program approved by a  
13       licensing board.

14       (c)    Coordinated Licensure Information System. – An integrated process for collecting,  
15       storing, and sharing information on nurse licensure and enforcement activities related to nurse  
16       licensure laws that is administered by a nonprofit organization composed of and controlled by  
17       licensing boards.

18       (d)    Current Significant Investigative Information. – Both of the following:

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

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

26       (e)    Encumbrance. – A revocation or suspension of, or any limitation on, the full and  
27       unrestricted practice of nursing imposed by a licensing board.

28       (f)    Home State. – The party state which is the nurse's primary state of residence.

29       (g)    Licensing Board. – A party state's regulatory body responsible for issuing nurse  
30       licenses.

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

34       (i)    Multistate Licensure Privilege. – A legal authorization associated with a multistate  
35       license permitting the practice of nursing as either a registered nurse (RN) or LPN/VN in a  
36       remote state.

37       (j)    Nurse. – RN or LPN/VN, as those terms are defined by each party state's practice  
38       laws.

39       (k)    Party State. – Any state that has adopted this Compact.

40       (l)    Remote State. – A party state, other than the home state.

41       (m)    Single-State License. – A nurse license issued by a party state that authorizes  
42       practice only within the issuing state and does not include a multistate licensure privilege to  
43       practice in any other party state.

44       (n)    State. – A state, territory, or possession of the United States and the District of  
45       Columbia.

46       (o)    State Practice Laws. – A party state's laws, rules, and regulations that govern the  
47       practice of nursing, define the scope of nursing practice, and create the methods and grounds  
48       for imposing discipline. "State practice laws" do not include requirements necessary to obtain  
49       and retain a license, except for qualifications or requirements of the home state.

50   **"§ 90-171.95B. General provisions and jurisdiction.**

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

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

10       (c) Each party state shall require all of the following for an applicant to obtain or retain  
11 a multistate license in the home state:

12            (1) Meets the home state's qualifications for licensure or renewal of licensure as  
13 well as all other applicable state laws.

14            (2) Either of the following:

15                a. Has graduated or is eligible to graduate from a licensing  
16 board-approved RN or LPN/VN prelicensure education program.

17                b. Has graduated from a foreign RN or LPN/VN pre-licensure  
18 education program that (a) has been approved by the authorized  
19 accrediting body in the applicable country and (b) has been verified  
20 by an independent credentials review agency to be comparable to a  
21 licensing board-approved pre-licensure education program.

22            (3) Has, if a graduate of a foreign pre-licensure education program not taught in  
23 English or if English is not the individual's native language, successfully  
24 passed an English proficiency examination that includes the components of  
25 reading, speaking, writing, and listening.

26            (4) Has successfully passed an NCLEX-RN® or NCLEX-PN® Examination or  
27 recognized predecessor, as applicable.

28            (5) Is eligible for or holds an active, unencumbered license.

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

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

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

40            (9) Is not currently enrolled in an alternative program.

41            (10) Is subject to self-disclosure requirements regarding current participation in  
42 an alternative program.

43            (11) Has a valid United States Social Security number.

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

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

8       (f) Individuals not residing in a party state shall continue to be able to apply for a party  
9 state's single-state license as provided under the laws of each party state. However, the  
10 single-state license granted to these individuals will not be recognized as granting the privilege  
11 to practice nursing in any other party state. Nothing in this Compact shall affect the  
12 requirements established by a party state for the issuance of a single-state license.

13       (g) Any nurse holding a home state multistate license, on the effective date of this  
14 Compact, may retain and renew the multistate license issued by the nurse's then-current home  
15 state, provided that:

16           (1) A nurse, who changes primary state of residence after this Compact's  
17 effective date, must meet all applicable requirements in subsection (c) of this  
18 section to obtain a multistate license from a new home state.

19           (2) A nurse who fails to satisfy the multistate licensure requirements in  
20 subsection (c) of this section due to a disqualifying event occurring after this  
21 Compact's effective date shall be ineligible to retain or renew a multistate  
22 license, and the nurse's multistate license shall be revoked or deactivated in  
23 accordance with applicable rules adopted by the Interstate Commission of  
24 Nurse Licensure Compact Administrators ("Commission").

25 **"§ 90-171.95C. Applications for licensure in a party state.**

26       (a) Upon application for a multistate license, the licensing board in the issuing party  
27 state shall ascertain, through the coordinated licensure information system, whether the  
28 applicant has ever held, or is the holder of, a license issued by any other state, whether there are  
29 any encumbrances on any license or multistate licensure privilege held by the applicant,  
30 whether any adverse action has been taken against any license or multistate licensure privilege  
31 held by the applicant, and whether the applicant is currently participating in an alternative  
32 program.

33       (b) A nurse may hold a multistate license, issued by the home state, in only one party  
34 state at a time.

35       (c) If a nurse changes primary state of residence by moving between two party states,  
36 the nurse must apply for licensure in the new home state, and the multistate license issued by  
37 the prior home state will be deactivated in accordance with applicable rules adopted by the  
38 Commission. The following apply to nurses changing primary state of residence by moving  
39 between two party states:

40           (1) The nurse may apply for licensure in advance of a change in primary state of  
41 residence.

42           (2) A multistate license shall not be issued by the new home state until the nurse  
43 provides satisfactory evidence of a change in primary state of residence to  
44 the new home state and satisfies all applicable requirements to obtain a  
45 multistate license from the new home state.

46       (d) If a nurse changes primary state of residence by moving from a party state to a  
47 nonparty state, the multistate license issued by the prior home state will convert to a single-state  
48 license, valid only in the former home state.

49 **"§ 90-171.95D. Additional authorities invested in party state licensing boards.**

50       (a) In addition to the other powers conferred by state law, a licensing board may do all  
51 of the following:

- 1           (1) Take adverse action against a nurse's multistate licensure privilege to  
2 practice within that party state.  
3           a. Only the home state shall have the power to take adverse action  
4 against a nurse's license issued by the home state.  
5           b. For purposes of taking adverse action, the home state licensing board  
6 shall give the same priority and effect to reported conduct received  
7 from a remote state as it would if such conduct had occurred within  
8 the home state. In so doing, the home state shall apply its own state  
9 laws to determine appropriate action.
- 10          (2) Issue cease and desist orders or impose an encumbrance on a nurse's  
11 authority to practice within that party state.
- 12          (3) Complete any pending investigations of a nurse who changes primary state  
13 of residence during the course of such investigations. The licensing board  
14 shall also have the authority to take appropriate action(s) and shall promptly  
15 report the conclusions of such investigations to the administrator of the  
16 coordinated licensure information system. The administrator of the  
17 coordinated licensure information system shall promptly notify the new  
18 home state of any such actions.
- 19          (4) Issue subpoenas for both hearings and investigations that require the  
20 attendance and testimony of witnesses as well as the production of evidence.  
21 Subpoenas issued by a licensing board in a party state for the attendance and  
22 testimony of witnesses or the production of evidence from another party  
23 state shall be enforced in the latter state by any court of competent  
24 jurisdiction, according to the practice and procedure of that court applicable  
25 to subpoenas issued in proceedings pending before it. The issuing authority  
26 shall pay any witness fees, travel expenses, mileage, and other fees required  
27 by the service statutes of the state in which the witnesses or evidence are  
28 located.
- 29          (5) Obtain and submit, for each nurse licensure applicant, fingerprint or other  
30 biometric-based information to the Federal Bureau of Investigation for  
31 criminal background checks, receive the results of the Federal Bureau of  
32 Investigation record search on criminal background checks, and use the  
33 results in making licensure decisions.
- 34          (6) If otherwise permitted by state law, recover from the affected nurse the costs  
35 of investigations and disposition of cases resulting from any adverse action  
36 taken against that nurse.
- 37          (7) Take adverse action based on the factual findings of the remote state,  
38 provided that the licensing board follows its own procedures for taking such  
39 adverse action.
- 40          (b) If adverse action is taken by the home state against a nurse's multistate license, the  
41 nurse's multistate licensure privilege to practice in all other party states shall be deactivated  
42 until all encumbrances have been removed from the multistate license. All home state  
43 disciplinary orders that impose adverse action against a nurse's multistate license shall include a  
44 statement that the nurse's multistate licensure privilege is deactivated in all party states during  
45 the pendency of the order.
- 46          (c) Nothing in this Compact shall override a party state's decision that participation in  
47 an alternative program may be used in lieu of adverse action. The home state licensing board  
48 shall deactivate the multistate licensure privilege under the multistate license of any nurse for  
49 the duration of the nurse's participation in an alternative program.
- 50 **"§ 90-171.95E. Coordinated licensure information system and exchange of information.**

1       (a) All party states shall participate in a coordinated licensure information system of all  
2 licensed registered nurses (RNs) and licensed practical/vocational nurses (LPNs/VNs). This  
3 system will include information on the licensure and disciplinary history of each nurse, as  
4 submitted by party states, to assist in the coordination of nurse licensure and enforcement  
5 efforts.

6       (b) The Commission, in consultation with the administrator of the coordinated licensure  
7 information system, shall formulate necessary and proper procedures for the identification,  
8 collection, and exchange of information under this Compact.

9       (c) All licensing boards shall promptly report to the coordinated licensure information  
10 system any adverse action, any current significant investigative information, denials of  
11 applications (with the reasons for such denials), and nurse participation in alternative programs  
12 known to the licensing board regardless of whether such participation is deemed nonpublic or  
13 confidential under state law.

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

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

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

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

28       (h) The Compact administrator of each party state shall furnish a uniform data set to the  
29 Compact administrator of each other party state, which shall include, at a minimum, all of the  
30 following:

31           (1) Identifying information.

32           (2) Licensure data.

33           (3) Information related to alternative program participation.

34           (4) Other information that may facilitate the administration of this Compact, as  
35 determined by Commission rules.

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

38 **"§ 90-171.95F. Establishment of the Interstate Commission of Nurse Licensure Compact**  
39 **Administrators.**

40       (a) Creation. – The party states hereby create and establish a joint public entity known  
41 as the Interstate Commission of Nurse Licensure Compact Administrators.

42           (1) The Commission is an instrumentality of the party states.

43           (2) Venue is proper, and judicial proceedings by or against the Commission  
44 shall be brought solely and exclusively in a court of competent jurisdiction  
45 where the principal office of the Commission is located. The Commission  
46 may waive venue and jurisdictional defenses to the extent it adopts or  
47 consents to participate in alternative dispute resolution proceedings.

48           (3) Nothing in this Compact shall be construed to be a waiver of sovereign  
49 immunity.

50       (b) Membership, Voting and Meetings. –

- 1           (1) Each party state shall have and be limited to one administrator. The head of  
2 the state licensing board or designee shall be the administrator of this  
3 Compact for each party state. Any administrator may be removed or  
4 suspended from office as provided by the law of the state from which the  
5 Administrator is appointed. Any vacancy occurring in the Commission shall  
6 be filled in accordance with the laws of the party state in which the vacancy  
7 exists.
- 8           (2) Each administrator shall be entitled to one vote with regard to the  
9 promulgation of rules and creation of bylaws and shall otherwise have an  
10 opportunity to participate in the business and affairs of the Commission. An  
11 administrator shall vote in person or by such other means as provided in the  
12 bylaws. The bylaws may provide for an administrator's participation in  
13 meetings by telephone or other means of communication.
- 14           (3) The Commission shall meet at least once during each calendar year.  
15 Additional meetings shall be held as set forth in the bylaws or rules of the  
16 commission.
- 17           (4) All meetings shall be open to the public, and public notice of meetings shall  
18 be given in the same manner as required under the rule-making provisions in  
19 G.S. 90-171.95G.
- 20           (5) The Commission may convene in a closed, nonpublic meeting if the  
21 Commission must discuss any of the following:
- 22           a. Noncompliance of a party state with its obligations under this  
23 Compact.
- 24           b. The employment, compensation, discipline or other personnel  
25 matters, practices or procedures related to specific employees, or  
26 other matters related to the Commission's internal personnel practices  
27 and procedures.
- 28           c. Current, threatened, or reasonably anticipated litigation.
- 29           d. Negotiation of contracts for the purchase or sale of goods, services,  
30 or real estate.
- 31           e. Accusing any person of a crime or formally censuring any person.
- 32           f. Disclosure of trade secrets or commercial or financial information  
33 that is privileged or confidential.
- 34           g. Disclosure of information of a personal nature where disclosure  
35 would constitute a clearly unwarranted invasion of personal privacy.
- 36           h. Disclosure of investigatory records compiled for law enforcement  
37 purposes.
- 38           i. Disclosure of information related to any reports prepared by or on  
39 behalf of the Commission for the purpose of investigation of  
40 compliance with this Compact.
- 41           j. Matters specifically exempted from disclosure by federal or state  
42 statute.
- 43           (6) If a meeting, or portion of a meeting, is closed pursuant to this provision, the  
44 Commission's legal counsel or designee shall certify that the meeting may be  
45 closed and shall reference each relevant exempting provision. The  
46 Commission shall keep minutes that fully and clearly describe all matters  
47 discussed in a meeting and shall provide a full and accurate summary of  
48 actions taken, and the reasons therefor, including a description of the views  
49 expressed. All documents considered in connection with an action shall be  
50 identified in such minutes. All minutes and documents of a closed meeting

- 1                   shall remain under seal, subject to release by a majority vote of the  
2                   Commission or order of a court of competent jurisdiction.
- 3       (c)   Bylaws. – The Commission shall, by a majority vote of the administrators, prescribe  
4 bylaws or rules to govern its conduct as may be necessary or appropriate to carry out the  
5 purposes and exercise the powers of this Compact, including the following:
- 6           (1)   Establishing the fiscal year of the Commission.  
7           (2)   Providing reasonable standards and procedures for both of the following:  
8               a.   Establishment and meetings of other committees.  
9               b.   Governing any general or specific delegation of any authority or  
10              function of the Commission.
- 11          (3)   Providing reasonable procedures for calling and conducting meetings of the  
12 Commission, ensuring reasonable advance notice of all meetings and  
13 providing an opportunity for attendance of such meetings by interested  
14 parties, with enumerated exceptions designed to protect the public's interest,  
15 the privacy of individuals, and proprietary information, including trade  
16 secrets. The Commission may meet in closed session only after a majority of  
17 the administrators vote to close a meeting in whole or in part. As soon as  
18 practicable, the Commission must make public a copy of the vote to close  
19 the meeting revealing the vote of each administrator, with no proxy votes  
20 allowed.
- 21          (4)   Establishing the titles, duties, authority, and reasonable procedures for the  
22 election of the officers of the Commission.
- 23          (5)   Providing reasonable standards and procedures for the establishment of the  
24 personnel policies and programs of the Commission. Notwithstanding any  
25 civil service or other similar laws of any party state, the bylaws shall  
26 exclusively govern the personnel policies and programs of the Commission.
- 27          (6)   Providing a mechanism for winding up the operations of the Commission  
28 and the equitable disposition of any surplus funds that may exist after the  
29 termination of this Compact after the payment or reserving of all of its debts  
30 and obligations.
- 31       (d)   The Commission shall publish its bylaws and rules, and any amendments thereto, in  
32 a convenient form on the Web site of the Commission.
- 33       (e)   The Commission shall maintain its financial records in accordance with the bylaws.
- 34       (f)   The Commission shall meet and take such actions as are consistent with the  
35 provisions of this Compact and the bylaws.
- 36       (g)   The Commission shall have all of the following powers:
- 37           (1)   To adopt uniform rules to facilitate and coordinate implementation and  
38 administration of this Compact. The rules shall have the force and effect of  
39 law and shall be binding in all party states.
- 40           (2)   To bring and prosecute legal proceedings or actions in the name of the  
41 Commission, provided that the standing of any licensing board to sue or be  
42 sued under applicable law shall not be affected.
- 43           (3)   To purchase and maintain insurance and bonds.
- 44           (4)   To borrow, accept, or contract for services of personnel, including, but not  
45 limited to, employees of a party state or nonprofit organizations.
- 46           (5)   To cooperate with other organizations that administer state compacts related  
47 to the regulation of nursing, including, but not limited to, sharing  
48 administrative or staff expenses, office space, or other resources.
- 49           (6)   To hire employees, elect or appoint officers, fix compensation, define duties,  
50 grant such individuals appropriate authority to carry out the purposes of this  
51 Compact, and to establish the Commission's personnel policies and programs



- 1 relating to conflicts of interest, qualifications of personnel, and other related  
2 personnel matters.
- 3 (7) To accept any and all appropriate donations, grants and gifts of money,  
4 equipment, supplies, materials, and services, and to receive, utilize, and  
5 dispose of the same; provided that at all times the Commission shall avoid  
6 any appearance of impropriety or conflict of interest.
- 7 (8) To lease, purchase, accept appropriate gifts or donations of, or otherwise to  
8 own, hold, improve, or use any property, whether real, personal, or mixed;  
9 provided that at all times the Commission shall avoid any appearance of  
10 impropriety.
- 11 (9) To sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise  
12 dispose of any property, whether real, personal, or mixed.
- 13 (10) To establish a budget and make expenditures.
- 14 (11) To borrow money.
- 15 (12) To appoint committees, including advisory committees comprised of  
16 administrators, state nursing regulators, state legislators or their  
17 representatives, and consumer representatives, and other such interested  
18 persons.
- 19 (13) To provide and receive information from, and to cooperate with, law  
20 enforcement agencies.
- 21 (14) To adopt and use an official seal.
- 22 (15) To perform such other functions as may be necessary or appropriate to  
23 achieve the purposes of this Compact consistent with the state regulation of  
24 nurse licensure and practice.
- 25 (h) Financing of the Commission. –
- 26 (1) The Commission shall pay, or provide for the payment of, the reasonable  
27 expenses of its establishment, organization, and ongoing activities.
- 28 (2) The Commission may also levy on and collect an annual assessment from  
29 each party state to cover the cost of its operations, activities, and staff in its  
30 annual budget as approved each year. The aggregate annual assessment  
31 amount, if any, shall be allocated based upon a formula to be determined by  
32 the Commission, which shall promulgate a rule that is binding upon all party  
33 states.
- 34 (3) The Commission shall not incur obligations of any kind prior to securing the  
35 funds adequate to meet the same; nor shall the Commission pledge the credit  
36 of any of the party states, except by, and with the authority of, such party  
37 state.
- 38 (4) The Commission shall keep accurate accounts of all receipts and  
39 disbursements. The receipts and disbursements of the Commission shall be  
40 subject to the audit and accounting procedures established under its bylaws.  
41 However, all receipts and disbursements of funds handled by the  
42 Commission shall be audited yearly by a certified or licensed public  
43 accountant, and the report of the audit shall be included in and become part  
44 of the annual report of the Commission.
- 45 (i) Qualified Immunity, Defense, and Indemnification. –
- 46 (1) The administrators, officers, executive director, employees, and  
47 representatives of the Commission shall be immune from suit and liability,  
48 either personally or in their official capacity, for any claim for damage to or  
49 loss of property or personal injury or other civil liability caused by or arising  
50 out of any actual or alleged act, error, or omission that occurred, or that the  
51 person against whom the claim is made had a reasonable basis for believing

1 occurred, within the scope of Commission employment, duties, or  
2 responsibilities; provided that nothing in this paragraph shall be construed to  
3 protect any such person from suit or liability for any damage, loss, injury, or  
4 liability caused by the intentional, willful, or wanton misconduct of that  
5 person.

6 (2) The Commission shall defend any administrator, officer, executive director,  
7 employee, or representative of the Commission in any civil action seeking to  
8 impose liability arising out of any actual or alleged act, error, or omission  
9 that occurred within the scope of Commission employment, duties, or  
10 responsibilities, or that the person against whom the claim is made had a  
11 reasonable basis for believing occurred within the scope of Commission  
12 employment, duties, or responsibilities; provided that nothing herein shall be  
13 construed to prohibit that person from retaining his or her own counsel; and  
14 provided further that the actual or alleged act, error, or omission did not  
15 result from that person's intentional, willful, or wanton misconduct.

16 (3) The Commission shall indemnify and hold harmless any administrator,  
17 officer, executive director, employee, or representative of the Commission  
18 for the amount of any settlement or judgment obtained against that person  
19 arising out of any actual or alleged act, error, or omission that occurred  
20 within the scope of Commission employment, duties, or responsibilities, or  
21 that such person had a reasonable basis for believing occurred within the  
22 scope of Commission employment, duties, or responsibilities; provided that  
23 the actual or alleged act, error, or omission did not result from the  
24 intentional, willful, or wanton misconduct of that person.

25 **§ 90-171.95G. Rule making.**

26 (a) The Commission shall exercise its rule-making powers pursuant to the criteria set  
27 forth in this Article and the rules adopted thereunder. Rules and amendments shall become  
28 binding as of the date specified in each rule or amendment and shall have the same force and  
29 effect as provisions of this Compact.

30 (b) Rules or amendments to the rules shall be adopted at a regular or special meeting of  
31 the Commission.

32 (c) Prior to promulgation and adoption of a final rule or rules by the Commission, and  
33 at least 60 days in advance of the meeting at which the rule will be considered and voted upon,  
34 the Commission shall file a notice of proposed rule making in both of the following locations:

35 (1) On the Web site of the Commission.

36 (2) On the Web site of each licensing board or the publication in which each  
37 state would otherwise publish proposed rules.

38 (d) The notice of proposed rule making shall include all of the following:

39 (1) The proposed time, date, and location of the meeting in which the rule will  
40 be considered and voted upon.

41 (2) The text of the proposed rule or amendment and the reason for the proposed  
42 rule.

43 (3) A request for comments on the proposed rule from any interested person.

44 (4) The manner in which interested persons may submit notice to the  
45 Commission of their intention to attend the public hearing and any written  
46 comments.

47 (e) Prior to adoption of a proposed rule, the Commission shall allow persons to submit  
48 written data, facts, opinions, and arguments, which shall be made available to the public.

49 (f) The Commission shall grant an opportunity for a public hearing before it adopts a  
50 rule or amendment.

- 1       (g)    The Commission shall publish the place, time, and date of the scheduled public  
2 hearing.
- 3           (1)   Hearings shall be conducted in a manner providing each person who wishes  
4 to comment a fair and reasonable opportunity to comment orally or in  
5 writing. All hearings will be recorded, and a copy will be made available  
6 upon request.
- 7           (2)   Nothing in this section shall be construed as requiring a separate hearing on  
8 each rule. Rules may be grouped for the convenience of the Commission at  
9 hearings required by this section.
- 10       (h)    If no one appears at the public hearing, the Commission may proceed with  
11 promulgation of the proposed rule.
- 12       (i)    Following the scheduled hearing date, or by the close of business on the scheduled  
13 hearing date if the hearing was not held, the Commission shall consider all written and oral  
14 comments received.
- 15       (j)    The Commission shall, by majority vote of all administrators, take final action on  
16 the proposed rule and shall determine the effective date of the rule, if any, based on the rule-  
17 making record and the full text of the rule.
- 18       (k)    Upon determination that an emergency exists, the Commission may consider and  
19 adopt an emergency rule without prior notice, opportunity for comment, or hearing; provided  
20 that the usual rule-making procedures provided in this Compact and in this section shall be  
21 retroactively applied to the rule as soon as reasonably possible, in no event later than 90 days  
22 after the effective date of the rule. For the purposes of this provision, an emergency rule is one  
23 that must be adopted immediately in order to do one or more of the following:
- 24           (1)    Meet an imminent threat to public health, safety, or welfare.  
25           (2)    Prevent a loss of Commission or party state funds.  
26           (3)    Meet a deadline for the promulgation of an administrative rule that is  
27 required by federal law or rule.
- 28       (l)    The Commission may direct revisions to a previously adopted rule or amendment  
29 for purposes of correcting typographical errors, errors in format, errors in consistency, or  
30 grammatical errors. Public notice of any revisions shall be posted on the Web site of the  
31 Commission. The revision shall be subject to challenge by any person for a period of 30 days  
32 after posting. The revision may be challenged only on grounds that the revision results in a  
33 material change to a rule. A challenge shall be made in writing, and delivered to the  
34 Commission, prior to the end of the notice period. If no challenge is made, the revision will  
35 take effect without further action. If the revision is challenged, the revision may not take effect  
36 without the approval of the Commission.
- 37       **"§ 90-171.95H. Oversight, dispute resolution, and enforcement.**
- 38       (a)    Oversight. –
- 39           (1)    Each party state shall enforce this Compact and take all actions necessary  
40 and appropriate to effectuate this Compact's purposes and intent.
- 41           (2)    The Commission shall be entitled to receive service of process in any  
42 proceeding that may affect the powers, responsibilities, or actions of the  
43 Commission and shall have standing to intervene in such a proceeding for all  
44 purposes. Failure to provide service of process in such proceeding to the  
45 Commission shall render a judgment or order void as to the Commission,  
46 this Compact, or promulgated rules.
- 47       (b)    Default, Technical Assistance, and Termination. –
- 48           (1)    If the Commission determines that a party state has defaulted in the  
49 performance of its obligations or responsibilities under this Compact or the  
50 promulgated rules, the Commission shall do both of the following:

- 1           a.     Provide written notice to the defaulting state and other party states of  
2                 the nature of the default, the proposed means of curing the default, or  
3                 any other action to be taken by the Commission.
- 4           b.     Provide remedial training and specific technical assistance regarding  
5                 the default.
- 6         (2)    If a state in default fails to cure the default, the defaulting state's membership  
7                 in this Compact may be terminated upon an affirmative vote of a majority of  
8                 the administrators, and all rights, privileges, and benefits conferred by this  
9                 Compact may be terminated on the effective date of termination. A cure of  
10                the default does not relieve the offending state of obligations or liabilities  
11                incurred during the period of default.
- 12         (3)    Termination of membership in this Compact shall be imposed only after all  
13                 other means of securing compliance have been exhausted. Notice of intent to  
14                 suspend or terminate shall be given by the Commission to the governor of  
15                 the defaulting state and to the executive officer of the defaulting state's  
16                 licensing board and each of the party states.
- 17         (4)    A state whose membership in this Compact has been terminated is  
18                 responsible for all assessments, obligations, and liabilities incurred through  
19                 the effective date of termination, including obligations that extend beyond  
20                 the effective date of termination.
- 21         (5)    The Commission shall not bear any costs related to a state that is found to be  
22                 in default or whose membership in this Compact has been terminated unless  
23                 agreed upon in writing between the Commission and the defaulting state.
- 24         (6)    The defaulting state may appeal the action of the Commission by petitioning  
25                 the U.S. District Court for the District of Columbia or the federal district in  
26                 which the Commission has its principal offices. The prevailing party shall be  
27                 awarded all costs of such litigation, including reasonable attorneys' fees.
- 28         (c)    Dispute Resolution. –
- 29                 (1)    Upon request by a party state, the Commission shall attempt to resolve  
30                 disputes related to the Compact that arise among party states and between  
31                 party and nonparty states.
- 32                 (2)    The Commission shall promulgate a rule providing for both mediation and  
33                 binding dispute resolution for disputes, as appropriate.
- 34                 (3)    In the event the Commission cannot resolve disputes among party states  
35                 arising under this Compact:
- 36                         a.     The party states may submit the issues in dispute to an arbitration  
37                                 panel, which will be comprised of individuals appointed by the  
38                                 Compact administrator in each of the affected party states and an  
39                                 individual mutually agreed upon by the Compact administrators of  
40                                 all the party states involved in the dispute.
- 41                         b.     The decision of a majority of the arbitrators shall be final and  
42                                 binding.
- 43         (d)    Enforcement. –
- 44                 (1)    The Commission, in the reasonable exercise of its discretion, shall enforce  
45                 the provisions and rules of this Compact.
- 46                 (2)    By majority vote, the Commission may initiate legal action in the U.S.  
47                 District Court for the District of Columbia or the federal district in which the  
48                 Commission has its principal offices against a party state that is in default to  
49                 enforce compliance with the provisions of this Compact and its promulgated  
50                 rules and bylaws. The relief sought may include both injunctive relief and  
51                 damages. In the event judicial enforcement is necessary, the prevailing party

1 shall be awarded all costs of such litigation, including reasonable attorneys'  
2 fees.

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

6 **"§ 90-171.95I. Effective date, withdrawal, and amendment.**

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

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

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

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

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

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

28 (g) Representatives of nonparty states to this Compact shall be invited to participate in  
29 the activities of the Commission, on a nonvoting basis, prior to the adoption of this Compact by  
30 all states.

31 **"§ 90-171.95J. Construction and severability.**

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

40 **SECTION 3.** This act becomes effective when at least 26 states have enacted the  
41 Nurse Licensure Compact set forth in Section 2 of this act or December 31, 2018, whichever is  
42 earlier. The North Carolina Board of Nursing shall report to the Revisor of Statutes when the  
43 Nurse Licensure Compact set forth in Section 2 of this act has been enacted by the 26 member  
44 states.