



HOUSE BILL 57: Enact Physical Therapy Licensure Compact.

2017-2018 General Assembly

Committee:	House Finance	Date:	February 23, 2017
Introduced by:	Reps. Szoka, G. Martin, Grange	Prepared by:	Trina Griffin
Analysis of:	PCS to Second Edition H57-CSSVf-2		Committee Counsel

OVERVIEW: *House Bill 57 would make North Carolina a member of the Physical Therapy Licensure Compact. Membership in the compact would allow physical therapists who hold licenses in good standing in any other Compact state to practice physical therapy in North Carolina. Likewise, physical therapists holding a valid license in North Carolina would be able to practice physical therapy in any of other the Compact member states. The Compact will become effective upon the tenth member state to enact it into law.*

CURRENT LAW: Under current law, individuals who hold a license to practice physical therapy in another state must go through the process to be licensed by endorsement before being allowed to practice in North Carolina. This process involves submitting an application and application fee, verifying licensure in the other state, and verifying a score of at least 600 or higher on the National Physical Therapy Exam. Once the North Carolina license is granted, the physical therapist must comply with all of North Carolina's requirements in order to maintain the license, in addition to complying with the requirements to maintain a license in any other state in which the therapist is licensed.

BILL ANALYSIS:

Section 1 of the bill recodifies Article 18B of Chapter 90 of the General Statutes, the current Physical Therapy Practice Act, as Article 18E of Chapter 90 of the General Statutes.

Section 2 of the bill creates Article 18F in Chapter 90 of the General Statutes, enacting the Physical Therapy Licensure Compact. In broad terms, physical therapists licensed in a Compact state would hold and maintain a license in their home state and be licensed to practice physical therapy in any Compact member state. The home state's laws and regulations would govern the therapist's maintenance of the license in the therapist's home state. If the therapist lost the license held in the home state, the therapist would no longer be licensed to practice in any of the Compact member states. Any therapist practicing in North Carolina under the terms of the Compact would be bound by North Carolina laws and regulations.

G.S. 90-270.120 sets forth the purpose of the Physical Therapist Licensure Compact.

G.S. 90-270.121 lists the definitions to be used in Article 18F.

G.S. 90-270.122 would require states participating in the Compact to: 1) participate fully in the Compact's data system, 2) have a mechanism to receive and investigate complaints about licensees, 3) notify the Compact Commission of any disciplinary action taken against a licensee, 4) fully implement a criminal background check requirement, 5) comply with the rules promulgated by the Compact Commission, 6) use a nationally recognized exam as a basis for licensure, and 7) establish continuing competence requirements. In addition, member states would have the authority to collect biometric data

Karen Cochrane-Brown
Director



Legislative Analysis
Division
919-733-2578

House PCS 57

Page 2

from each license applicant and to charge a fee for granting a compact privilege. The bill was amended in House Finance by modification to the definition of "member state" to clarify that the intent is for the North Carolina Board of Physical Therapy Examiners to have the authority to charge a fee for granting a compact privilege as well as to pay any assessment for membership in the Compact.

G.S. 90-270.123 would require individuals licensed under the Compact to: 1) hold a license in their home state, 2) not have encumbrances on any license in any state, 3) be eligible for Compact privileges in accordance with Article 18F, 4) not had adverse action against any license in the last two years, 5) notify the Commission the applicant is seeking privileges within another state, 6) pay applicable fees, 7) meet any jurisprudence requirements of the remote state, and 8) report adverse action taken against the licensee to the Commission within 30 days. G.S. 90-270.123 also states that the Compact privilege is valid only as long as the individual's license in the home state is valid. Licensees are required to follow all the laws, regulations, and regulatory authority of the remote state when practicing in the remote state. The process for restoring lost Compact privileges is also set forth.

G.S. 90-270.124 would allow active duty military members or their spouses to designate their home state as their home of record, their Permanent Change of Station location, or their state of residence. The bill was amended in House Finance to add "duty station" as one of the options.

G.S. 270.125 states that although the home state has the exclusive authority to take adverse action against a home state license, it may take action based on the recommendations and investigations of a remote state. Remote states have the power to investigate complaints and initiate adverse action against licensees in the remote state. Member states may also jointly investigate complaints.

G.S. 90-270.126 would establish the Physical Therapy Compact Commission, which is the governing body of the Compact. The Commission is comprised of one delegate from each Compact state and must meet regularly, in public, to carry out the business of the Compact. It does not have the power to change the laws and regulations of the member states. G.S. 90-270.126 also establishes the Executive Board, which has the power to act on behalf of the Commission. The Board is comprised of seven voting members selected from the current membership of the Commission and two non-voting members from physical therapy organizations. The members of the Executive Board are immune from suit against them personally for their official actions.

G.S. 90-270.127 would establish a data system to be shared among the member states. This system can be accessed by any member state. Each member state must submit the following information on licensees to the system: 1) identifying information, 2) licensure data, 3) adverse actions, 4) non-confidential information related to alternative program participation, 5) information on denials of applications for licensure, and 6) other information determined by the Commission. Member states may designate certain information that will remain confidential. The Commission is required to notify all member states of any adverse action taken against a licensee.

G.S. 90-270.128 would set forth the Commission's authority to make rules for the Compact and the process to promulgate those rules. The Commission does not have any authority to change individual states' rules of practice for physical therapists. Prospective Commission rules are subject to a notice and comment period before being voted on by the Commission at a regular or special meeting. A public hearing will be held if requested by at least 25 people, a state or federal government agency, or an association of at least 25 members. If a majority of the legislatures of the Compact member states reject a rule by enactment of a statute or resolution, the rule will have no further effect in any member state.

G.S. 90-270.129 would provide for enforcement of the Compact by all three branches of state government. It would allow the Commission to be an intervening party in any suit affecting the powers, responsibilities, or actions of the Commission. The Commission may terminate a member state from the

House PCS 57

Page 3

Compact if it determines the member state is in default of its obligations under the Compact. Termination will be undertaken only as a last resort if no other method of securing compliance with the Compact has been effective. Disputes between member and non-member states relating to the Compact will be resolved by the Commission.

G.S. 90-270.130 states the Compact will come into effect on the date the tenth member state enacts it into law. Member states can withdraw from the Compact by enacting a statute repealing the original enacting statute. Amendments to the Compact may be enacted by member states, but amendments will not be effective until they have been enacted into law by all the member states.

G.S. 90-270.131 states that the provisions of the Compact are severable, and any provisions not specifically struck down by a court will remain in effect.

EFFECTIVE DATE: This act would be effective October 1, 2017.

BACKGROUND: This act streamlines the process for physical therapists licensed in other states to become eligible to practice in North Carolina. It is similar in structure and effect to the Nurse Licensure Compact (Article 9G of Chapter 90), which was enacted in 1999.

As of February 14, 2017, the Physical Therapy Compact has been enacted in Arizona, Missouri, Oregon, and Tennessee, and legislation has been introduced in Colorado, Kentucky, Mississippi, Montana, New Hampshire, New Jersey, North Dakota, and Washington.

Jason Moran-Bates, counsel to House Health, substantially contributed to this summary.