



ARIZONA STATE SENATE
Fifty-Sixth Legislature, Second Regular Session

FACT SHEET FOR S.B. 1173

licensed professional counselors; compact

Purpose

Adopts the Licensed Professional Counselor Compact (Compact), permitting licensed professional counselors (LPC) to obtain licensure in other Compact states. Establishes the Counseling Compact Commission (Commission).

Background

LPCs in Arizona are licensed and overseen by the Arizona Board of Behavioral Health Examiners. The Board was established in 1989 to provide voluntary certification to professionals in the fields of counseling, marriage and family therapy, social work and substance abuse counseling. In 2003, the Legislature established mandatory licensure for these four professions. The Board's responsibilities include: 1) adopting rules to enforce requirements related to the licensure of behavioral health professionals; 2) licensure of behavioral professionals; 3) maintaining records of all licensed behavioral health professionals, all actions taken on applications for licensure, and actions involving the renewal, suspension, revocation or denial of a license; 4) conducting investigations to determine whether a licensee or applicant has engaged in unprofessional conduct, is mentally or physically unable to engage in the practice of behavioral health; 5) conducting disciplinary actions; and 6) establishing a licensure fee schedule annually, by a formal vote at a Board meeting ([A.R.S. § 32-3253](#)).

The *practice of professional counseling* is the professional application of mental health, psychological and human development theories, principles and techniques to: 1) facilitate human development and adjustment throughout the human life span; 2) assess and facilitate career development; 3) treat interpersonal relationship issues and nervous, mental and emotional disorders that are cognitive, affective or behavioral; 4) manage symptoms of mental illness; and assess, appraise, evaluate, diagnose and treat individuals, couples, families and groups through the use of psychotherapy ([A.R.S. § 32-3251](#)).

The Compact is an interstate licensure compact designed to foster interstate licensure portability, increase access to services and enhance public protection for the counseling profession and its clients. Under the Compact, LPCs licensed and residing in a member state may practice in other member states without the needs for multiple licenses. The Compact was enacted in 2022 upon the adoption of the model Compact by the tenth member state. Currently, the Compact has 23 members with legislation pending in 10 other states ([Council of State Governments](#)).

There is no anticipated fiscal impact to the state General Fund associated with this legislation.

Provisions

Purpose

1. States that the purpose of the Compact is to facilitate the interstate practice of LPCs with the goal of improving public access to professional counseling services.

2. Specifies that the practice of professional counseling occurs in the state where the patient or client is located at the time of the patient or client encounter.
3. States that the Compact preserves the regulatory authority of the states to protect public health and safety through the current system of state licensure.
4. Asserts that the Compact is designed to:
 - a) increase public access to professional counseling services by providing for the mutual recognition of other member state licenses;
 - b) enhance the states' ability to protect the public's health and safety;
 - c) encourage the cooperation of member states in regulating multistate practice for LPCs;
 - d) support spouses of relocating military members;
 - e) enhance the exchange of licensure, investigative and disciplinary information between member states;
 - f) allow the use of telehealth technology to facilitate increased access to professional counseling services;
 - g) support the uniformity of professional counseling licensure requirements through the states to promote public safety and public health benefits;
 - h) invest all member states with the authority to hold a LPC accountable for meeting all state practice laws of the state the client is located in at the time care is rendered through the mutual recognition of member state licenses;
 - i) eliminate the necessity for licenses in multiple states; and
 - j) provide opportunities for interstate practice by LPCs who meet uniform licensure requirements.

State Participation in the Compact

5. Requires a state, in order to participate in the Compact, to do each of the following:
 - a) license and regulate LPCs;
 - b) require licensees to pass a Commission-approved nationally recognized exam;
 - c) require licensees to complete 60 semester-hours or ninety quarter-hours through a master's degree or graduate coursework in:
 - i. professional counseling orientation and ethical practice;
 - ii. social and cultural diversity;
 - iii. human growth and development;
 - iv. career development;
 - v. counseling and helping relationships;
 - vi. group counseling and group work;
 - vii. diagnosis and treatment;
 - viii. research and program evaluation; and
 - ix. other areas as determined by the Commission;
 - d) require licensees to complete a supervised postgraduate professional experience;
 - e) have a mechanism in place for receiving and investigating complaints about licensees.
6. Requires a member state to do all of the following:
 - a) participate fully in the Commission's data system, including using the commission's unique identifier;
 - b) notify the Commission of any adverse action or the availability of investigative information regarding a licensee;

- c) implement or use procedures for considering the criminal history records of applicants for an initial privilege to practice, including the submission of fingerprints or other biometric-based information by applicants for the purpose of obtaining an applicant's criminal history record information from the federal bureau of investigation and the agency responsible for retaining that state's criminal records, as outlined;
 - d) comply with Commission rules;
 - e) require an applicant to obtain or retain a license in the home state and meet the home state's qualifications for licensure or licensure renewal, as well as all other applicable state laws;
 - f) grant the privilege to practice to a licensee holding a valid unencumbered license in another member state in accordance with the terms of the Compact and rules; and
 - g) provide for the attendance of the state's commissioner to Commission meetings.
7. Allows member states to charge a fee for granting Compact privilege.
8. Allows individuals not residing in a member state to continue to be able to apply for a member state's single-state license, except that this license does not grant privilege to practice in any other state.
9. Specifies that the Compact does not affect state requirements for issuing a single-state license.
10. Requires each member state to recognize a license issued to an LPC in the person's home state as authorizing the practice of professional counseling in each member state.

Compact Privilege

11. States that, in order to exercise Compact privilege, licensees must:
- a) hold a license in the licensee's home state;
 - b) have a valid U.S. social security number or national practitioner identifier;
 - c) have no encumbrance on any license or privilege within the previous two years;
 - d) be eligible for a compact privilege in any member state;
 - e) notify the Commission that the licensee is seeking Compact privilege within a remote state or states;
 - f) pay any applicable fees, including any state fee, for Compact privilege;
 - g) meet any continuing competence/education requirements established by the home state;
 - h) meet any jurisprudence requirements established by the remote state or states in which the licensee is seeking Compact privilege; and
 - i) report to the Commission any adverse action taken by a nonmember state within 30 days.
12. Specifies that compact privilege is valid until the expiration date of the home state license.
13. States that licensees must comply with the requirements of the Compact to maintain Compact privilege in the remote state.
14. Requires a licensee providing professional counseling in a remote state under Compact privilege to function within the laws and regulations of the remote state.
15. States that a licensee providing professional counseling in a remote state is subject to that state's regulatory authority.

16. Permits a remote state to remove a licensee's Compact privilege in the state for a specified period of time, impose fines or take any other necessary actions to protect the health and safety of its citizens.
17. Specifies that licensees that have lost Compact privileges in a remote state are ineligible for Compact privilege in any other state until the specified time for removal has passed and all fines are paid.
18. Stipulates that, if a licensee's home state license is encumbered, the licensee loses Compact privileges in any remote state until the home state license has been unencumbered and without restriction for a period of two years.
19. Specifies that, once an encumbered license in a licensee's home state is restored to good standing, the licensee must once again meet Compact licensure requirements in order to obtain a compact privilege in any remote state.
20. Stipulates that, if a licensee's Compact privilege in any remote state is removed, the licensee may lose Compact privilege in any other remote state until:
 - a) the specific period of time for which the Compact privilege was removed has ended;
 - b) all fines and civil penalties have been paid; and
 - c) the licensee has not had any encumbrance or restriction against any license or privilege to practice within the previous two years.

Obtaining Licensure by Virtue of Compact Privilege

21. Specifies that a home state professional counseling license only entitles a LPC to practice in one member state at a time.
22. Stipulates that, if a LPC changes primary state of residence by moving between two member states:
 - a) the LPC must file an application for obtaining a new home state license by virtue of Compact privilege, pay all applicable fees and notify the current and new home state;
 - b) the new home must verify that the LPC meets Compact-required criteria via the data system, without need for primary source verification, except for a criminal background check and submission of any requisite jurisprudence requirements of the new home state;
 - c) the former home state must convert the former home state license into a privilege to practice once the new home state has activated the new license;
 - d) the new home state may apply its single-state licensure requirements if the LPC does not meet the requirements of the Compact; and
 - e) the LPC must pay all applicable fees to the new home state in order to be issued a new license.
23. Stipulates that the state criteria for issuance of a single-state license applies if a LPC changes primary state of residence by moving from a member state to a nonmember state or from a nonmember state to a member state.
24. States that this Compact does not interfere with a licensee's ability to hold a single-state license in multiple states or affect the requirements established by a member state for the issuance of a single-state license.

25. Specifies that, for Compact purposes, a licensee may only have one home state license.

Active-Duty Military Personnel and Spouses

26. Requires active-duty military personnel or military spouses to designate a home state where the individual has a current license in good standing.
27. Allows active-duty military personnel or military spouses that are LPCs to retain home state designation during the period the service member is on active duty.
28. Stipulates that an active-duty service member or military spouse that is a LPC may change home state only through application for licensure in a new state or through the Compact processes.

Compact Privilege to Practice Telehealth

29. Requires member states to recognize the right a LPC that is licensed by a home state to practice in any member state via telehealth under a privilege to practice under the Compact.
30. Requires a LPC practicing in a remote state under Compact privilege to adhere to the laws and regulations of the remote state.

Adverse Actions

31. Grants remote states the authority, in accordance with existing state due process law, to:
- a) take adverse action against a LPC's Compact privilege within that member state; and
 - b) issue subpoenas for both hearings and investigations that require the attendance and testimony of witnesses as well as the production of evidence.
32. Grants home states the exclusive power to impose adverse action against a LPC license issued by the home state.
33. Specifies that subpoenas issued by a licensing board in a member state for the attendance and testimony of witnesses or the production of evidence from another member state must be enforced in the latter state by any court of competent jurisdiction, according to the practice and procedure of that court.
34. Requires an authority that issues subpoena to pay any witness fees, travel expenses, mileage and other fees required by the service statutes of the state where the witnesses or evidence is located.
35. Stipulates that, for purposes of taking adverse action, a home state must give the same priority and effect to reported conduct received from a member state as it would if the conduct had occurred within the home state and apply its own laws to determine appropriate action.
36. Requires a home state to complete any pending investigations of a LPC who changes primary state of residence during the course of the investigations.
37. Grants a home state the authority to take any appropriate action and promptly report the conclusions of the investigations to the Commission data system.

38. Requires the administrator of the coordinated licensure information system to promptly notify the new home state of any adverse actions.
39. Allows a member state to recover the costs of investigations and disposition of cases from the affected LPC.
40. Authorizes a member state to take adverse action based on the factual findings of the remote state, provided that the member state follows its own procedures for taking the adverse action.
41. Allows member states to conduct joint investigations of LPCs.
42. Requires member states to share any investigative, litigation or compliance materials in furtherance of any joint or individual investigation.
43. Stipulates that a LPC's Compact privileges are deactivated, if any adverse action is taken by the licensee's home state, until all encumbrances on the license have been removed.
44. Requires that all home state disciplinary orders that impose adverse action against a LPC's license include a statement that the individual's Compact privilege is deactivated in all member states during the pendency of the order.
45. Requires a member state that takes adverse action to promptly notify the data system administrator.
46. Requires the data system administrator to promptly notify the home state of any adverse actions by remote states.
47. States that the Compact does not override a member state's decision that participation in an alternative program may be used in lieu of adverse action.

Establishment of Counseling Compact Commission

48. Establishes the Commission as an instrumentality of Compact states.
49. Requires judicial proceedings by or against the Commission to be brought solely in court of competent jurisdiction where the Commission's principal office is located.
50. Allows the Commission to waive venue and jurisdictional defenses to the extent it adopts or consents to participate in alternative dispute resolution proceedings.
51. Prohibits any provision of the Compact from being construed as a waiver of sovereign immunity.
52. Outlines membership, authorities and duties of the Commission.
53. Establishes an executive committee with the power to act on behalf of the Commission.
54. Outlines membership, authorities and duties of the executive committee.
55. Requires Commission meetings to be open to the public, with properly provided public notice.

56. Permits the Commission and the executive committee to convene for a closed, nonpublic meeting if outlined topics are discussed.
57. Requires the Commission's legal counsel or designee to certify that a meeting is closed and reference each relevant exempting provision.
58. Requires the Commission to keep minutes of meetings and provide a full and accurate summary of actions taken.
59. Requires all minutes and documents of a closed meeting to remain under seal, subject to release by a court order or a majority vote of the Commission.
60. Prescribes financial requirements and authorities of the Commission.
61. Holds harmless from liability the members, officers, executive director, employees and representatives of the Commission for any claim for damage to or loss of property, personal injury or other civil liability caused by an act, error or omission that occurred, unless the damage, loss, injury or liability was caused by the intentional, willful or wanton misconduct of that person.
62. Requires the Commission to defend any member, officer, executive director, employee or representative of the Commission in any civil action seeking to impose liability for an act, error or omission that occurred within the scope of Commission employment, duties or responsibilities.
63. Allows a person to retain private counsel in any action against the person if the act was not a result of intentional, willful or wanton misconduct.
64. Requires the Commission to indemnify and hold harmless any member, officer, executive director, employee or Commission representative for the amount of any settlement or judgment obtained against that person arising out of an act, error or omission that occurred within the scope of Commission employment, duties or responsibilities if the act was not a result of intentional, willful or wanton misconduct.

Data System

65. Requires the Commission to develop, maintain and utilize a coordinated database and reporting system containing licensure, adverse action and investigative information on all licensed individuals in member states.
66. Requires member states to submit uniform data sets to the data system on all Compact individuals using a unique identifier, including:
 - a) identifying information;
 - b) licensure data;
 - c) adverse actions against a license or Compact privilege;
 - d) nonconfidential information related to alternative program participation;
 - e) any denial of licensure and the reasons why;
 - f) other information that may facilitate Compact administration; and
 - g) current significant investigative information.

67. States that investigative information pertaining to a licensee in any member state is to only be available to other member states.
68. Requires the Commission to promptly notify all member states of any adverse action taken against a licensee or applicant.
69. Provides access, to any member state, to adverse action information pertaining to a licensee.
70. Permits member states that contribute information to the data system to designate confidential information that may not be shared without express permission.
71. Requires any data system information that must be expunged to be removed from the data system.

Rulemaking

72. Requires the Commission to promulgate reasonable rules to effectively and efficiently achieve the purpose of the Compact.
73. Stipulates that, if the Commission exercises its rulemaking authority in a manner beyond the scope of the Compact, the action is invalid and has no force or effect.
74. Requires the Commission to exercise its rulemaking authorities pursuant to the Compact and rules established under the Compact.
75. Declares that rules and amendments to the rules become binding as of the date specified in each rule or amendment.
76. Stipulates that a rule has no further force or effect in any member state if a majority of the legislatures of the member states rejects a rule by enactment of a statute or resolution in the same manner used to adopt the compact, within four years of the adoption of the rule.
77. Requires rules or rules amendments to be adopted at a regular or special meeting.
78. Directs the Commission, before adopting a final rule, to file a notice of proposed rulemaking at least 30 days before the meeting at which the rule will be considered and voted on, with notice provided on the website of:
 - a) the Commission or other publicly accessible platform; and
 - b) each member state's professional counseling licensing board or other publicly accessible platform in which each state would otherwise publish proposed rules.
79. Prescribes requirements for notices of proposed rulemaking.
80. Requires the Commission, before the adoption of a proposed rule, to allow persons to submit written data, facts, opinions and arguments to be made available to the public.
81. Requires the Commission to grant an opportunity for a public hearing before it adopts a rule or amendment if requested by at least 25 people, a state or federal governmental subdivision or agency or an association or organization with at least 25 members.

82. Requires the Commission to:
 - a) publish notice of the place, time and date of a scheduled public hearing on a proposed rule or amendment;
 - b) if a hearing is to be convened electronically, publish the mechanism for access to the hearing;
 - c) consider all written and oral comments received on a proposed rule or amendment; and
 - d) take final action on a proposed rule by majority vote and determine the effective date of the rule, if any.
83. Prescribes Commission guidelines for convening hearings.
84. Permits the Commission to proceed with adopting a proposed rule without a public hearing if no written notice of intent to attend the public hearing by interested parties is received.
85. Permits the Commission to consider and adopt an emergency rule without prior notice, an opportunity for comment or a hearing if the Commission determines that there is an emergency and usual rulemaking procedures provided in the Compact are retroactively applied as soon as reasonably possible, within 90 days.
86. Specifies that an emergency rule is one that must be adopted immediately in order to:
 - a) meet an imminent threat to public health, safety or welfare;
 - b) prevent a loss of Commission or member state funds;
 - c) meet a deadline for the adoption of an administrative rule established by federal law; or
 - d) protect public health and safety.
87. Allows the Commission or an authorized committee to direct revisions to a previously adopted rule or amendment for purposes of correcting typographical errors, errors in format, errors in consistency or grammatical errors.
88. Requires public notice of any revisions to be posted on the Commission website.
89. Specifies that revisions are subject to challenge by any person for 30 days on the grounds that the revision results in a material change to a rule. Requires any challenge to be made in writing and delivered to the Chairperson of the Commission before the end of the notice period.
90. Stipulates that the revision takes effect without further action if no challenge is made.
91. Stipulates that, if the revision is challenged, the revision may not take effect without the approval of the Commission.

Oversight, Dispute Resolution and Enforcement

92. Requires the executive, legislative and judicial branches of state government in each member state to enforce the Compact and take all actions necessary and appropriate to effectuate the compact's purposes and intent.
93. States that the provisions of the Compact and the rules promulgated under the Compact have standing as statutory law.

94. Requires all courts to take judicial notice of the Compact and the rules in any judicial or administrative proceeding in a member state that pertain to the Compact that may affect the powers, responsibilities or actions of the Commission.
95. Entitles the Commission to receive service of process as well as standing to intervene in a proceeding for all purposes.
96. Specifies that failure to provide service of process to the Commission renders a judgment or order void.
97. Requires the Commission, if a member state has defaulted in the performance of its obligations or responsibilities under the Compact, to:
 - a) provide written notice to the defaulting state and other member states of the nature of the default, the proposed means of curing the default or any other action to be taken by the Commission; and
 - b) provide remedial training and specific technical assistance regarding the default.
98. Allows a defaulting state that fails to cure a default to be terminated from the Compact, upon a majority vote of member states.
99. Specifies that curing a default does not relieve an offending state of obligations or liabilities incurred during the period of default.
100. Allows termination of Compact membership only after all other means of securing compliance have been exhausted.
101. Requires the Commission to provide notice of intent to suspend or terminate a state to the governor, the majority and minority leaders of the state's legislature and each of the member states.
102. Specifies that a terminated state is responsible for all assessments, obligations and liabilities incurred, including obligations that extend beyond the effective date of termination.
103. Restricts the Commission from bearing any costs related to a defaulting or terminated state, unless agreed to in writing between the Commission and the defaulting state.
104. Allows a defaulting state to appeal an action of the Commission by petitioning the U.S. District Court for the District of Columbia or the federal district where the Commission has its principal offices.
105. Awards all costs of litigation, including reasonable attorney fees, to the prevailing party.
106. Requires the Commission to attempt to resolve Compact disputes between member states or member states and non-member states upon request by a member state.
107. Requires the Commission to promulgate a rule providing for both mediation and binding dispute resolution.
108. Requires the Commission, in the reasonable exercise of its discretion, to enforce the provisions and rules of the Compact.

109. Permits the Commission, by majority vote, to initiate legal action in the U.S. District Court for the District of Columbia or the federal district where the Commission has its principal offices against a defaulting member state to enforce Compact compliance, including seeking both injunctive relief and damages.
110. Specifies that, if judicial enforcement is necessary, the prevailing member is awarded all costs of litigation, including reasonable attorney fees.
111. Asserts that Compact remedies are not the exclusive remedies of the Commission and that the Commission may pursue any other remedies available under federal or state law.

Date of Implementation, Withdrawals and Amendments

112. Enacts the Compact on the date that the Compact is adopted by a 10th member state.
113. Limits the powers granted to the commission relating to assembly and the adoption of rules to only the provisions of the Compact.
114. Requires the Commission to meet and exercise rulemaking powers necessary to implement and administer the Compact upon the effective date.
115. Specifies that any state that joins the Compact subsequent to the Commission's initial adoption of rules is subject to the rules in place on the effective date of the Compact.
116. States that any rule previously adopted by the Commission has the full force and effect of law on the effective date of the Compact.
117. Permits any member state to withdraw from the Compact by enacting a statute repealing the Compact.
118. Specifies that a member state's withdrawal does not:
 - a) take effect until six months after repealing the enacting statute; or
 - b) affect the continuing requirement of the withdrawing state's professional counseling licensing board to comply with the investigative and adverse action reporting requirements of the Compact before the date of withdrawal.
119. States that the Compact does not invalidate or prevent any professional counseling licensure agreement or other cooperative arrangement between a member state and a nonmember state that does not conflict with the Compact.
120. Permits the Compact to be amended by the member states.
121. Specifies that a Compact amendment does not become effective until it is enacted by all member states.

Construction and Severability

122. Requires the Compact to be liberally construed so as to effectuate its purposes.
123. Requires the provisions of the Compact to be severable.

124. Stipulates that, if any phrase, clause, sentence or provision of the Compact is declared to be contrary to the constitution of a member state or of the United States, the validity of the remainder of the Compact and the applicability to any government, agency, person or circumstance is not affected.
125. Stipulates that, if the Compact violates the constitution of a member state, the Compact remains in full force and effect for:
 - a) the remaining member states; and
 - b) all severable matters of the affected member state.

Binding Effect of Compact and Other Laws

126. Requires LPCs practicing with Compact privileges in a remote state with to adhere to the laws and regulations, including scope of practice, of the remote state.
127. Specifies that the Compact does not prevent the enforcement of any other law of a member state that is not inconsistent with the Compact.
128. States that any laws of a member state that are in conflict with the Compact are superseded to the extent of the conflict.
129. Specifies that any lawful actions of the Commission, including all promulgated rules and bylaws, are binding on the member states.
130. Specifies that all agreements between the Commission and member states are binding in accordance with their terms.
131. Stipulates that, if any provision of the Compact exceeds the legislative constitutional limits of a member state, the provision is ineffective to the extent of the conflict.

Miscellaneous

132. Defines terms.
133. Becomes effective on the general effective date.

Prepared by Senate Research
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