

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

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SENATE BILL 336
Health Care Committee Substitute Adopted 4/10/25
Finance Committee Substitute Adopted 5/7/25

Short Title: Interstate Med.l Lic. Comp./Intern'l Phys. (Public)

Sponsors:

Referred to:

March 20, 2025

A BILL TO BE ENTITLED
AN ACT TO ESTABLISH AN INTERSTATE COMPACT FOR THE LICENSURE OF THE
PRACTICE OF MEDICINE AND TO CREATE A PROCESS FOR INTERNATIONAL
PHYSICIAN EMPLOYEE LICENSE.

The General Assembly of North Carolina enacts:

SECTION 1. Chapter 90 of the General Statutes is amended by adding a new Article
to read:

"Article 1O.

"Interstate Medical Licensure Compact.

"§ 90-21.160. Short title.

This Article shall be known as the "Interstate Medical Licensure Compact."

"§ 90-21.161. Purpose.

(a) The purpose of this Article is to strengthen access to health care, and, in recognition of the advances in the delivery of health care, the member states of the Interstate Medical Licensure Compact (Compact) have allied in common purpose to develop a comprehensive process that complements the existing licensing and regulatory authority of state medical boards and to provide a streamlined process that allows physicians to become licensed in multiple states, thereby enhancing the portability of a medical license and ensuring the safety of patients.

(b) The Interstate Medical Licensure Compact creates another pathway for licensure and does not otherwise change a state's existing medical practice act or provisions. The Compact adopts the prevailing standard for licensure and affirms that the practice of medicine occurs where the patient is located at the time of the physician-patient encounter and, therefore, requires the physician to be under the jurisdiction of the state medical board where the patient is located. State medical boards that participate in the Compact retain the jurisdiction to impose an adverse action against a license to practice medicine in that state issued to a physician through the procedures of the Compact.

"§ 90-21.162. Definitions.

The following definitions apply in this Article:

- (1) Bylaws. – Bylaws established by the Interstate Commission pursuant to G.S. 90-21.171.
- (2) Commissioner. – The voting representative appointed by each member board pursuant to G.S. 90-21.171.
- (3) Conviction. – A finding by a court that an individual is guilty of a criminal offense through adjudication, or entry of a plea of guilty or no contest to the charge by the offender. Evidence of an entry of a conviction of a criminal



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offense by a court shall be considered final for purposes of disciplinary action by a member board.

(4) Expedited license. – A full and unrestricted medical license granted by a member state to an eligible physician through the process set forth in the Compact.

(5) Interstate Commission. – The Interstate Medical Licensure Compact Commission created pursuant to G.S. 90-21.171.

(6) License. – The authorization by a member state for a physician to engage in the practice of medicine, which would be unlawful without authorization.

(7) Medical practice act. – Laws and regulations governing the practice of allopathic and osteopathic medicine within a member state.

(8) Member board. – A state agency in a member state that acts in the sovereign interests of the state by protecting the public through licensure, regulation, and education of physicians as directed by the state government.

(9) Member state. – A state that has enacted the Compact.

(10) Offense. – A felony, gross misdemeanor, or crime of moral turpitude.

(11) Physician. – Any person who meets all of the following qualifications:

a. Is a graduate of a medical school accredited by the Liaison Committee on Medical Education, the Commission on Osteopathic College Accreditation, or a medical school listed in the International Medical Education Directory or its equivalent.

b. Has passed each component of the United States Medical Licensing Examination (USMLE) or the Comprehensive Osteopathic Medical Licensing Examination (COMLEX-USA) within three attempts, or any of its predecessor examinations accepted by a state medical board as an equivalent examination for licensure purposes.

c. Has successfully completed graduate medical education approved by the Accreditation Council for Graduate Medical Education or the American Osteopathic Association.

d. Holds specialty certification or a time-unlimited specialty certificate recognized by the American Board of Medical Specialties or the American Osteopathic Association's Bureau of Osteopathic Specialists.

e. Possesses a full and unrestricted license to engage in the practice of medicine issued by a member board.

f. Has never been convicted, received adjudication, deferred adjudication, community supervision, or deferred disposition for any offense by a court of appropriate jurisdiction.

g. Has never held a license authorizing the practice of medicine subjected to discipline by a licensing agency in any state, federal, or foreign jurisdiction, excluding any action related to nonpayment of fees related to a license.

h. Has never had a controlled substance license or permit suspended or revoked by a state or the United States Drug Enforcement Administration.

i. Is not under active investigation by a licensing agency or law enforcement authority in any state, federal, or foreign jurisdiction.

(12) Practice of medicine. – Clinical prevention, diagnosis, or treatment of human disease, injury, or condition requiring a physician to obtain and maintain a license in compliance with the medical practice act of a member state.

(13) Rule. – A written statement by the Interstate Commission promulgated pursuant to G.S. 90-21.172 that is of general applicability, implements, interprets, or prescribes a policy or provision of the Compact, or an organizational, procedural, or practice requirement of the Interstate Commission, and has the force and effect of statutory law in a member state, and includes the amendment, repeal, or suspension of an existing rule.

(14) State. – Any state, commonwealth, district, or territory of the United States.

(15) State of principal license. – A member state where a physician holds a license to practice medicine and which has been designated as such by the physician for purposes of registration and participation in the Compact.

"§ 90-21.163. Eligibility.

(a) A physician must meet the eligibility requirements as defined in G.S. 90-21.162(11) to receive an expedited license under the terms and provisions of the Compact.

(b) A physician who does not meet the requirements of G.S. 90-21.162(11) may obtain a license to practice medicine in a member state if the individual complies with all laws and requirements, other than the Compact, relating to the issuance of a license to practice medicine in that state.

"§ 90-21.164. Designation of state of principal license.

(a) A physician shall designate a member state as the state of principal license for purposes of registration for expedited licensure through the Compact if the physician possesses a full and unrestricted license to practice medicine in that state, and that state meets any one of the following qualifications:

(1) The state is the principal residence for the physician.

(2) The physician conducts at least twenty-five percent (25%) of their practice of medicine in the state.

(3) The state is the location of the physician's employer.

If no state qualifies under subdivision (1), (2), or (3) of this subsection, then the physician may designate the state of residence for the purpose of federal income tax as their state of principal license.

(b) A physician may redesignate a member state as a state of principal license at any time, as long as the state meets the requirements of subsection (a) of this section.

(c) The Interstate Commission is authorized to develop rules to facilitate redesignation of another member state as the state of principal license.

"§ 90-21.165. Application and issuance of expedited licensure.

(a) A physician seeking licensure through the Compact shall file an application for an expedited license with the member board of the state selected by the physician as the state of principal license.

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

(c) Static qualifications, which include verification of medical education, graduate medical education, results of any medical or licensing examination, and other qualifications as determined by the Interstate Commission through rule, shall not be subject to additional primary source verification where already primary source verified by the state of principal license.

(d) The member board within the state selected as the state of principal license shall, in the course of verifying eligibility, perform a criminal background check of an applicant, including the use of the results of fingerprint or other biometric data checks in compliance with the requirements of the Federal Bureau of Investigation, with the exception of federal employees who have suitability determination in accordance with 5 C.F.R. § 731.202.

(e) Appeal on the determination of eligibility to the member state shall be made to the member state where the application was filed and shall be subject to the laws of that state.

(f) Upon verification of eligibility in subsection (b) of this section, physicians eligible for an expedited license shall complete the registration process established by the Interstate Commission to receive a license in a member state selected pursuant to subsection (a) of this section, including the payment of any applicable fees.

(g) After receiving verification of eligibility under subsection (b) of this section and any fees under subsection (f) of this section, a member board shall issue an expedited license to the physician. This license shall authorize the physician to practice medicine in the issuing state consistent with the medical practice act and all applicable laws and regulations of the issuing member board and member state.

(h) An expedited license shall be valid for a period consistent with the licensure period in the member state and in the same manner as required for other physicians holding a full and unrestricted license within the member state.

(i) An expedited license obtained through the Compact shall be terminated if a physician fails to maintain a license in the state of principal licensure for a nondisciplinary reason, without redesignation of a new state of principal licensure.

(j) The Interstate Commission is authorized to develop rules regarding the application process, including payment of any applicable fees, and the issuance of an expedited license.

"§ 90-21.166. Fees for expedited licensure.

(a) A member state issuing an expedited license authorizing the practice of medicine in that state may impose a fee for a license issued or renewed through the Compact.

(b) The Interstate Commission is authorized to develop rules regarding fees for expedited licenses.

"§ 90-21.167. Renewal and continued participation.

(a) A physician seeking to renew an expedited license granted in a member state shall complete a renewal process with the Interstate Commission if the physician meets all of the following qualifications:

(1) Maintains a full and unrestricted license in a state of principal license.

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

(3) Has not had a license authorizing the practice of medicine subject to discipline by a licensing agency in any state, federal, or foreign jurisdiction, excluding any action related to nonpayment of fees related to a license.

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

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

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

(d) Upon receipt of any renewal fees collected under subsection (c) of this section, a member board shall renew the physician's license.

(e) Physician information collected by the Interstate Commission during the renewal process will be distributed to all member boards.

(f) The Interstate Commission is authorized to develop rules to address renewal of licenses obtained through the Compact.

"§ 90-21.168. Coordinated information system.

(a) The Interstate Commission shall establish a database of all physicians who are licensed, or who have applied for licensure, under G.S. 90-21.165.

(b) Notwithstanding any other provision of law, member boards shall report to the Interstate Commission any public action or complaints against a licensed physician who has applied or received an expedited license through the Compact.

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

(d) Member boards may report any nonpublic complaint, disciplinary, or investigatory information not required by subsection (c) of this section to the Interstate Commission.

(e) Member boards shall share complaint or disciplinary information about a physician upon request of another member board.

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

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

"§ 90-21.169. Joint investigations.

(a) Licensure and disciplinary records are deemed investigative.

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

(c) A subpoena issued by a member state shall be enforceable in other member states.

(d) Member boards may share any investigative, litigation, or compliance materials in furtherance of any joint or individual investigation initiated under the Compact.

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

"§ 90-21.170. Disciplinary actions.

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

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

(c) If disciplinary action is taken against a physician by a member board not in the state of principal license, any other member board may deem the action conclusive as to matter of law and fact decided and take one of the following actions:

(1) Impose the same or lesser sanctions against the physician consistent with the medical practice act of that state.

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

(d) If a license granted to a physician by a member board is revoked, surrendered, or relinquished in lieu of discipline, or suspended, then any licenses issued to the physician by any other member boards shall be suspended, automatically and immediately without further action necessary by the other member boards, for 90 days upon entry of the order by the disciplining board, to permit the member boards to investigate the basis for the action under the medical practice act of that state. A member board may terminate the automatic suspension of the license

1 it issued prior to the completion of the 90-day suspension period in a manner consistent with the
2 medical practice act of that state.

3 **"§ 90-21.171. Interstate Medical Licensure Compact Commission.**

4 (a) The member states hereby create the "Interstate Medical Licensure Compact
5 Commission."

6 (b) The purpose of the Interstate Commission is the administration of the Interstate
7 Medical Licensure Compact, which is a discretionary state function.

8 (c) The Interstate Commission shall be a body corporate and joint agency of the member
9 states and shall have all of the responsibilities, powers, and duties set forth in the Compact, and
10 additional powers as may be conferred upon it by a subsequent concurrent action of the respective
11 legislatures of the member states in accordance with the terms of the Compact.

12 (d) The Interstate Commission shall consist of two voting representatives appointed by
13 each member state who shall serve as Commissioners. In states where allopathic and osteopathic
14 physicians are regulated by separate member boards, or if the licensing and disciplinary authority
15 is split between separate member boards, or if the licensing and disciplinary authority is split
16 between multiple member boards within a member state, the member state shall appoint one
17 representative from each member board. A Commissioner shall meet one of the following
18 qualifications:

19 (1) An allopathic or osteopathic physician appointed to a member board.

20 (2) An executive director, executive secretary, or similar executive member of a
21 member board.

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

23 (e) The Interstate Commission shall meet at least once each calendar year. A portion of
24 this meeting shall be a business meeting to address matters that come properly before the
25 Commission and for the election of officers. The chairperson may call additional meetings and
26 shall call for a meeting upon the request of a majority of the member states.

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

29 (g) Each Commissioner participating at a meeting of the Interstate Commission is entitled
30 to one vote. A majority of Commissioners shall constitute a quorum for the transaction of
31 business, unless a larger quorum is required by the bylaws adopted by the Interstate Commission.
32 A Commissioner shall not delegate a vote to another Commissioner. In the absence of its
33 Commissioner, a member state may delegate voting authority for a specified meeting to another
34 person from that state who shall meet the requirements of subsection (d) of this section.

35 (h) The Interstate Commission shall provide public notice of all meetings, and all
36 meetings shall be open to the public. The Interstate Commission may close a meeting, in full or
37 in portion, where it determines by a two-thirds vote of the Commissioners present that an open
38 meeting would be likely to:

39 (1) Relate solely to the internal personnel practice and procedures of the Interstate
40 Commission.

41 (2) Discuss matters specifically exempted from disclosure by federal statute.

42 (3) Discuss trade secrets, commercial, or financial information that is privileged
43 or confidential.

44 (4) Involve accusing a person of a crime, or formally censuring a person.

45 (5) Discuss information of a personal nature where disclosure would constitute a
46 clearly unwarranted invasion of personal privacy.

47 (6) Discuss investigative records compiled for law enforcement purposes.

48 (7) Specifically relate to the participation in a civil action or other legal
49 proceeding.

(i) The Interstate Commission shall keep minutes which shall fully describe all matters discussed in a meeting and shall provide a full and accurate summary of actions taken, including record of any roll call votes.

(j) The Interstate Commission shall make its information and official records, to the extent not otherwise designated in the Compact or by its rules, available for public inspection.

(k) The Interstate Commission shall establish an executive committee, which shall include officers, members, and others as determined by the bylaws. The executive committee shall have the power to act on behalf of the Interstate Commission, with the exception of rulemaking, during periods when the Interstate Commission is not in session. When acting on behalf of the Interstate Commission, the executive committee shall oversee the administration of the Compact, including enforcement and compliance with the provisions of the Compact, its bylaws and rules, and other such duties as necessary.

(l) The Interstate Commission shall establish other committees for governance and administration of the Compact.

"§ 90-21.172. Powers and duties of the Interstate Commission.

The Interstate Commission has the following powers and duties:

(1) Oversee and maintain the administration of the Compact.

(2) Promulgate rules which shall be binding to the extent and in the manner provided for in the Compact.

(3) Issue, upon the request of a member state or member board, advisory opinions concerning the meaning or interpretation of the Compact, its bylaws, rules, and actions.

(4) Enforce compliance with Compact provisions, the rules promulgated by the Interstate Commission, and the bylaws, using all necessary and proper means, including, but not limited to, the use of the judicial process.

(5) Establish and appoint committees, including, but not limited to, an executive committee as required by G.S. 90-21.171, which shall have the power to act on behalf of the Interstate Commission in carrying out its powers and duties.

(6) Pay or provide payment of the expenses related to the establishment, organization, and ongoing activities of the Interstate Commission.

(7) Establish and maintain one or more offices.

(8) Borrow, accept, hire, or contract for services of personnel.

(9) Purchase and maintain insurance and bonds.

(10) Employ an executive director who shall have such powers to employ, select, or appoint employees, agents, or consultants, and to determine their qualifications, define their duties, and fix their compensation.

(11) Establish personnel policies and programs relating to conflicts of interest, rates of compensation, and qualifications of personnel.

(12) Accept donations and grants of money, equipment, supplies, materials, and services and to receive, utilize, and dispose of it in a manner consistent with the conflict of interest policies established by the Interstate Commission.

(13) Lease, purchase, accept contributions or donations of, or otherwise to hold, own, improve, or use any property, real, personal, or mixed.

(14) Sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property, real, personal, or mixed.

(15) Establish a budget and make expenditures.

(16) Adopt a seal and bylaws governing the management and operation of the Interstate Commission.

(17) Report annually to the legislatures and governors of the member states concerning the activities of the Interstate Commission during the preceding

1 year. Such reports shall also include reports of financial audits and any
2 recommendations that may have been adopted by the Interstate Commission.
3 (18) Coordinate education, training, and public awareness regarding the Compact,
4 its implementation, and its operation.

5 (19) Maintain records in accordance with the bylaws.

6 (20) Seek and obtain trademarks, copyrights, and patents.

7 (21) Perform such functions as may be necessary or appropriate to achieve the
8 purpose of the Compact.

9 **"§ 90-21.173. Finance powers.**

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

16 (b) The Interstate Commission shall not incur obligations of any kind prior to securing
17 the funds adequate to meet the same.

18 (c) The Interstate Commission shall not pledge the credit of any of the member states,
19 except by, and with the authority of, the member state.

20 (d) The Interstate Commission shall be subject to a yearly financial audit conducted by a
21 certified or licensed accountant, and the report of the audit shall be included in the annual report
22 of the Interstate Commission.

23 **"§ 90-21.174. Organization and operation of the Interstate Commission.**

24 (a) The Interstate Commission shall, by a majority of Commissioners present and voting,
25 adopt bylaws to govern its conduct as may be necessary or appropriate to carry out the purposes
26 of the Compact within 12 months of the first Interstate Commission meeting.

27 (b) The Interstate Commission shall elect or appoint annually from among its
28 Commissioners a chairperson, a vice-chairperson, and a treasurer, each of whom shall have such
29 authority and duties as may be specified in the bylaws. The chairperson, or in the chairperson's
30 absence or disability the vice-chairperson, shall preside at all meetings of the Interstate
31 Commission.

32 (c) Officers selected in subsection (b) of this section shall serve without remuneration for
33 the Interstate Commission.

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

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

50 (f) The Interstate Commission shall defend the executive director, its employees, and
51 subject to the approval of the attorney general or other appropriate legal counsel of the member

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

8 (g) To the extent not covered by the state involved, member state, or the Interstate
9 Commission, the representatives or employees of the Interstate Commission shall be held
10 harmless in the amount of a settlement or judgment, including attorneys' fees and costs, obtained
11 against such persons arising out of an actual or alleged act, error, or omission that occurred within
12 the scope of Interstate Commission employment, duties, or responsibilities, or that such persons
13 had a reasonable basis for believing occurred within the scope of Interstate Commission
14 employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission
15 did not result from intentional or willful and wanton misconduct on the part of such person.

16 **"§ 90-21.175. Rulemaking functions of the Interstate Commission.**

17 (a) The Interstate Commission shall promulgate reasonable rules in order to effectively
18 and efficiently achieve the purpose of the Compact. Notwithstanding the foregoing, in the event
19 the Interstate Commission exercises its rulemaking authority in a manner that is beyond the scope
20 of the purposes of the Compact, or the powers granted hereunder, then such an action by the
21 Interstate Commission shall be invalid and have no force or effect.

22 (b) Rules deemed appropriate for the operations of the Interstate Commission shall be
23 made pursuant to a rulemaking process that substantially conforms to the "Revised Model State
24 Administrative Procedure Act" of 2010, and subsequent amendments thereto.

25 (c) Not later than 30 days after a rule is promulgated, any person may file a petition for
26 judicial review of the rule in the United States District Court for the District of Columbia or the
27 federal district where the Interstate Commission has its principal offices, provided that the filing
28 of such a petition shall not stay or otherwise prevent the rule from becoming effective unless the
29 court finds that the petitioner has substantial likelihood of success. The court shall give deference
30 to the actions of the Interstate Commission consistent with applicable law and shall not find the
31 rule to be unlawful if the rule represents a reasonable exercise of the authority granted to the
32 Interstate Commission.

33 **"§ 90-21.176. Oversight of Interstate Compact.**

34 (a) The executive, legislative, and judicial branches of state government in each member
35 state shall enforce the Compact and shall take all actions necessary and appropriate to effectuate
36 the Compact's purposes and intent. The provisions of the Compact and the rules promulgated
37 hereunder shall have standing as statutory law but shall not override existing state authority to
38 regulate the practice of medicine.

39 (b) All courts shall take judicial notice of the Compact and the rules in any judicial or
40 administrative proceeding in a member state pertaining to the subject matter of the Compact
41 which may affect the powers, responsibilities, or action of the Interstate Commission.

42 (c) The Interstate Commission shall be entitled to receive all services of process in any
43 such proceeding and shall have standing to intervene in the proceeding for all purposes. Failure
44 to provide service of process to the Interstate Commission shall render a judgment or order void
45 as to the Interstate Commission, the Compact, or promulgated rules.

46 **"§ 90-21.177. Enforcement of Interstate Compact.**

47 (a) The Interstate Commission, in the reasonable exercise of its discretion, shall enforce
48 the provisions and rules of the Compact.

49 (b) The Interstate Commission may, by majority vote of the Commissioners, initiate legal
50 action in the United States District Court for the District of Columbia, or, at the discretion of the
51 Interstate Commission, in the federal district where the Interstate Commission has its principal

1 offices, to enforce compliance with the provisions of the Compact, and its promulgated rules and
2 bylaws, against a member state in default. The relief sought may include both injunctive relief
3 and damages. In the event judicial enforcement is necessary, the prevailing party shall be awarded
4 all costs of such litigation, including reasonable attorneys' fees.

5 (c) The remedies herein shall not be the exclusive remedies of the Interstate Commission.
6 The Interstate Commission may avail itself of any other remedies available under state law or
7 regulation of a profession.

8 **"§ 90-21.178. Default procedures.**

9 (a) The grounds for default include, but are not limited to, failure of a member state to
10 perform such obligations or responsibilities imposed upon it by the Compact, or the rules and
11 bylaws of the Interstate Commission promulgated under the Compact.

12 (b) If the Interstate Commission determines that a member state has defaulted in the
13 performance of its obligations or responsibilities under the Compact, or the bylaws or
14 promulgated rules, the Interstate Commission shall do all of the following:

15 (1) Provide written notice to the defaulting state and other member states of the
16 nature of the default, the means of curing the default, and any action taken by
17 the Interstate Commission. The Interstate Commission shall specify the
18 conditions by which the defaulting state must cure its default.

19 (2) Provide remedial training and specific technical assistance regarding the
20 default.

21 (c) If the defaulting state fails to cure the default, the defaulting state shall be terminated
22 from the Compact upon an affirmative vote of a majority of the Commissioners, and all rights,
23 privileges, and benefits conferred by the Compact shall terminate on the effective date of
24 termination. A cure of the default does not relieve the offending state of obligations or liabilities
25 incurred during the period of default.

26 (d) Termination of membership in the Compact shall be imposed only after all other
27 means of securing compliance have been exhausted. Notice of intent to terminate shall be given
28 by the Interstate Commission to the governor, the majority and minority leaders of the defaulting
29 state's legislature, and each of the member states.

30 (e) The Interstate Commission shall establish rules and procedures to address licenses
31 and physicians that are materially impacted by the termination of a member state or the
32 withdrawal of a member state.

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

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

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

43 **"§ 90-21.179. Dispute resolution.**

44 (a) The Interstate Commission shall attempt to resolve disputes upon the request of a
45 member state, which are subject to the Compact and which may arise among member states or
46 member boards.

47 (b) The Interstate Commission shall promulgate rules providing for both mediation and
48 binding dispute resolution as appropriate.

49 **"§ 90-21.180. Member states; effective date; amendment.**

50 (a) Any state is eligible to become a member of the Compact.

(b) The Compact shall become effective and binding upon legislative enactment of the Compact into law by no less than seven states. Thereafter, it shall become effective and binding on a state upon enactment of the Compact into law in that state.

(c) The governors of nonmember states, or their designees, shall be invited to participate in the activities of the Interstate Commission on a nonvoting basis prior to adoption of the Compact by all states.

(d) The Interstate Commission may propose amendments to the Compact for enactment by the member states. No amendment shall become effective and binding upon the Interstate Commission and the member states unless and until it is enacted into law by unanimous consent of the member states.

"§ 90-21.181. Withdrawal.

(a) Once effective, the Compact shall continue in force and remain binding upon each and every member state, provided that a member state may withdraw from the Compact by specifically repealing the statutes which enacted the Compact into law.

(b) Withdrawal from the Compact shall be by the enactment of a statute repealing the same but shall not take effect until one year after the effective date of such statute and until written notice of the withdrawal has been given by the withdrawing state to the governor of each other member state.

(c) The withdrawing state shall immediately notify the chairperson of the Interstate Commission in writing upon the introduction of legislation repealing the Compact in the withdrawing state.

(d) The Interstate Commission shall notify the other member states of the withdrawing state's intent to withdraw within 60 days of its receipt of notice provided under subsection (c) of this section.

(e) The withdrawing state is responsible for all dues, obligations, and liabilities incurred through the effective date of withdrawal, including obligations, the performance of which extend beyond the effective date of withdrawal.

(f) Reinstatement following withdrawal of a member state shall occur upon the withdrawing state reenacting the Compact or upon such later date as determined by the Interstate Commission.

(g) The Interstate Commission is authorized to develop rules to address the impact of the withdrawal of a member state on licenses granted in other member states to physicians who designated the withdrawing member state as the state of principal license.

"§ 90-21.182. Dissolution.

(a) The Compact shall dissolve effective upon the date of the withdrawal or default of the member state which reduces the membership of the Compact to one member state.

(b) Upon the dissolution of the Compact, the Compact becomes null and void and shall be of no further force or effect, and the business and affairs of the Interstate Commission shall be concluded, and surplus funds shall be distributed in accordance with the bylaws.

"§ 90-21.183. Severability and construction.

The provisions of the Compact shall be severable, and if any phrase, clause, sentence, or provision is deemed unenforceable, the remaining provisions of the Compact shall be enforceable. The provisions of the Compact shall be liberally construed to effectuate its purposes. Nothing in the Compact shall be construed to prohibit the applicability of other interstate compacts to which the member states are members.

"§ 90-21.184. Binding effect of Compact and other laws.

(a) Nothing herein prevents the enforcement of any other law of a member state that is not inconsistent with the Compact.

(b) All laws in a member state in conflict with the Compact are superseded to the extent of the conflict.

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

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

(e) In the event any provision of the Compact exceeds the constitutional limits imposed on the legislature of any member state, such provision shall be ineffective to the extent of the conflict with the constitutional provision in question in that member state."

SECTION 2.(a) G.S. 90-5.1 reads as rewritten:

"§ 90-5.1. Powers and duties of the Board.

(a) The Board shall have the following powers and duties:

...

(11) Appoint two Commissioners to serve on the Interstate Medical Licensure Compact Commission. Commissioners must meet one of the following requirements: be (i) a current physician Board member, (ii) an executive director or similar executive member, or (iii) a current public Board member.

...."

SECTION 2.(b) G.S. 90-11(b) reads as rewritten:

"(b) The Department of Public Safety may provide a criminal record check to the Board for a person who has applied for a license through the ~~Board.~~ Board and for purposes of G.S. 90-21.165. The Board shall provide to the Department of Public Safety, along with the request, the fingerprints of the applicant, any additional information required by the Department of Public Safety, and a form signed by the applicant consenting to the check of the criminal record and to the use of the fingerprints and other identifying information required by the State or national repositories. The applicant's fingerprints shall be forwarded to the State Bureau of Investigation for a search of the State's criminal history record file, and the State Bureau of Investigation shall forward a set of the fingerprints to the Federal Bureau of Investigation for a national criminal history check. The Board shall keep all information pursuant to this subsection privileged, in accordance with applicable State law and federal guidelines, and the information shall be confidential and shall not be a public record under Chapter 132 of the General Statutes.

The Department of Public Safety may charge each applicant a fee for conducting the checks of criminal history records authorized by this subsection. The Board has the authority to collect this fee from each applicant and remit it to the Department of Public Safety."

SECTION 2.(c) G.S. 90-13.1 reads as rewritten:

"§ 90-13.1. License fees.

...

(g) Each applicant for a license issued or renewed through the Interstate Medical Licensure Compact in accordance with Article 10 of Chapter 90 of the General Statutes shall be subject to any additional fees or assessments as determined by the Board or the Interstate Medical Licensure Compact Commission to cover any costs incurred by the Board for the participation in the Interstate Medical Licensure Compact."

SECTION 2.(d) G.S. 90-13.2 reads as rewritten:

"§ 90-13.2. Registration every year with Board.

(a) ~~Every~~ Except as provided for in Article 10 of Chapter 90 of the General Statutes, ~~every~~ licensee shall register annually with the Board no later than 30 days after the person's birthday.

...

(g) Upon payment of all accumulated fees and penalties, the license of the licensee may be reinstated, subject to the Board requiring the licensee to appear before the Board for an interview and to comply with other licensing requirements. ~~The~~ Except as provided in G.S. 90-21.166, the penalty may not exceed the applicable maximum fee for a license under G.S. 90-13.1.

...."

SECTION 2.(e) G.S. 90-14 reads as rewritten:

"§ 90-14. Disciplinary Authority.

(a) The Board shall have the power to place on probation with or without conditions, impose limitations and conditions on, publicly reprimand, assess monetary redress, issue public letters of concern, mandate free medical services, require satisfactory completion of treatment programs or remedial or educational training, fine, deny, annul, suspend, or revoke a license, or other authority to practice medicine in this State, issued by the Board to any person who has been found by the Board to have committed any of the following acts or conduct, or for any of the following reasons:

...

(18) A violation of Article 10 of Chapter 90 of the General Statutes, consistent with the provisions of that Article for qualifying licensees.

...."

SECTION 2.(f) G.S. 90-14.2 reads as rewritten:

"§ 90-14.2. Hearing before disciplinary action.

(a) ~~Before~~ Except as provided in G.S. 90-21.170, before the Board shall take disciplinary action against any license granted by it, the licensee shall be given a written notice indicating the charges made against the licensee and stating that the licensee will be given an opportunity to be heard concerning the charges at a time and place stated in the notice, or at a time and place to be thereafter designated by the Board, and the Board shall hold a public hearing not less than 30 days from the date of the service of notice upon the licensee, at which the licensee may appear personally and through counsel, may cross examine witnesses and present evidence in the licensee's own behalf. A licensee who is mentally incompetent shall be represented at such hearing and shall be served with notice as herein provided by and through a guardian ad litem appointed by the clerk of the court of the county in which the licensee resides. The licensee may file written answers to the charges within 30 days after the service of the notice, which answer shall become a part of the record but shall not constitute evidence in the case.

...."

SECTION 3. Article 1 of Chapter 90 of the General Statutes is amended by adding a new section to read:

"§ 90-12.03. Internationally-trained physician employee license.

(a) The Board may issue an "internationally-trained physician employee license" to practice medicine and surgery to a physician when the Board has received satisfactory verification of all of the following requirements:

(1) The applicant has been offered employment as a physician in a full-time capacity at (i) a hospital that is located in North Carolina and licensed by the State of North Carolina or (ii) a medical practice located in a rural county with a population of less than 500 people per square mile, in North Carolina, where a physician fully licensed by the State under this Chapter is physically practicing on-site at the rural medical practice.

(2) The applicant has a current and active license in good standing to practice medicine in a foreign country or had that type of license expire no more than five years prior to submission of an application to the Board.

(3) The applicant previously completed 130 weeks of medical education at a medical school listed in the World Dictionary of Medical Schools and is eligible to be certified by the Educational Commission for Foreign Medical Graduates and meets one of the following requirements:

a. The applicant has completed two years of postgraduate training in a graduate medical education program approved by the applicant's country of licensure.

- b. The applicant has actively practiced medicine in the applicant's country of licensure for at least 10 years after graduation.
- (4) The applicant has demonstrated competency to practice medicine in one of the following ways:
- a. Successfully passing each part of an examination listed in G.S. 90-10.1.
- b. Successfully passing each part of a nationally recognized standard medical licensing examination from a country that is a member of the International Association of Medical Regulatory Authorities that meets all of the following requirements:
1. Tests for the ability to practice medicine.
 2. Tests for medical knowledge, skills, and understanding of clinical science essential for providing patient care, including general practice, cardiology, internal medicine, gastroenterology, hematology, nephrology, neurology, pediatrics, psychiatry, pulmonology, obstetrics and gynecology, radiology, rheumatology, urology, and surgery.
 3. Tests for communication and interpersonal skills.
 4. Includes an interactive testing component.
- The examining body must provide verification in English directly to the Board that the applicant has passed an examination meeting the requirements of this sub-subdivision.
- c. Receiving specialty board certification as approved by any of the following:
1. The American Board of Medical Specialties.
 2. The Bureau of Osteopathic Specialists of the American Osteopathic Association.
 3. The Royal College of Physicians and Surgeons of Canada.
 4. Any other specialty board recognized pursuant to rules adopted by the Board.
- d. Submitting to a comprehensive assessment demonstrating clinical competence by a program approved by the Board.
- Alternatively, the Board may waive the requirements of this subdivision and issue a temporary license and require the applicant to successfully pass the Special Purpose Examination (SPEX) or Post-Licensure Assessment Systems within one year.
- (5) The applicant has not had a license revoked, suspended, restricted, denied, or otherwise acted against in any jurisdiction and is the subject of no pending investigations. For purposes of this subdivision, the licensing authority's acceptance of a license to practice voluntarily relinquished by a licensee or relinquished by stipulation, consent order, or other settlement in response to or in anticipation of the filing of administrative charges against the licensee's license, or an inactivation or voluntary surrender of a license while under investigation, is deemed to be an action against a license to practice.
- (6) The applicant does not have any convictions in any court involving moral turpitude, or the violation of a law involving the practice of medicine, or a conviction of a law substantially equivalent to a felony. The applicant shall submit to, and the Board must receive, a background screening from the country in which they are licensed.
- (7) The applicant has practiced medicine for at least five years.
- (8) The applicant is proficient in English.

(9) The applicant is legally authorized to work in the United States. An applicant may apply for an internationally-trained physician employee license before receiving federal work authorization but may not begin employment with the North Carolina hospital or rural medical practice until receiving legal work authorization from the relevant federal agency.

(10) The applicant submits an application fee pursuant to G.S. 90-13.1(a).

(b) The holder of the internationally-trained physician employee license issued under this section shall not practice medicine or surgery outside the confines of the North Carolina hospital or rural medical practice, or its affiliate, by whose employment the holder was qualified to be issued the license pursuant to subdivision (1) of subsection (a) of this section. A person who violates this subsection shall be guilty of a Class 3 misdemeanor and, upon conviction, shall be fined not more than five hundred dollars (\$500.00) for each offense. The Board, at its discretion, may revoke the special license after due notice is given to the holder of the certified physician employee license.

(c) An internationally-trained physician employee license shall become inactive at the time its holder does one or more of the following:

(1) Ceases to be employed in a full-time capacity by a North Carolina hospital or medical practice meeting the criteria set forth in subdivision (1) of subsection (a) of this section.

(2) Ceases to be employed at a medical practice located in a rural county or practices if a physician licensed by the State under this Chapter is not physically practicing on-site at the medical practice.

(3) Obtains any other license to practice medicine issued by the Board.

The Board shall retain jurisdiction over the holder of the inactive license.

(d) A physician with an internationally-trained physician employee license shall be eligible to apply for a full license to practice medicine in North Carolina after four years of active practice in North Carolina. The Board shall grant a full license if the applicant has no disciplinary actions by any state, federal, or foreign regulatory agency, no pending investigations by any state, federal, or foreign regulatory agency, no misdemeanor convictions in the two years preceding their application for a full license, no felony convictions, no pending misdemeanor or felony charges, and no adverse actions affecting their privileges or ability to practice. For purposes of this section, "misdemeanor" shall not include traffic violations.

(e) The Board, in consultation with partner organizations as needed, shall collect information necessary to evaluate the implementation and success of the pathway to licensure established in this section, including at least the following:

(1) The number of applicants for provisional licensure.

(2) The applicant's licensing country or country where they were authorized to practice medicine and, if different, country of education and training.

(3) The number of provisional licenses granted under this section.

(4) The number of provisional licenses denied under this section.

(5) The number of full and unrestricted licenses granted to applicants who completed the pathway to licensure established in this section.

(6) The number of full and unrestricted license applications denied to applicants who completed the pathway to licensure established in this section.

(7) The reasons for denial of applications for provisional and full unrestricted licenses under this section.

(8) The number of complaints received regarding holders of a provisional license issued under this section and the disciplinary actions taken, if any.

(9) The practice setting and specialty of applicants in their licensing country or country of origin and as employed during their provisional and limited licensure.

- 1 (10) The geographic area or rural/urban designation of where licensees practice
2 during provisional licensure and after the period of provisional licensure.
3 (11) The practice setting and specialty of internationally-trained physicians who
4 completed the pathway to licensure upon receiving a full and unrestricted
5 license.

6 (f) Annually on or before December 1, the Board shall report the information collected
7 pursuant to subsection (e) of this section for the previous calendar year to the Joint Legislative
8 Oversight Committee on Health and Human Services."

9 **SECTION 4.** The North Carolina Medical Board (Board) shall adopt rules necessary
10 to issue an internationally-trained physician employee license. The Board may adopt a rule
11 establishing a time limit for the term of an internationally-trained physician employee license.
12 The Board may also adopt rules to implement Section 1 of this act.

13 **SECTION 5.** It is the intention of the General Assembly that the provisions of this
14 act shall be severable. If any provision of this act or its application to any person or circumstance
15 is held invalid, the remainder of the act or the application of the provision to other persons or
16 circumstances is not affected, including, but not limited to, the applicability of this act to the
17 provisions of future agreements subject to this act.

18 **SECTION 6.** This act becomes effective January 1, 2026.