



ALASKA DISTRICT COUNCIL OF LABORERS

Laborers' International Union of North America
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Joey Merrick

Business Manager
Secretary-Treasurer
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House Labor & Commerce Committee
Alaska State Legislature
House.Labor.And.Commerce@akleg.gov

Subject: Opposition to HB 149 (Multistate Nurse Licensure Compact)

Jacob Howdeshell

President
District Council

Business Manager
Laborers' Local 942

Dear Members of the House Labor & Commerce Committee:

The Alaska District Council of Laborers strongly opposes HB 149 based on serious concerns over state sovereignty and the risks to public health and safety posed by the Nurse Licensure Compact. While we agree that improvements are needed to enhance the licensing process, recruitment, and retention of Alaska nurses, the Compact is an overly simplistic solution to complex challenges facing every state in the nation including those currently in the Compact.

The Alaska District Council of Laborers is made up of over 5,000 Alaskans working in the construction, oil and gas, service, tourism, public, and healthcare sectors. In the healthcare sector, the Laborers represent caregivers, service workers, technicians, certified nursing assistants, as well as registered nurses in both long-term care and at Alaska Regional Hospital.

The Compact Requires Giving Up Alaska State Sovereignty.

The Compact would require Alaska to relinquish our state sovereignty and abide by decisions made by a private, out-of-state trade group. Under the Compact, state modifications are not permitted, and the Compact would therefore not allow the Alaska State Legislature to make substantive amendments. For example, the Compact has rejected state legislatures' attempts to pass amendments affecting the Compact. A commission would have the power to make binding decisions on Compact states, and Alaska would not have oversight or accountability mechanisms over the decisions made by the commission.

The Compact Would Undermine Public Safety and Health.

According to a *USA Today-ProPublica* investigation, the Compact "has allowed nurses with records of misconduct to put patients in jeopardy."¹ For

¹ Tracy Weber and Charles Ornstein, Troubled Nurses Skip from State to State Under Compact, *ProPublica* (July 14, 2010), <https://www.propublica.org/article/troubled-nurses-skip-from-state-to-state-under-compact>.

example, a nurse who was terminated in one state for stealing painkillers was still allowed to work in another Compact state even though the hospital had alerted state regulators and police. The nurse was later convicted of two felony drug charges, but *ProPublica* found that the ease of this nurse's job change after his termination demonstrates the major gaps in the Compact's regulatory ability "to keep nurses from avoiding the consequences of misconduct by hopping across state lines." This investigation highlights the challenge that, with the Compact, there is no central licensing system. As a result, addressing misconduct relies upon the vigilance of other Compact states. *ProPublica* reports that Compact officials do not track the number of nurses sanctioned by their primary state for misconduct in other states. The Compact lacks oversight for states' discipline. For instance, Compact records demonstrate that 10 states have disciplined three or fewer such nurses over a ten-year period. This has the potential to lower Alaska's high standards to the lowest common denominator. To examine the efficacy of the Compact, reporters reviewed disciplinary actions by five Compact states. The reporters found that certain Compact states took action to prohibit four dozen nurses from providing care yet, due to inadequate coordination, the nurses' primary licenses failed to reflect the disciplinary actions, allowing the nurses to remain eligible to work elsewhere for months or even longer despite the other Compact states' disciplinary actions. This reliance on state-to-state communication and coordination allows serious disciplinary actions to slip between the cracks, jeopardizing accountability and patient care.

There are other examples of the same troubling pattern involving the lack of accountability for patient harm across Compact states, showing that safety under the Compact depends upon the diligence and coordination among member states.² The Compact would undermine Alaska's high standards, which protect patient health.

The Compact Can't Solve the National Nurse Shortage.

The Compact simply cannot solve a nurse shortage that spans hospitals and clinics from coast to coast. We wish there was an easy fix to the national nurse shortage, but that is too good to be true. We are concerned that passage of the Compact could facilitate Alaska nurses to leave the state especially during the winter months. Based on studying impacts from adoption of the Compact, academic researchers concluded that nationalizing licensing through the Compact will not significantly change the labor market.³ The abstract to their paper explains the scope of their data as well as their conclusions:

There is concern that licensure requirements impede mobility of licensed professionals to areas of high demand. Nursing has not been immune to this criticism, especially in the context of perceived nurse shortages and large expected future demand. The Nurse Licensure Compact (NLC) was introduced to solve this

² Jason Pohl, Twice fired, NoCo nurse gained new job, new license, The Coloradoan (August 2016) <https://www.coloradoan.com/story/news/2016/03/05/twice-fired-noco-nurse-gained-new-job-new-license/80506304/>.

³ Christina DePasquale and Kevin Stange, Labor Supply Effects of Occupational Regulation: Evidence from the Nurse Licensure Compact, National Bureau of Economic Research Working Paper No. 22344 (June 2016), available at <http://www-personal.umich.edu/~kstange/papers/DePasqualeStange2016NBERw22344.pdf>.

problem by permitting registered nurses to practice across state lines without obtaining additional licensure. We exploit the staggered adoption of the NLC to examine whether a reduction in licensure-induced barriers alters the nurse labor market. Using data on over 1.8 million nurses and other health care workers we find no evidence that the labor supply or mobility of nurses increases following the adoption of the NLC, even among the residents of counties bordering other NLC states who are potentially most affected by the NLC. This suggests that nationalizing occupational licensing will not substantially reduce labor market frictions.

The nurse shortage runs deeper than the licensing process. The shortage deserves an Alaska-specific approach that addresses the underlying causes without the Compact's overreach.

There Is Room for Improvement on Recruitment, Retention, and the Current State Licensing System, but the One-Size-Fits-All Compact Is the Wrong Direction.

There is potential for administrative improvements with nurse licensing, and we believe it would be appropriate to have a discussion including representatives from the State of Alaska, hospitals, other providers, labor unions, and other stakeholders to collaborate on a strategy that is right for Alaska's nurses, providers, and patients.

While there is not a panacea for the nurse shortage, we believe several topics merit a collaborative dialogue such as the following:

- enhancing funding and resources available to the Board of Nursing and improving administrative efficiency in the state licensing process;
- leveraging greater funding for our university-based nursing programs;
- finding ways to increase the number of available seats in those Alaska nursing programs;
- strategy concerning healthcare apprenticeships;
- addressing nurses' concerns about working conditions to enhance recruitment and retention of nurses at Alaska facilities; and
- working directly with nurses to determine the most effective ways to reduce burnout, improve safety, and enhance recruitment and retention.

For these reasons, the Alaska Laborers have serious health and safety concerns about the Nurse Licensure Compact. We believe that a better approach would be to work together to develop an Alaska-appropriate strategy to address training, licensing, recruitment, and retention needs. Thank you for your consideration and public service.

Respectfully,

A handwritten signature in black ink that reads "A.J. Merrick II". The signature is written in a cursive, flowing style.

A.J. "Joey" Merrick II