

(LIMITED RUN SHOWING ALL ADDITIONAL SPONSORSHIPS)

**CS FOR SENATE BILL NO. 74(FIN)**

IN THE LEGISLATURE OF THE STATE OF ALASKA

THIRTY-THIRD LEGISLATURE - FIRST SESSION

**BY THE SENATE FINANCE COMMITTEE**

**Offered: 4/19/23**

**Referred: Rules**

**Sponsor(s): SENATOR WILSON**

**REPRESENTATIVE Galvin**

**A BILL**

**FOR AN ACT ENTITLED**

1 **"An Act relating to an interstate physical therapy licensure compact; relating to the**  
2 **licensure of physical therapists, physical therapist assistants, occupational therapists,**  
3 **and occupational therapy assistants; and providing for an effective date."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 **\* Section 1.** AS 08.84.010(b) is amended to read:

6 (b) The board shall control all matters pertaining to the licensing of physical  
7 therapists, physical therapist assistants, occupational therapists, and occupational  
8 therapy assistants and the practice of physical therapy and the practice of occupational  
9 therapy. The board shall

- 10 (1) pass upon the qualifications of applicants;
- 11 (2) provide for the examination of applicants;
- 12 (3) issue temporary permits and licenses to persons qualified under this
- 13 chapter;
- 14 (4) suspend, revoke, or refuse to issue or renew a license under

1 AS 08.84.120;

2 (5) keep a current register listing the name, business address, date, and  
3 number of the license of each person who is licensed to practice under this chapter;

4 (6) adopt regulations under AS 44.62 (Administrative Procedure Act)  
5 necessary to carry out the purposes of this chapter, including regulations establishing  
6 qualifications for licensure and renewal of licensure under this chapter;

7 **(7) implement the Interstate Physical Therapy Licensure Compact**  
8 **under AS 08.84.188.**

9 \* **Sec. 2.** AS 08.84.030 is amended to read:

10 **Sec. 08.84.030. Qualifications for licensing.** (a) To be eligible for licensure  
11 by the board as a physical therapist or physical therapist assistant, an applicant, unless  
12 a graduate of a foreign school of physical therapy located outside the United States,  
13 shall

14 (1) have graduated from a professional physical therapy education  
15 program that includes supervised field work and is accredited by a national  
16 accreditation agency approved by the board;

17 (2) pass, to the satisfaction of the board, an examination prepared by a  
18 national testing service approved by the board to determine the applicant's fitness for  
19 practice as a physical therapist or physical therapist assistant, or be entitled to  
20 licensure without examination as provided in AS 08.84.060; [AND]

21 (3) meet qualifications for licensure established in regulations adopted  
22 by the board under AS 08.84.010(b); **and**

23 **(4) have been fingerprinted and have provided the fees required**  
24 **by the Department of Public Safety under AS 12.62.160 for criminal justice**  
25 **information and a national criminal history record check; the fingerprints and**  
26 **fees shall be forwarded to the Department of Public Safety to obtain a report of**  
27 **criminal justice information under AS 12.62 and a national criminal history**  
28 **record check under AS 12.62.400.**

29 (b) To be eligible for licensure by the board as an occupational therapist or  
30 occupational therapy assistant, an applicant, unless a graduate of a foreign school of  
31 occupational therapy located outside the United States, shall

1 (1) have graduated from a professional occupational therapy education  
2 program that includes supervised field work and is accredited by a national  
3 accreditation agency approved by the board;

4 (2) pass, to the satisfaction of the board, an examination prepared by a  
5 national testing service approved by the board or an examination recognized by a  
6 national accreditation agency approved by the board to determine the applicant's  
7 fitness for practice as an occupational therapist or occupational therapy assistant, or be  
8 entitled to licensure without examination under AS 08.84.060; [AND]

9 (3) meet qualifications for licensure established in regulations adopted  
10 by the board under AS 08.84.010(b); **and**

11 **(4) have been fingerprinted and have provided the fees required**  
12 **by the Department of Public Safety under AS 12.62.160 for criminal justice**  
13 **information and a national criminal history record check; the fingerprints and**  
14 **fees shall be forwarded to the Department of Public Safety to obtain a report of**  
15 **criminal justice information under AS 12.62 and a national criminal history**  
16 **record check under AS 12.62.400.**

17 \* **Sec. 3.** AS 08.84.032 is amended to read:

18 **Sec. 08.84.032. Foreign-educated applicants.** (a) To be eligible for licensure  
19 by the board as a physical therapist or physical therapist assistant, an applicant who is  
20 a graduate of a school of physical therapy that is located outside the United States  
21 shall

22 (1) have completed, to the satisfaction of the board, a resident course  
23 of study and professional instruction substantially equivalent to a professional physical  
24 therapy education program that is accredited by a board-approved national  
25 accreditation agency in the United States;

26 (2) have completed, to the satisfaction of the board, an internship  
27 under the continuous direction and immediate supervision of a physical therapist in an  
28 institution that ordinarily provides physical therapy and is approved by the board, for  
29 that period of time specified by the board, and furnish documentary evidence of  
30 compliance with this paragraph;

31 (3) pass an examination recognized by the board that measures the

1 competence of the applicant in the English language if the applicant's physical  
2 therapist or physical therapist assistant education program was not taught in English;

3 (4) have met applicable requirements under 8 U.S.C. 1101 - 1503  
4 (Immigration and Nationality Act), unless a United States citizen;

5 (5) pass the examination approved by the board under  
6 AS 08.84.030(a)(2);

7 (6) pay the fee required under AS 08.84.050; [AND]

8 (7) meet additional qualifications for licensure established in  
9 regulations adopted by the board under AS 08.84.010(b); **and**

10 **(8) have been fingerprinted and have provided the fees required**  
11 **by the Department of Public Safety under AS 12.62.160 for criminal justice**  
12 **information and a national criminal history record check; the fingerprints and**  
13 **fees shall be forwarded to the Department of Public Safety to obtain a report of**  
14 **criminal justice information under AS 12.62 and a national criminal history**  
15 **record check under AS 12.62.400.**

16 (b) To be eligible for licensure by the board as an occupational therapist or  
17 occupational therapy assistant, an applicant who is a graduate of a school of  
18 occupational therapy that is located outside the United States shall

19 (1) have completed, to the satisfaction of the board, a resident course  
20 of study and professional instruction substantially equivalent to a professional  
21 occupational therapy education program that is accredited by a board-approved  
22 national accreditation agency in the United States;

23 (2) have completed, to the satisfaction of the board, supervised field  
24 work equivalent to that required under AS 08.84.030(b);

25 (3) pass an examination recognized by the board that measures the  
26 competence of the applicant in the English language if the applicant's occupational  
27 therapist or occupational therapy assistant education program was not taught in  
28 English;

29 (4) have met applicable requirements under 8 U.S.C. 1101 - 1503  
30 (Immigration and Nationality Act), unless a United States citizen;

31 (5) pass an examination approved by the board under AS 08.84.030(b);

1 (6) pay the fee required under AS 08.84.050; [AND]

2 (7) meet additional qualifications for licensure established in  
3 regulations adopted by the board under AS 08.84.010(b); **and**

4 **(8) have been fingerprinted and have provided the fees required**  
5 **by the Department of Public Safety under AS 12.62.160 for criminal justice**  
6 **information and a national criminal history record check; the fingerprints and**  
7 **fees shall be forwarded to the Department of Public Safety to obtain a report of**  
8 **criminal justice information under AS 12.62 and a national criminal history**  
9 **record check under AS 12.62.400.**

10 \* **Sec. 4.** AS 08.84 is amended by adding a new section to read:

11 **Sec. 08.84.034. Exemption from criminal justice information and criminal**  
12 **history record check.** A physical therapist, physical therapist assistant, occupational  
13 therapist, or occupational therapy assistant holding a valid license under this chapter  
14 on July 1, 2024, is exempt from the requirements of AS 08.84.030(a)(4) and (b)(4) and  
15 08.84.032(a)(8) and (b)(8), but is otherwise subject to this chapter.

16 \* **Sec. 5.** AS 08.84.050 is amended to read:

17 **Sec. 08.84.050. Fees.** The Department of Commerce, Community, and  
18 Economic Development shall set fees under AS 08.01.065 for the following:

- 19 (1) application;  
20 (2) license by examination;  
21 (3) license by acceptance of credentials;  
22 (4) renewal;  
23 (5) temporary permit;  
24 (6) limited permit;  
25 **(7) compact privilege.**

26 \* **Sec. 6.** AS 08.84.150(a) is amended to read:

27 (a) It is unlawful for a person to practice physical therapy without being  
28 licensed under this chapter unless the person is

- 29 (1) a student in an accredited physical therapy program;  
30 (2) a graduate of a foreign school of physical therapy fulfilling the  
31 internship requirement of AS 08.84.032, and then only unless under the continuous

1 direction and immediate supervision of a physical therapist; [OR]

2 (3) issued a limited permit under AS 08.84.075; or

3 (4) granted a compact privilege under AS 08.84.188.

4 \* **Sec. 7.** AS 08.84 is amended by adding a new section to read:

5 **Article 3A. Interstate Physical Therapy Licensure Compact.**

6 **Sec. 08.84.188. Compact enacted.** The Interstate Physical Therapy Licensure  
7 Compact as contained in this section is enacted into law and entered into on behalf of  
8 the state with all other states and jurisdictions legally joining it in a form substantially  
9 as follows:

10 SECTION 1. PURPOSE

11 The purpose of this Compact is to facilitate interstate practice of physical therapy with  
12 the goal of improving public access to physical therapy services. The practice of physical  
13 therapy occurs in the state where the patient or client is located at the time of the patient/client  
14 encounter. The Compact preserves the regulatory authority of states to protect public health  
15 and safety through the current system of state licensure. This Compact is designed to achieve  
16 the following objectives:

17 (1) Increase public access to physical therapy services by providing for  
18 the mutual recognition of other member state licenses;

19 (2) Enhance the states' ability to protect the public's health and safety;

20 (3) Encourage the cooperation of member states in regulating multi-  
21 state physical therapy practice;

22 (4) Support spouses of relocating military members;

23 (5) Enhance the exchange of licensure, investigative, and disciplinary  
24 information between member states; and

25 (6) Allow a remote state to hold a provider of services with a compact  
26 privilege in that state accountable to that state's practice standards.

27 SECTION 2. DEFINITIONS

28 As used in this Compact, and except as otherwise provided, the following definitions  
29 shall apply:

30 (1) "Active duty military" means full-time duty status in the active  
31 uniformed service of the United States, including members of the National Guard and

1 Reserve on active duty orders pursuant to 10 U.S.C. Chapter 1209 and 1211.

2 (2) "Adverse action" means disciplinary action taken by a physical  
3 therapy licensing board based upon misconduct, unacceptable performance, or a  
4 combination of both.

5 (3) "Alternative program" means a non-disciplinary monitoring or  
6 practice remediation process approved by a physical therapy licensing board. This  
7 includes substance abuse issues.

8 (4) "Compact privilege" means the authorization granted by a remote  
9 state to allow a licensee from another member state to practice as a physical therapist  
10 or work as a physical therapist assistant in the remote state under its laws and rules.  
11 The practice of physical therapy occurs in the member state where the patient or client  
12 is located at the time of the patient/client encounter.

13 (5) "Continuing competence" means a requirement, as a condition of  
14 license renewal, to provide evidence of participation in, and/or completion of,  
15 educational and professional activities relevant to practice or area of work.

16 (6) "Data system" means a repository of information about licensees,  
17 including examination, licensure, investigative, compact privilege, and adverse action.

18 (7) "Encumbered license" means a license that a physical therapy  
19 licensing board has limited in any way.

20 (8) "Executive Board" means a group of directors elected or appointed  
21 to act on behalf of, and within the powers granted to them by, the Commission.

22 (9) "Home state" means the member state that is the licensee's primary  
23 state of residence.

24 (10) "Investigative information" means information, records, and  
25 documents received or generated by a physical therapy licensing board pursuant to an  
26 investigation.

27 (11) "Jurisprudence requirement" means the assessment of an  
28 individual's knowledge of the laws and rules governing the practice of physical  
29 therapy in a state.

30 (12) "Licensee" means an individual who currently holds an  
31 authorization from the state to practice as a physical therapist or to work as a physical

1 therapist assistant.

2 (13) "Member state" means a state that has enacted the Compact.

3 (14) "Party state" means any member state in which a licensee holds a  
4 current license or compact privilege or is applying for a license or compact privilege.

5 (15) "Physical therapist" means an individual who is licensed by a  
6 state to practice physical therapy.

7 (16) "Physical therapist assistant" means an individual who is licensed  
8 or certified by a state and who assists the physical therapist in selected components of  
9 physical therapy.

10 (17) "Physical therapy," "physical therapy practice," and "the practice  
11 of physical therapy" mean the care and services provided by or under the direction and  
12 supervision of a licensed physical therapist.

13 (18) "Physical Therapy Compact Commission" or "Commission"  
14 means the national administrative body whose membership consists of all states that  
15 have enacted the Compact.

16 (19) "Physical therapy licensing board" or "licensing board" means the  
17 agency of a state that is responsible for the licensing and regulation of physical  
18 therapists and physical therapist assistants.

19 (20) "Remote state" means a member state other than the home state,  
20 where a licensee is exercising or seeking to exercise the compact privilege.

21 (21) "Rule" means a regulation, principle, or directive promulgated by  
22 the Commission that has the force of law.

23 (22) "State" means any state, commonwealth, district, or territory of  
24 the United States of America that regulates the practice of physical therapy.

### 25 SECTION 3. STATE PARTICIPATION IN THE COMPACT

26 (a) To participate in the Compact, a state must:

27 (1) Participate fully in the Commission's data system, including using  
28 the Commission's unique identifier as defined in rules;

29 (2) Have a mechanism in place for receiving and investigating  
30 complaints about licensees;

31 (3) Notify the Commission, in compliance with the terms of the

1 Compact and rules, of any adverse action or the availability of investigative  
2 information regarding a licensee;

3 (4) Fully implement a criminal background check requirement, within  
4 a time frame established by rule, by receiving the results of the Federal Bureau of  
5 Investigation record search on criminal background checks and use the results in  
6 making licensure decisions in accordance with Section 3(b);

7 (5) Comply with the rules of the Commission;

8 (6) Utilize a recognized national examination as a requirement for  
9 licensure pursuant to the rules of the Commission; and

10 (7) Have continuing competence requirements as a condition for  
11 license renewal.

12 (b) Upon adoption of this statute, the member state shall have the authority to  
13 obtain biometric-based information from each physical therapy licensure applicant and  
14 submit this information to the Federal Bureau of Investigation for a criminal  
15 background check in accordance with 28 U.S.C. §534 and 34 U.S.C. §40316.

16 (c) A member state shall grant the compact privilege to a licensee holding a  
17 valid unencumbered license in another member state in accordance with the terms of  
18 the Compact and rules.

19 (d) Member states may charge a fee for granting a compact privilege.

#### 20 SECTION 4. COMPACT PRIVILEGE

21 (a) To exercise the compact privilege under the terms and provisions of the  
22 Compact, the licensee shall

23 (1) Hold a license in the home state;

24 (2) Have no encumbrance on any state license;

25 (3) Be eligible for a compact privilege in any member state in  
26 accordance with Section 4(d), (g) and (h);

27 (4) Have not had any adverse action against any license or compact  
28 privilege within the previous 2 years;

29 (5) Notify the Commission that the licensee is seeking the compact  
30 privilege within a remote state;

31 (6) Pay any applicable fees, including any state fee, for the compact

1 privilege;

2 (7) Meet any jurisprudence requirements established by the remote  
3 state in which the licensee is seeking a compact privilege; and

4 (8) Report to the Commission adverse action taken by any non-  
5 member state within 30 days from the date the adverse action is taken.

6 (b) The compact privilege is valid until the expiration date of the home  
7 license. The licensee must comply with the requirements of Section 4(a) to maintain  
8 the compact privilege in the remote state.

9 (c) A licensee providing physical therapy in a remote state under the compact  
10 privilege shall function within the laws and regulations of the remote state.

11 (d) A licensee providing physical therapy in a remote state is subject to that  
12 state's regulatory authority. A remote state may, in accordance with due process and  
13 that state's laws, remove a licensee's compact privilege in the remote state for a  
14 specific period of time, impose fines, and/or take any other necessary actions to  
15 protect the health and safety of its citizens. The licensee is not eligible for a compact  
16 privilege in any state until the specific time for removal has passed and all fines are  
17 paid.

18 (e) If a home state license is encumbered, the licensee shall lose the compact  
19 privilege in any remote state until the following occur:

20 (1) The home state license is no longer encumbered; and

21 (2) Two years have elapsed from the date of the adverse action.

22 (f) Once an encumbered license in the home state is restored to good standing,  
23 the licensee must meet the requirements of Section 4(a) to obtain a compact privilege  
24 in any remote state.

25 (g) If a licensee's compact privilege in any remote state is removed, the  
26 individual shall lose the compact privilege in any remote state until the following  
27 occur:

28 (1) The specific period of time for which the compact privilege was  
29 removed has ended;

30 (2) All fines have been paid; and

31 (3) Two years have elapsed from the date of the adverse action.

1 (h) Once the requirements of Section 4(g) have been met, the licensee must  
2 meet the requirements in Section 4(a) to obtain a compact privilege in a remote state.

### 3 SECTION 5. ACTIVE DUTY MILITARY PERSONNEL OR THEIR SPOUSES

4 A licensee who is active duty military or is the spouse of an individual who is active  
5 duty military may designate one of the following as the home state:

- 6 (1) Home of record;
- 7 (2) Permanent Change of Station (PCS); or
- 8 (3) State of current residence if it is different than the PCS state or  
9 home of record.

### 10 SECTION 6. ADVERSE ACTIONS

11 (a) A home state shall have exclusive power to impose adverse action against  
12 a license issued by the home state.

13 (b) A home state may take adverse action based on the investigative  
14 information of a remote state, so long as the home state follows its own procedures for  
15 imposing adverse action.

16 (c) Nothing in this Compact shall override a member state's decision that  
17 participation in an alternative program may be used in lieu of adverse action and that  
18 such participation shall remain non-public if required by the member state's laws.  
19 Member states must require licensees who enter any alternative programs in lieu of  
20 discipline to agree not to practice in any other member state during the term of the  
21 alternative program without prior authorization from such other member state.

22 (d) Any member state may investigate actual or alleged violations of the  
23 statutes and rules authorizing the practice of physical therapy in any other member  
24 state in which a physical therapist or physical therapist assistant holds a license or  
25 compact privilege.

26 (e) A remote state shall have the authority to:

27 (1) Take adverse actions as set forth in Section 4(d) against a licensee's  
28 compact privilege in the state;

29 (2) Issue subpoenas for both hearings and investigations that require  
30 the attendance and testimony of witnesses, and the production of evidence. Subpoenas  
31 issued by a physical therapy licensing board in a party state for the attendance and

1 testimony of witnesses, and/or the production of evidence from another party state,  
 2 shall be enforced in the latter state by any court of competent jurisdiction, according to  
 3 the practice and procedure of that court applicable to subpoenas issued in proceedings  
 4 pending before it. The issuing authority shall pay any witness fees, travel expenses,  
 5 mileage, and other fees required by the service statutes of the state where the witnesses  
 6 and/or evidence are located; and

7 (3) If otherwise permitted by state law, recover from the licensee the  
 8 costs of investigations and disposition of cases resulting from any adverse action taken  
 9 against that licensee.

10 (f) Joint Investigations

11 (1) In addition to the authority granted to a member state by its  
 12 respective physical therapy practice act or other applicable state law, a member state  
 13 may participate with other member states in joint investigations of licensees.

14 (2) Member states shall share any investigative, litigation, or  
 15 compliance materials in furtherance of any joint or individual investigation initiated  
 16 under the Compact.

17 SECTION 7. ESTABLISHMENT OF THE PHYSICAL THERAPY COMPACT

18 COMMISSION

19 (a) The Compact member states hereby create and establish a joint public  
 20 agency known as the Physical Therapy Compact Commission.

21 (1) The Commission is an instrumentality of the Compact states.

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

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

29 (b) Membership, Voting, and Meetings

30 (1) Each member state shall have and be limited to one delegate  
 31 selected by that member state's licensing board.

1                   (2) The delegate shall be a current member of the licensing board, who  
2 is a physical therapist, physical therapist assistant, public member, or the board  
3 administrator.

4                   (3) Any delegate may be removed or suspended from office as  
5 provided by the law of the state from which the delegate is appointed.

6                   (4) The member state board shall fill any vacancy occurring in the  
7 Commission.

8                   (5) Each delegate shall be entitled to one vote with regard to the  
9 promulgation of rules and creation of bylaws and shall otherwise have an opportunity  
10 to participate in the business and affairs of the Commission.

11                   (6) A delegate shall vote in person or by such other means as provided  
12 in the bylaws. The bylaws may provide for delegates' participation in meetings by  
13 telephone or other means of communication.

14                   (7) The Commission shall meet at least once during each calendar  
15 year. Additional meetings shall be held as set forth in the bylaws.

16                   (c) The Commission shall have the following powers and duties:

17                           (1) Establish the fiscal year of the Commission;

18                           (2) Establish bylaws;

19                           (3) Maintain its financial records in accordance with the bylaws;

20                           (4) Meet and take such actions as are consistent with the provisions of  
21 this Compact and the bylaws;

22                           (5) Promulgate uniform rules to facilitate and coordinate  
23 implementation and administration of this Compact. The rules shall have the force and  
24 effect of law and shall be binding in all member states;

25                           (6) Bring and prosecute legal proceedings or actions in the name of the  
26 Commission, provided that the standing of any state physical therapy licensing board  
27 to sue or be sued under applicable law shall not be affected;

28                           (7) Purchase and maintain insurance and bonds;

29                           (8) Borrow, accept, or contract for services of personnel, including, but  
30 not limited to, employees of a member state;

31                           (9) Hire employees, elect or appoint officers, fix compensation, define

1 duties, grant such individuals appropriate authority to carry out the purposes of the  
 2 Compact, and to establish the Commission's personnel policies and programs relating  
 3 to conflicts of interest, qualifications of personnel, and other related personnel matters;

4 (10) Accept any and all appropriate donations and grants of money,  
 5 equipment, supplies, materials and services, and to receive, utilize and dispose of the  
 6 same; provided that at all times the Commission shall avoid any appearance of  
 7 impropriety and/or conflict of interest;

8 (11) Lease, purchase, accept appropriate gifts or donations of, or  
 9 otherwise to own, hold, improve or use, any property, real, personal or mixed;  
 10 provided that at all times the Commission shall avoid any appearance of impropriety;

11 (12) Sell convey, mortgage, pledge, lease, exchange, abandon, or  
 12 otherwise dispose of any property real, personal, or mixed;

13 (13) Establish a budget and make expenditures;

14 (14) Borrow money;

15 (15) Appoint committees, including standing committees composed of  
 16 members, state regulators, state legislators or their representatives, and consumer  
 17 representatives, and such other interested persons as may be designated in this  
 18 Compact and the bylaws;

19 (16) Provide and receive information from, and cooperate with, law  
 20 enforcement agencies;

21 (17) Establish and elect an Executive Board; and

22 (18) Perform such other functions as may be necessary or appropriate  
 23 to achieve the purposes of this Compact consistent with the state regulation of physical  
 24 therapy licensure and practice.

25 (d) The Executive Board shall have the power to act on behalf of the  
 26 Commission according to the terms of this Compact.

27 (1) The Executive Board shall be composed of nine members:

28 (A) Seven voting members who are elected by the Commission  
 29 from the current membership of the Commission;

30 (B) One ex-officio, nonvoting member from the recognized  
 31 national physical therapy professional association; and

1 (C) One ex-officio, nonvoting member from the recognized  
2 membership organization of the physical therapy licensing boards.

3 (2) The ex-officio members will be selected by their respective  
4 organizations.

5 (3) The Commission may remove any member of the Executive Board  
6 as provided in bylaws.

7 (4) The Executive Board shall meet at least annually.

8 (5) The Executive Board shall have the following duties and  
9 responsibilities:

10 (A) Recommend to the entire Commission changes to the rules  
11 or bylaws, changes to this Compact legislation, fees paid by Compact member  
12 states such as annual dues, and any commission Compact fee charged to  
13 licensees for the compact privilege;

14 (B) Ensure Compact administration services are appropriately  
15 provided, contractual or otherwise;

16 (C) Prepare and recommend the budget;

17 (D) Maintain financial records on behalf of the Commission;

18 (E) Monitor Compact compliance of member states and  
19 provide compliance reports to the Commission;

20 (F) Establish additional committees as necessary; and

21 (G) Other duties as provided in rules or bylaws.

22 (e) Meetings of the Commission

23 (1) All meetings shall be open to the public, and public notice of  
24 meetings shall be given in the same manner as required under the rulemaking  
25 provisions in Section 9.

26 (2) The Commission or the Executive Board or other committees of  
27 the Commission may convene in a closed, non-public meeting if the Commission or  
28 Executive Board or other committees of the Commission must discuss:

29 (A) Non-compliance of a member state with its obligations  
30 under the Compact;

31 (B) The employment, compensation, discipline or other

1 matters, practices or procedures related to specific employees or other matters  
2 related to the Commission's internal personnel practices and procedures;

3 (C) Current, threatened, or reasonably anticipated litigation;

4 (D) Negotiation of contracts for the purchase, lease, or sale of  
5 goods, services, or real estate;

6 (E) Accusing any person of a crime or formally censuring any  
7 person;

8 (F) Disclosure of trade secrets or commercial or financial  
9 information that is privileged or confidential;

10 (G) Disclosure of information of a personal nature where  
11 disclosure would constitute a clearly unwarranted invasion of personal privacy;

12 (H) Disclosure of investigative records compiled for law  
13 enforcement purposes;

14 (I) Disclosure of information related to any investigative  
15 reports prepared by or on behalf of or for use of the Commission or other  
16 committee charged with responsibility of investigation or determination of  
17 compliance issues pursuant to the Compact; or

18 (J) Matters specifically exempted from disclosure by federal or  
19 member state statute.

20 (3) If a meeting, or portion of a meeting, is closed pursuant to this  
21 provision, the Commission's legal counsel or designee shall certify that the meeting  
22 may be closed and shall reference each relevant exempting provision.

23 (4) The Commission shall keep minutes that fully and clearly describe  
24 all matters discussed in a meeting and shall provide a full and accurate summary of  
25 actions taken, and the reasons therefore, including a description of the views  
26 expressed. All documents considered in connection with an action shall be identified  
27 in such minutes. All minutes and documents of a closed meeting shall remain under  
28 seal, subject to release by a majority vote of the Commission or order of a court of  
29 competent jurisdiction.

30 (f) Financing of the Commission

31 (1) The Commission shall pay, or provide for the payment of, the

1 reasonable expenses of its establishment, organization, and ongoing activities.

2 (2) The Commission may accept any and all appropriate revenue  
3 sources, donations, and grants of money, equipment, supplies, materials, and services.

4 (3) The Commission may levy on and collect an annual assessment  
5 from each member state or impose fees on other parties to cover the cost of the  
6 operations and activities of the Commission and its staff, which must be in a total  
7 amount sufficient to cover its annual budget as approved each year for which revenue  
8 is not provided by other sources. The aggregate annual assessment amount shall be  
9 allocated based upon a formula to be determined by the Commission, which shall  
10 promulgate a rule binding upon all member states.

11 (4) The Commission shall not incur obligations of any kind prior to  
12 securing the funds adequate to meet the same; nor shall the Commission pledge the  
13 credit of any of the member states, except by and with the authority of the member  
14 state.

15 (5) The Commission shall keep accurate accounts of all receipts and  
16 disbursements. The receipts and disbursements of the Commission shall be subject to  
17 the audit and accounting procedures established under its bylaws. However, all  
18 receipts and disbursements of funds handled by the Commission shall be audited  
19 yearly by a certified or licensed public accountant, and the report of the audit shall be  
20 included in and become part of the annual report of the Commission.

21 (g) Qualified Immunity, Defense, and Indemnification

22 (1) The members, officers, executive director, employees and  
23 representatives of the Commission shall be immune from suit and liability, either  
24 personally or in their official capacity, for any claim for damage to or loss of property  
25 or personal injury or other civil liability caused by or arising out of any actual or  
26 alleged act, error or omission that occurred, or that the person against whom the claim  
27 is made had a reasonable basis for believing occurred within the scope of Commission  
28 employment, duties or responsibilities; provided that nothing in this paragraph shall be  
29 construed to protect any such person from suit and/or liability for any damage, loss,  
30 injury, or liability caused by the intentional or willful or wanton misconduct of that  
31 person.



1 denial; and

2 (6) Other information that may facilitate the administration of this  
3 Compact, as determined by the rules of the Commission.

4 (c) Investigative information pertaining to a licensee in any member state will  
5 only be available to other party states.

6 (d) The Commission shall promptly notify all member states of any adverse  
7 action taken against a licensee or an individual applying for a license. Adverse action  
8 information pertaining to a licensee in any member state will be available to any other  
9 member state.

10 (e) Member states contributing information to the data system may designate  
11 information that may not be shared with the public without the express permission of  
12 the contributing state.

13 (f) Any information submitted to the data system that is subsequently required  
14 to be expunged by the laws of the member state contributing the information shall be  
15 removed from the data system.

#### 16 SECTION 9. RULEMAKING

17 (a) The Commission shall exercise its rulemaking powers pursuant to the  
18 criteria set forth in this Section and the rules adopted thereunder. Rules and  
19 amendments shall become binding as of the date specified in each rule or amendment.

20 (b) If a majority of the legislatures of the member states rejects a rule, by  
21 enactment of a statute or resolution in the same manner used to adopt the Compact  
22 within 4 years of the date of adoption of the rule, then such rule shall have no further  
23 force and effect in any member state.

24 (c) Rules or amendments to the rules shall be adopted at a regular or special  
25 meeting of the Commission.

26 (d) Prior to promulgation and adoption of a final rule or rules by the  
27 Commission, and at least thirty (30) days in advance of the meeting at which the rule  
28 will be considered and voted upon, the Commission shall file a Notice of Proposed  
29 Rulemaking:

30 (1) On the website of the Commission or other publicly accessible  
31 platform; and

1                   (2) On the website of each member state physical therapy licensing  
2 board or other publicly accessible platform or the publication in which each state  
3 would otherwise publish proposed rules.

4                   (e) The Notice of Proposed Rulemaking shall include:

5                   (1) The proposed time, date, and location of the meeting in which the  
6 rule will be considered and voted upon;

7                   (2) The text of the proposed rule or amendment and the reason for the  
8 proposed rule;

9                   (3) A request for comments on the proposed rule from any interested  
10 person; and

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

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

16                   (g) The Commission shall grant an opportunity for a public hearing before it  
17 adopts a rule or amendment if a hearing is requested by:

18                   (1) At least twenty-five (25) persons;

19                   (2) A state or federal governmental subdivision or agency; or

20                   (3) An association having at least twenty-five (25) members.

21                   (h) If a hearing is held on the proposed rule or amendment, the Commission  
22 shall publish the place, time, and date of the scheduled public hearing. If the hearing is  
23 held via electronic means, the Commission shall publish the mechanism for access to  
24 the electronic hearing.

25                   (1) All persons wishing to be heard at the hearing shall notify the  
26 executive director of the Commission or other designated member in writing of their  
27 desire to appear and testify at the hearing not less than five (5) business days before  
28 the scheduled date of the hearing.

29                   (2) Hearings shall be conducted in a manner providing each person  
30 who wishes to comment a fair and reasonable opportunity to comment orally or in  
31 writing.

1 (3) All hearings will be recorded. A copy of the recording will be made  
2 available on request.

3 (4) Nothing in this section shall be construed as requiring a separate  
4 hearing on each rule. Rules may be grouped for the convenience of the Commission at  
5 hearings required by this section.

6 (i) Following the scheduled hearing date, or by the close of business on the  
7 scheduled hearing date if the hearing was not held, the Commission shall consider all  
8 written and oral comments received.

9 (j) If no written notice of intent to attend the public hearing by interested  
10 parties is received, the Commission may proceed with promulgation of the proposed  
11 rule without a public hearing.

12 (k) The Commission shall, by majority vote of all members, take final action  
13 on the proposed rule and shall determine the effective date of the rule, if any, based on  
14 the rulemaking record and the full text of the rule.

15 (l) Upon determination that an emergency exists, the Commission may  
16 consider and adopt an emergency rule without prior notice, opportunity for comment,  
17 or hearing, provided that the usual rulemaking procedures provided in the Compact  
18 and in this section shall be retroactively applied to the rule as soon as reasonably  
19 possible, in no event later than ninety (90) days after the effective date of the rule. For  
20 the purposes of this provision, an emergency rule is one that must be adopted  
21 immediately in order to:

22 (1) Meet an imminent threat to public health, safety, or welfare;

23 (2) Prevent a loss of Commission or member state funds;

24 (3) Meet a deadline for the promulgation of an administrative rule that  
25 is established by federal law or rule; or

26 (4) Protect public health and safety.

27 (m) The Commission or an authorized committee of the Commission may  
28 direct revisions to a previously adopted rule or amendment for purposes of correcting  
29 typographical errors, errors in format, errors in consistency, or grammatical errors.  
30 Public notice of any revisions shall be posted on the website of the Commission. The  
31 revision shall be subject to challenge by any person for a period of thirty (30) days

1 after posting. The revision may be challenged only on grounds that the revision results  
2 in a material change to a rule. A challenge shall be made in writing, and delivered to  
3 the chair of the Commission prior to the end of the notice period. If no challenge is  
4 made, the revision will take effect without further action. If the revision is challenged,  
5 the revision may not take effect without the approval of the Commission.

## 6 SECTION 10. OVERSIGHT, DISPUTE RESOLUTION, AND ENFORCEMENT

### 7 (a) Oversight

8 (1) The executive, legislative, and judicial branches of state  
9 government in each member state shall enforce this Compact and take all actions  
10 necessary and appropriate to effectuate the Compact's purposes and intent. The  
11 provisions of this Compact and the rules promulgated hereunder shall have standing as  
12 statutory law.

13 (2) All courts shall take judicial notice of the Compact and the rules in  
14 any judicial or administrative proceeding in a member state pertaining to the subject  
15 matter of this Compact which may affect the powers, responsibilities or actions of the  
16 Commission.

17 (3) The Commission shall be entitled to receive service of process in  
18 any such proceeding, and shall have standing to intervene in such a proceeding for all  
19 purposes. Failure to provide service of process to the Commission shall render a  
20 judgment or order void as to the Commission, this Compact, or promulgated rules.

### 21 (b) Default, Technical Assistance, and Termination

22 (1) If the Commission determines that a member state has defaulted in  
23 the performance of its obligations or responsibilities under this Compact or the  
24 promulgated rules, the Commission shall:

25 (A) Provide written notice to the defaulting state and other  
26 member states of the nature of the default, the proposed means of curing the  
27 default and/or any other action to be taken by the Commission; and

28 (B) Provide remedial training and specific technical assistance  
29 regarding the default.

30 (2) If a state in default fails to cure the default, the defaulting state may  
31 be terminated from the Compact upon an affirmative vote of a majority of the member

1 states, and all rights, privileges and benefits conferred by this Compact may be  
2 terminated on the effective date of termination. A cure of the default does not relieve  
3 the offending state of obligations or liabilities incurred during the period of default.

4 (3) Termination of membership in the Compact shall be imposed only  
5 after all other means of securing compliance have been exhausted. Notice of intent to  
6 suspend or terminate shall be given by the Commission to the governor, the majority  
7 and minority leaders of the defaulting state's legislature, and each of the member  
8 states.

9 (4) A state that has been terminated is responsible for all assessments,  
10 obligations, and liabilities incurred through the effective date of termination, including  
11 obligations that extend beyond the effective date of termination.

12 (5) The Commission shall not bear any costs related to a state that is  
13 found to be in default or that has been terminated from the Compact, unless agreed  
14 upon in writing between the Commission and the defaulting state.

15 (6) The defaulting state may appeal the action of the Commission by  
16 petitioning the U.S. District Court for the District of Columbia or the federal district  
17 where the Commission has its principal offices. The prevailing member shall be  
18 awarded all costs of such litigation, including reasonable attorney's fees.

19 (c) Dispute Resolution

20 (1) Upon request by a member state, the Commission shall attempt to  
21 resolve disputes related to the Compact that arise among member states and between  
22 member and non-member states.

23 (2) The Commission shall promulgate a rule providing for both  
24 mediation and binding dispute resolution for disputes as appropriate.

25 (d) Enforcement

26 (1) The Commission, in the reasonable exercise of its discretion, shall  
27 enforce the provisions and rules of this Compact.

28 (2) By majority vote, the Commission may initiate legal action in the  
29 United States District Court for the District of Columbia or the federal district where  
30 the Commission has its principal offices against a member state in default to enforce  
31 compliance with the provisions of the Compact and its promulgated rules and bylaws.

1 The relief sought may include both injunctive relief and damages. In the event judicial  
2 enforcement is necessary, the prevailing member shall be awarded all costs of such  
3 litigation, including reasonable attorney's fees.

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

7 SECTION 11. DATE OF IMPLEMENTATION OF THE INTERSTATE COMMISSION  
8 FOR PHYSICAL THERAPY PRACTICE AND ASSOCIATED RULES, WITHDRAWAL,  
9 AND AMENDMENT

10 (a) The Compact shall come into effect on the date on which the Compact  
11 statute is enacted into law in the tenth member state. The provisions, which become  
12 effective at that time, shall be limited to the powers granted to the Commission  
13 relating to assembly and the promulgation of rules. Thereafter, the Commission shall  
14 meet and exercise rulemaking powers necessary to the implementation and  
15 administration of the Compact.

16 (b) Any state that joins the Compact subsequent to the Commission's initial  
17 adoption of the rules shall be subject to the rules as they exist on the date on which the  
18 Compact becomes law in that state. Any rule that has been previously adopted by the  
19 Commission shall have the full force and effect of law on the day the Compact  
20 becomes law in that state.

21 (c) Any member state may withdraw from this Compact by enacting a statute  
22 repealing the same.

23 (1) A member state's withdrawal shall not take effect until six (6)  
24 months after enactment of the repealing statute.

25 (2) Withdrawal shall not affect the continuing requirement of the  
26 withdrawing state's physical therapy licensing board to comply with the investigative  
27 and adverse action reporting requirements of this act prior to the effective date of  
28 withdrawal.

29 (d) Nothing contained in this Compact shall be construed to invalidate or  
30 prevent any physical therapy licensure agreement or other cooperative arrangement  
31 between a member state and a non-member state that does not conflict with the

1 provisions of this Compact.

2 (e) This Compact may be amended by the member states. No amendment to  
3 this Compact shall become effective and binding upon any member state until it is  
4 enacted into the laws of all member states.

5 SECTION 12. CONSTRUCTION AND SEVERABILITY

6 This Compact shall be liberally construed so as to effectuate the purposes thereof. The  
7 provisions of this Compact shall be severable and if any phrase, clause, sentence or provision  
8 of this Compact is declared to be contrary to the constitution of any party state or of the  
9 United States or the applicability thereof to any government, agency, person or circumstance  
10 is held invalid, the validity of the remainder of this Compact and the applicability thereof to  
11 any government, agency, person or circumstance shall not be affected thereby. If this  
12 Compact shall be held contrary to the constitution of any party state, the Compact shall  
13 remain in full force and effect as to the remaining party states and in full force and effect as to  
14 the party state affected as to all severable matters.

15 \* **Sec. 8.** AS 12.62.400(a), as amended by sec. 156, ch. 8, SLA 2022, is amended to read:

16 (a) To obtain a national criminal history record check for determining a  
17 person's qualifications for a license, permit, registration, employment, or position, a  
18 person shall submit the person's fingerprints to the department with the fee established  
19 by AS 12.62.160. The department may submit the fingerprints to the Federal Bureau  
20 of Investigation to obtain a national criminal history record check of the person for the  
21 purpose of evaluating a person's qualifications for

22 (1) a license or conditional contractor's permit to manufacture, sell,  
23 offer for sale, possess for sale or barter, traffic in, or barter an alcoholic beverage  
24 under AS 04.09;

25 (2) licensure as a mortgage lender, a mortgage broker, or a mortgage  
26 loan originator under AS 06.60;

27 (3) admission to the Alaska Bar Association under AS 08.08;

28 (4) licensure as a collection agency operator under AS 08.24;

29 (5) a certificate of fitness to handle explosives under AS 08.52;

30 (6) licensure as a massage therapist under AS 08.61;

31 (7) licensure to practice nursing or certification as a nurse aide under

1 AS 08.68;

2 (8) certification as a real estate appraiser under AS 08.87;

3 (9) a position involving supervisory or disciplinary power over a minor  
4 or dependent adult for which criminal justice information may be released under  
5 AS 12.62.160(b)(9);

6 (10) a teacher certificate under AS 14.20;

7 (11) a registration or license to operate a marijuana establishment  
8 under AS 17.38;

9 (12) admittance to a police training program under AS 18.65.230 or for  
10 certification as a police officer under AS 18.65.240 if that person's prospective  
11 employer does not have access to a criminal justice information system;

12 (13) licensure as a security guard under AS 18.65.400 - 18.65.490;

13 (14) a concealed handgun permit under AS 18.65.700 - 18.65.790;

14 (15) licensure as an insurance producer, managing general agent,  
15 reinsurance intermediary broker, reinsurance intermediary manager, surplus lines  
16 broker, or independent adjuster under AS 21.27;

17 (16) serving and executing process issued by a court by a person  
18 designated under AS 22.20.130;

19 (17) a school bus driver license under AS 28.15.046;

20 (18) licensure as an operator or an instructor for a commercial driver  
21 training school under AS 28.17;

22 (19) registration as a broker-dealer, agent, investment adviser  
23 representative, or investment adviser under AS 45.56.300 - 45.56.350;

24 (20) licensure, license renewal, certification, certification renewal, or  
25 payment from the Department of Health of an individual and an entity subject to the  
26 requirements for a criminal history check under AS 47.05.310, including

27 (A) a public home care provider described in AS 47.05.017;

28 (B) a provider of home and community-based waiver services  
29 financed under AS 47.07.030(c);

30 (C) a case manager to coordinate community mental health  
31 services under AS 47.30.530;

1 (D) an entity listed in AS 47.32.010(b) and (c), including an  
 2 owner, officer, director, member, partner, employee, volunteer, or contractor of  
 3 an entity; or

4 (E) an individual or entity not described in (A) - (D) of this  
 5 paragraph that is required by statute or regulation to be licensed or certified by  
 6 the Department of Health or that is eligible to receive payments, in whole or in  
 7 part, from the Department of Health to provide for the health, safety, and  
 8 welfare of persons who are served by the programs administered by the  
 9 Department of Health;

10 (21) employment as a village public safety officer under AS 18.65.672  
 11 or certification as a village public safety officer under AS 18.65.682;

12 (22) licensure, license renewal, certification, or certification renewal  
 13 by the Department of Family and Community Services of an individual or entity, or  
 14 payment from the Department of Family and Community Services to an individual or  
 15 entity, subject to the requirements for a criminal history check under AS 47.05.310 for  
 16 a foster home, child placement agency, and runaway shelter listed in AS 47.32.010(c),  
 17 including an owner, officer, director, member, partner, employee, volunteer, or  
 18 contractor of an entity;

19 **(23) licensure as a physical therapist, physical therapist assistant,**  
 20 **occupational therapist, or occupational therapy assistant under AS 08.84.**

21 \* **Sec. 9.** The uncodified law of the State of Alaska is amended by adding a new section to  
 22 read:

23 TRANSITION: REGULATIONS. The Department of Commerce, Community, and  
 24 Economic Development and the State Physical Therapy and Occupational Therapy Board  
 25 may adopt regulations as necessary to implement the changes made by this Act. The  
 26 regulations take effect under AS 44.62 (Administrative Procedure Act), but not before the  
 27 effective date of the law implemented by the regulation.

28 \* **Sec. 10.** Section 9 of this Act takes effect immediately under AS 01.10.070(c).

29 \* **Sec. 11.** Except as provided in sec. 10 of this Act, this Act takes effect July 1, 2024.