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HOUSE BILL 933  
Second Edition Engrossed 5/17/18  
Senate Health Care Committee Substitute Adopted 6/12/18

Short Title: Reciprocity/School Psychologist Licensure. (Public)

Sponsors:

Referred to:

May 16, 2018

A BILL TO BE ENTITLED

AN ACT DIRECTING THE STATE BOARD OF EDUCATION TO GRANT A LICENSE TO PRACTICE AS A SCHOOL PSYCHOLOGIST TO ANY INDIVIDUALS WHO HOLD THE NATIONALLY CERTIFIED SCHOOL PSYCHOLOGIST CREDENTIAL, ESTABLISHING A PSYCHOLOGY INTERJURISDICTIONAL COMPACT (PSYPACT), ALLOWING INSURERS TO PROVIDE STOP LOSS INSURANCE TO SMALL BUSINESSES, AND ALLOWING CERTAIN NONPROFIT ORGANIZATIONS TO SPONSOR SELF-FUNDED HEALTH BENEFIT PLANS.

Whereas, school psychologists perform essential services for the social, emotional, and mental health of students throughout North Carolina; and

Whereas, the number of school psychologists in the State has been steadily declining since the 2013-2014 academic year; and

Whereas, one reason the State faces a shortage of school psychologists is the lack of reciprocity granted to individuals who are licensed as school psychologists in other states and may wish to practice in North Carolina; and

Whereas, the standards to receive a Nationally Certified School Psychologist credential from the National Association of School Psychologists are at least as stringent as the standards the State currently requires for licensure as a school psychologist; Now, therefore, The General Assembly of North Carolina enacts:

**SECTION 1.(a)** G.S. 115C-270.20(b) is repealed.

**SECTION 1.(b)** The catch line of G.S. 115C-270.20 reads as rewritten:

"§ 115C-270.20. ~~Licensure-Teacher licensure requirements.~~"

**SECTION 2.** Article 17E of Chapter 115C of the General Statutes is amended by adding a new section to read:

**"§ 115C-270.21. Administrator and student services personnel licensure requirements.**

(a) Administrators. – The State Board shall establish classification and levels of preparation necessary for issuance of licenses for administrators, as provided in this Chapter.

(b) Student Services Personnel. – The State Board shall establish classification and levels of preparation necessary for issuance of licenses for student services personnel, as provided in this Article.

The State Board of Education shall issue a school psychologist license to an individual who does any of the following: (i) meets the criteria for licensure as a school psychologist established by the State Board or (ii) holds the Nationally Certified School Psychologist credential issued by the National Association of School Psychologists. For any individual that holds the Nationally Certified School Psychologist credential, a school psychologist license shall be issued to the



1 individual within 60 days of submission of a completed application that includes documentation  
2 verifying that credential."

3 **SECTION 3.** Article 18A of Chapter 90 of the General Statutes, G.S. 90-270.1  
4 through G.S. 90-270.22, is recodified as Article 18G of Chapter 90 of the General Statutes,  
5 G.S. 90-270.135 through G.S. 90-270.159.

6 **SECTION 4.** Chapter 90 of the General Statutes is amended by adding a new Article  
7 to read:

8 "Article 18H.

9 "Psychology Interjurisdictional Licensure Compact.

10 **"§ 90-270.160. Purpose.**

11 This Compact is designed to achieve the following purposes and objectives:

- 12 (1) Increase public access to professional psychological services by allowing for  
13 telepsychological practice across state lines as well as temporary in-person,  
14 face-to-face services into a state which the psychologist is not licensed to  
15 practice psychology.
- 16 (2) Enhance the states' ability to protect the public's health and safety, especially  
17 client/patient safety.
- 18 (3) Encourage the cooperation of Compact States in the areas of psychology  
19 licensure and regulation.
- 20 (4) Facilitate the exchange of information between Compact States regarding  
21 psychologist licensure, adverse actions, and disciplinary history.
- 22 (5) Promote compliance with the laws governing psychological practice in each  
23 Compact State.
- 24 (6) Invest all Compact States with the authority to hold licensed psychologists  
25 accountable through the mutual recognition of Compact State licenses.

26 **"§ 90-270.161. Definitions.**

- 27 (1) Adverse action. – Any action taken by a State Psychology Regulatory  
28 Authority which finds a violation of a statute or regulation that is identified  
29 by the State Psychology Regulatory Authority as discipline and is a matter of  
30 public record.
- 31 (2) Association of State and Provincial Psychology Boards (ASPPB). – The  
32 recognized membership organization composed of State and Provincial  
33 Psychology Regulatory Authorities responsible for the licensure and  
34 registration of psychologists throughout the United States and Canada.
- 35 (3) Authority to Practice Interjurisdictional Telepsychology. – A licensed  
36 psychologist's authority to practice telepsychology, within the limits  
37 authorized under this Compact, in another Compact State.
- 38 (4) Bylaws. – Those Bylaws established by the Psychology Interjurisdictional  
39 Compact Commission pursuant to G.S. 90-270.169 for its governance, or for  
40 directing and controlling its actions and conduct.
- 41 (5) Client/patient. – The recipient of psychological services, whether  
42 psychological services are delivered in the context of health care, corporate,  
43 supervision, and/or consulting services.
- 44 (6) Commissioner. – The voting representative appointed by each State  
45 Psychology Regulatory Authority pursuant to G.S. 90-270.169.
- 46 (7) Compact State. – A state, the District of Columbia, or United States territory  
47 that has enacted this Compact legislation and which has not withdrawn  
48 pursuant to G.S. 90-270.172(c) or been terminated pursuant to  
49 G.S. 90-270.171(b).
- 50 (8) Confidentiality. – The principle that data or information is not made available  
51 or disclosed to unauthorized persons and/or processes.

- 1           (9)    Coordinated Licensure Information System or Coordinated Database. – An  
2           integrated process for collecting, storing, and sharing information on  
3           psychologists' licensure and enforcement activities related to psychology  
4           licensure laws, which is administered by the recognized membership  
5           organization composed of State and Provincial Psychology Regulatory  
6           Authorities.
- 7           (10)   Day. – Any part of a day in which psychological work is performed.
- 8           (11)   Distant State. – The Compact State where a psychologist is physically present  
9           (not through the use of telecommunications technologies), to provide  
10          temporary in-person, face-to-face psychological services.
- 11          (12)   E.Passport. – A certificate issued by the Association of State and Provincial  
12          Psychology Boards (ASPPB) that promotes the standardization in the criteria  
13          of interjurisdictional telepsychology practice and facilitates the process for  
14          licensed psychologists to provide telepsychological services across state lines.
- 15          (13)   Executive Board. – A group of directors elected or appointed to act on behalf  
16          of, and within the powers granted to them by, the Commission.
- 17          (14)   Home State. – A Compact State where a psychologist is licensed to practice  
18          psychology. If the psychologist is licensed in more than one Compact State  
19          and is practicing under the Authority to Practice Interjurisdictional  
20          Telepsychology, the Home State is the Compact State where the psychologist  
21          is physically present when the telepsychological services are delivered. If the  
22          psychologist is licensed in more than one Compact State and is practicing  
23          under the Temporary Authorization to Practice, the Home State is any  
24          Compact State where the psychologist is licensed.
- 25          (15)   Identity History Summary. – A summary of information retained by the FBI,  
26          or other designee with similar authority, in connection with arrests and, in  
27          some instances, federal employment, naturalization, or military service.
- 28          (16)   In-person, face-to-face. – Interactions in which the psychologist and the  
29          client/patient are in the same physical space and which does not include  
30          interactions that may occur through the use of telecommunication  
31          technologies.
- 32          (17)   Interjurisdictional Practice Certificate (IPC). – A certificate issued by the  
33          Association of State and Provincial Psychology Boards (ASPPB) that grants  
34          temporary authority to practice based on notification to the State Psychology  
35          Regulatory Authority of intention to practice temporarily and verification of  
36          one's qualifications for such practice.
- 37          (18)   License. – Authorization by a State Psychology Regulatory Authority to  
38          engage in the independent practice of psychology, which would be unlawful  
39          without the authorization.
- 40          (19)   Non-Compact State. – Any State which is not at the time a Compact State.
- 41          (20)   Psychologist. – An individual licensed for the independent practice of  
42          psychology.
- 43          (21)   Psychology Interjurisdictional Compact Commission (Commission). – The  
44          national administration of which all Compact States are members.
- 45          (22)   Receiving State. – A Compact State where the client/patient is physically  
46          located when the telepsychological services are delivered.
- 47          (23)   Rule. – A written statement by the Psychology Interjurisdictional Compact  
48          Commission promulgated pursuant to G.S. 90-270.170 of the Compact that is  
49          of general applicability, implements, interprets, or prescribes a policy or  
50          provision of the Compact, or an organizational, procedural, or practice  
51          requirement of the Commission and has the force and effect of statutory law

1 in a Compact State, and includes the amendment, repeal, or suspension of an  
2 existing rule.

3 (24) Significant investigatory information. –

4 a. Investigative information that a State Psychology Regulatory  
5 Authority, after a preliminary inquiry that includes notification and an  
6 opportunity to respond if required by state law, has reason to believe,  
7 if proven true, would indicate more than a violation of state statute or  
8 ethics code that would be considered more substantial than minor  
9 infraction; or

10 b. Investigative information that indicates that the psychologist  
11 represents an immediate threat to public health and safety regardless  
12 of whether the psychologist has been notified and/or had an  
13 opportunity to respond.

14 (25) State. – A state, commonwealth, territory, or possession of the United States  
15 or the District of Columbia.

16 (26) State Psychology Regulatory Authority. – The Board, office, or other agency  
17 with the legislative mandate to license and regulate the practice of psychology.

18 (27) Telepsychology. – The provision of psychological services using  
19 telecommunication technologies.

20 (28) Temporary Authorization to Practice. – A licensed psychologist's authority to  
21 conduct temporary in-person, face-to-face practice, within the limits  
22 authorized under this Compact, in another Compact State.

23 (29) Temporary in-person, face-to-face practice. – Where a psychologist is  
24 physically present (not through the use of telecommunications technologies)  
25 in the Distant State to provide for the practice of psychology for 30 days within  
26 a calendar year and based on notification to the Distant State.

27 **§ 90-270.162. Home State licensure.**

28 (a) The Home State shall be a Compact State where a psychologist is licensed to practice  
29 psychology.

30 (b) A psychologist may hold one or more Compact State licenses at a time. If the  
31 psychologist is licensed in more than one Compact State, the Home State is the Compact State  
32 where the psychologist is physically present when the services are delivered as authorized by the  
33 Authority to Practice Interjurisdictional Telepsychology under the terms of this Compact.

34 (c) Any Compact State may require a psychologist not previously licensed in a Compact  
35 State to obtain and retain a license to be authorized to practice in the Compact State under  
36 circumstances not authorized by the Authority to Practice Interjurisdictional Telepsychology  
37 under the terms of this Compact.

38 (d) Any Compact State may require a psychologist to obtain and retain a license to be  
39 authorized to practice in a Compact State under circumstances not authorized by Temporary  
40 Authorization to Practice under the terms of this Compact.

41 (e) A Home State's license authorizes a psychologist to practice in a Receiving State  
42 under the Authority to Practice Interjurisdictional Telepsychology only if the Compact State:

43 (1) Currently requires the psychologist to hold an active E.Passport;

44 (2) Has a mechanism in place for receiving and investigating complaints about  
45 licensed individuals;

46 (3) Notifies the Commission, in compliance with the terms herein, of any adverse  
47 action or significant investigatory information regarding a licensed individual;

48 (4) Requires an Identity History Summary of all applicants at initial licensure,  
49 including the use of the results of fingerprints or other biometric data checks  
50 compliant with the requirements of the Federal Bureau of Investigation (FBI),

- 1                   or other designee with similar authority, no later than 10 years after activation  
2                   of the Compact; and  
3                   (5) Complies with the Bylaws and Rules of the Commission.  
4       (f) A Home State's license grants Temporary Authorization to Practice to a psychologist  
5 in a Distant State only if the Compact State:  
6                   (1) Currently requires the psychologist to hold an active IPC;  
7                   (2) Has a mechanism in place for receiving and investigating complaints about  
8                   licensed individuals;  
9                   (3) Notifies the Commission, in compliance with the terms herein, of any adverse  
10                  action or significant investigatory information regarding a licensed individual;  
11                  (4) Requires an Identity History Summary of all applicants at initial licensure,  
12                  including the use of the results of fingerprints or other biometric data checks  
13                  compliant with the requirements of the Federal Bureau of Investigation (FBI),  
14                  or other designee with similar authority, no later than 10 years after activation  
15                  of the Compact; and  
16                  (5) Complies with the Bylaws and Rules of the Commission.

17 **"§ 90-270.163. Compact privilege to practice telepsychology.**

18       (a) Compact States shall recognize the right of a psychologist, licensed in a Compact  
19 State in conformance with G.S. 90-270.162, to practice telepsychology in other Compact States  
20 (Receiving States) in which the psychologist is not licensed, under the Authority to Practice  
21 Interjurisdictional Telepsychology as provided in the Compact.

22       (b) To exercise the Authority to Practice Interjurisdictional Telepsychology under the  
23 terms and provisions of this Compact, a psychologist licensed to practice in a Compact State  
24 must:

- 25                   (1) Hold a graduate degree in psychology from an institute of higher education  
26 that was, at the time the degree was awarded:  
27                   a. Regionally accredited by an accrediting body recognized by the U.S.  
28 Department of Education to grant graduate degrees, or authorized by  
29 Provincial Statute or Royal Charter to grant doctoral degrees; or  
30                   b. A foreign college or university deemed to be equivalent to  
31 sub-subdivision a. of this subdivision by a foreign credential  
32 evaluation service that is a member of the National Association of  
33 Credential Evaluation Services (NACES) or by a recognized foreign  
34 credential evaluation service; and  
35                   (2) Hold a graduate degree in psychology that meets the following criteria:  
36                   a. The program, wherever it may be administratively housed, must be  
37 clearly identified and labeled as a psychology program. Such a  
38 program must specify in pertinent institutional catalogues and  
39 brochures its intent to educate and train professional psychologists;  
40                   b. The psychology program must stand as a recognizable, coherent,  
41 organizational entity within the institution;  
42                   c. There must be a clear authority and primary responsibility for the core  
43 and specialty areas whether or not the program cuts across  
44 administrative lines;  
45                   d. The program must consist of an integrated, organized sequence of  
46 study;  
47                   e. There must be an identifiable psychology faculty sufficient in size and  
48 breadth to carry out its responsibilities;  
49                   f. The designated director of the program must be a psychologist and a  
50 member of the core faculty;

- 1           g.     The program must have an identifiable body of students who are  
2           matriculated in that program for a degree;  
3           h.     The program must include supervised practicum, internship, or field  
4           training appropriate to the practice of psychology;  
5           i.     The curriculum shall encompass a minimum of three academic years  
6           of full-time graduate study for doctoral degree and a minimum of one  
7           academic year of full-time graduate study for master's degree;  
8           j.     The program includes an acceptable residency as defined by the Rules  
9           of the Commission.

10         (3)    Possess a current, full, and unrestricted license to practice psychology in a  
11         Home State that is a Compact State;

12         (4)    Have no history of adverse action that violate the Rules of the Commission;

13         (5)    Have no criminal record history reported on an Identity History Summary that  
14         violates the Rules of the Commission;

15         (6)    Possess a current, active E.Passport;

16         (7)    Provide attestations in regard to areas of intended practice, conformity with  
17         standards of practice, competence in telepsychology technology, criminal  
18         background, and knowledge and adherence to legal requirements in the home  
19         and receiving states, and provide a release of information to allow for primary  
20         source verification in a manner specified by the Commission; and

21         (8)    Meet other criteria as defined by the Rules of the Commission.

22         (c)    The Home State maintains authority over the license of any psychologist practicing  
23         into a Receiving State under the Authority to Practice Interjurisdictional Telepsychology.

24         (d)    A psychologist practicing in a Receiving State under the Authority to Practice  
25         Interjurisdictional Telepsychology will be subject to the Receiving State's scope of practice. A  
26         Receiving State may, in accordance with that state's due process law, limit or revoke a  
27         psychologist's Authority to Practice Interjurisdictional Telepsychology in the Receiving State  
28         and may take any other necessary actions under the Receiving State's applicable law to protect  
29         the health and safety of the Receiving State's citizens. If a Receiving State takes action, the state  
30         shall promptly notify the Home State and the Commission.

31         (e)    If a psychologist's license in any Home State, another Compact State, or any Authority  
32         to Practice Interjurisdictional Telepsychology in any Receiving State is restricted, suspended, or  
33         otherwise limited, the E.Passport shall be revoked and, therefore, the psychologist shall not be  
34         eligible to practice telepsychology in a Compact State under the Authority to Practice  
35         Interjurisdictional Telepsychology.

36         **"§ 90-270.164. Compact Temporary Authorization to Practice.**

37         (a)    Compact States shall also recognize the right of a psychologist, licensed in a Compact  
38         State in conformance with G.S. 90-270.162, to practice temporarily in other Compact States  
39         (Distant States) in which the psychologist is not licensed, as provided in the Compact.

40         (b)    To exercise the Temporary Authorization to Practice under the terms and provisions  
41         of this Compact, a psychologist licensed to practice in a Compact State must:

42           (1)   Hold a graduate degree in psychology from an institute of higher education  
43           that was, at the time the degree was awarded;

44           a.    Regionally accredited by an accrediting body recognized by the U.S.  
45           Department of Education to grant graduate degrees, or authorized by  
46           Provincial Statute or Royal Charter to grant doctoral degrees; or

47           b.    A foreign college or university deemed to be equivalent to  
48           sub-subdivision a. of this subdivision by a foreign credential  
49           evaluation service that is a member of the National Association of  
50           Credential Evaluation Services (NACES) or by a recognized foreign  
51           credential evaluation service; and

- 1           (2) Hold a graduate degree in psychology that meets the following criteria:  
2           a. The program, wherever it may be administratively housed, must be  
3           clearly identified and labeled as a psychology program. Such a  
4           program must specify in pertinent institutional catalogues and  
5           brochures its intent to educate and train professional psychologists;  
6           b. The psychology program must stand as a recognizable, coherent,  
7           organizational entity within the institution;  
8           c. There must be a clear authority and primary responsibility for the core  
9           and specialty areas whether or not the program cuts across  
10           administrative lines;  
11           d. The program must consist of an integrated, organized sequence of  
12           study;  
13           e. There must be an identifiable psychology faculty sufficient in size and  
14           breadth to carry out its responsibilities;  
15           f. The designated director of the program must be a psychologist and a  
16           member of the core faculty;  
17           g. The program must have an identifiable body of students who are  
18           matriculated in that program for a degree;  
19           h. The program must include supervised practicum, internship, or field  
20           training appropriate to the practice of psychology;  
21           i. The curriculum shall encompass a minimum of three academic years  
22           of full-time graduate study for doctoral degrees and a minimum of one  
23           academic year of full-time graduate study for master's degrees;  
24           j. The program includes an acceptable residency as defined by the Rules  
25           of the Commission.  
26           (3) Possess a current, full, and unrestricted license to practice psychology in a  
27           Home State that is a Compact State;  
28           (4) No history of adverse action that violates the Rules of the Commission;  
29           (5) No criminal record history that violates the Rules of the Commission;  
30           (6) Possess a current, active IPC;  
31           (7) Provide attestations in regard to areas of intended practice and work  
32           experience and provide a release of information to allow for primary source  
33           verification in a manner specified by the Commission; and  
34           (8) Meet other criteria as defined by the Rules of the Commission.  
35           (c) A psychologist practicing into a Distant State under the Temporary Authorization to  
36           Practice shall practice within the scope of practice authorized by the Distant State.  
37           (d) A psychologist practicing into a Distant State under the Temporary Authorization to  
38           Practice will be subject to the Distant State's authority and law. A Distant State may, in  
39           accordance with that state's due process law, limit or revoke a psychologist's Temporary  
40           Authorization to Practice in the Distant State and may take any other necessary actions under the  
41           Distant State's applicable law to protect the health and safety of the Distant State's citizens. If a  
42           Distant State takes action, the state shall promptly notify the Home State and the Commission.  
43           (e) If a psychologist's license in any Home State, another Compact State, or any  
44           Temporary Authorization to Practice in any Distant State is restricted, suspended, or otherwise  
45           limited, the IPC shall be revoked and therefore the psychologist shall not be eligible to practice  
46           in a Compact State under the Temporary Authorization to Practice.  
47           **§ 90-270.165. Conditions of telepsychology practice in a Receiving State.**  
48           A psychologist may practice in a Receiving State under the Authority to Practice  
49           Interjurisdictional Telepsychology only in the performance of the scope of practice for  
50           psychology as assigned by an appropriate State Psychology Regulatory Authority, as defined in  
51           the Rules of the Commission, and under the following circumstances:

- 1           (1) The psychologist initiates a client/patient contact in a Home State via  
2           telecommunications technologies with a client/patient in a Receiving State.  
3           (2) Other conditions regarding telepsychology as determined by Rules  
4           promulgated by the Commission.

5 **"§ 90-270.166. Adverse actions.**

6           (a) A Home State shall have the power to impose adverse action against a psychologist's  
7 license issued by the Home State. A Distant State shall have the power to take adverse action on  
8 a psychologist's Temporary Authorization to Practice within that Distant State.

9           (b) A Receiving State may take adverse action on a psychologist's Authority to Practice  
10 Interjurisdictional Telepsychology within that Receiving State. A Home State may take adverse  
11 action against a psychologist based on an adverse action taken by a Distant State regarding  
12 temporary in-person, face-to-face practice.

13           (c) If a Home State takes adverse action against a psychologist's license, that  
14 psychologist's Authority to Practice Interjurisdictional Telepsychology is terminated and the  
15 E.Passport is revoked. Furthermore, that psychologist's Temporary Authorization to Practice is  
16 terminated and the IPC is revoked.

17           (1) All Home State disciplinary orders which impose adverse action shall be  
18 reported to the Commission in accordance with the Rules promulgated by the  
19 Commission. A Compact State shall report adverse actions in accordance with  
20 the Rules of the Commission.

21           (2) In the event discipline is reported on a psychologist, the psychologist will not  
22 be eligible for telepsychology or temporary in-person, face-to-face practice in  
23 accordance with the Rules of the Commission.

24           (3) Other actions may be imposed as determined by the Rules promulgated by the  
25 Commission.

26           (d) A Home State's Psychology Regulatory Authority shall investigate and take  
27 appropriate action with respect to reported inappropriate conduct engaged in by a licensee which  
28 occurred in a Receiving State as it would if such conduct had occurred by a licensee within the  
29 Home State. In such cases, the Home State's law shall control in determining any adverse action  
30 against a psychologist's license.

31           (e) A Distant State's Psychology Regulatory Authority shall investigate and take  
32 appropriate action with respect to reported inappropriate conduct engaged in by a psychologist  
33 practicing under Temporary Authorization Practice which occurred in that Distant State as it  
34 would if such conduct had occurred by a licensee within the Home State. In such cases, Distant  
35 State's law shall control in determining any adverse action against a psychologist's Temporary  
36 Authorization to Practice.

37           (f) Nothing in this Compact shall override a Compact State's decision that a  
38 psychologist's participation in an alternative program may be used in lieu of adverse action and  
39 that such participation shall remain nonpublic if required by the Compact State's law. Compact  
40 States must require psychologists who enter any alternative programs to not provide  
41 telepsychology services under the Authority to Practice Interjurisdictional Telepsychology or  
42 provide temporary psychological services under the Temporary Authorization to Practice in any  
43 other Compact State during the term of the alternative program.

44           (g) No other judicial or administrative remedies shall be available to a psychologist in the  
45 event a Compact State imposes an adverse action pursuant to subsection (c) of this section.

46 **"§ 90-270.167. Additional authorities invested in a Compact State's Psychology Regulatory**  
47 **Authority.**

48           In addition to any other powers granted under state law, a Compact State's Psychology  
49 Regulatory Authority shall have the authority under this Compact to:

- 50           (1) Issue subpoenas, for both hearings and investigations, which require the  
51 attendance and testimony of witnesses and the production of evidence.

1 Subpoenas issued by a Compact State's Psychology Regulatory Authority for  
2 the attendance and testimony of witnesses and/or the production of evidence  
3 from another Compact State shall be enforced in the latter state by any court  
4 of competent jurisdiction, according to that court's practice and procedure in  
5 considering subpoenas issued in its own proceedings. The issuing State  
6 Psychology Regulatory Authority shall pay any witness fees, travel expenses,  
7 mileage, and other fees required by the service statutes of the state where the  
8 witnesses and/or evidence are located.

9 (2) Issue cease and desist and/or injunctive relief orders to revoke a psychologist's  
10 Authority to Practice Interjurisdictional Telepsychology and/or Temporary  
11 Authorization to Practice.

12 (3) During the course of any investigation, a psychologist may not change his/her  
13 Home State licensure. A Home State Psychology Regulatory Authority is  
14 authorized to complete any pending investigations of a psychologist and to  
15 take any actions appropriate under its law. The Home State Psychology  
16 Regulatory Authority shall promptly report the conclusions of such  
17 investigations to the Commission. Once an investigation has been completed,  
18 and pending the outcome of said investigation, the psychologist may change  
19 his/her Home State licensure. The Commission shall promptly notify the new  
20 Home State of any such decisions as provided in the Rules of the Commission.  
21 All information provided to the Commission or distributed by Compact States  
22 pursuant to the psychologist shall be confidential, filed under seal, and used  
23 for investigatory or disciplinary matters. The Commission may create  
24 additional rules for mandated or discretionary sharing of information by  
25 Compact States.

26 **"§ 90-270.168. Coordinated Licensure Information System.**

27 (a) The Commission shall provide for the development and maintenance of a Coordinated  
28 Licensure Information System (Coordinated Database) and reporting system containing licensure  
29 and disciplinary action information on all psychologists to whom this Compact is applicable in  
30 all Compact States as defined by the Rules of the Commission.

31 (b) Notwithstanding any other provision of state law to the contrary, a Compact State  
32 shall submit a uniform data set to the Coordinated Database on all licensees as required by the  
33 Rules of the Commission, including:

34 (1) Identifying information;

35 (2) Licensure data;

36 (3) Significant investigatory information;

37 (4) Adverse actions against a psychologist's license;

38 (5) An indicator that a psychologist's Authority to Practice Interjurisdictional  
39 Telepsychology and/or Temporary Authorization to Practice is revoked;

40 (6) Nonconfidential information related to alternative program participation  
41 information;

42 (7) Any denial of application for licensure and the reasons for such denial; and

43 (8) Other information which may facilitate the administration of this Compact, as  
44 determined by the Rules of the Commission.

45 (c) The Coordinated Database administrator shall promptly notify all Compact States of  
46 any adverse action taken against, or significant investigative information on, any licensee in a  
47 Compact State.

48 (d) Compact States reporting information to the Coordinated Database may designate  
49 information that may not be shared with the public without the express permission of the  
50 Compact State reporting the information.

1       (e)     Any information submitted to the Coordinated Database that is subsequently required  
2 to be expunged by the law of the Compact State reporting the information shall be removed from  
3 the Coordinated Database.

4 **"§ 90-270.169. Establishment of the Psychology Interjurisdictional Compact Commission.**

5       (a)     The Compact States hereby create and establish a joint public agency known as the  
6 Psychology Interjurisdictional Compact Commission.

7           (1)   The Commission is a body politic and an instrumentality of the Compact  
8 States.

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

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

16       (b)     Membership, Voting, and Meetings. –

17           (1)   The Commission shall consist of one voting representative appointed by each  
18 Compact State who shall serve as that state's Commissioner. The State  
19 Psychology Regulatory Authority shall appoint its delegate. This delegate  
20 shall be empowered to act on behalf of the Compact State. This delegate shall  
21 be limited to:

22           a.     Executive Director, Executive Secretary, or similar executive;

23           b.     Current member of the State Psychology Regulatory Authority of a  
24 Compact State; or

25           c.     Designee empowered with the appropriate delegate authority to act on  
26 behalf of the Compact State.

27          (2)   Any Commissioner may be removed or suspended from office as provided by  
28 the law of the state from which the Commissioner is appointed. Any vacancy  
29 occurring in the Commission shall be filled in accordance with the laws of the  
30 Compact State in which the vacancy exists.

31          (3)   Each Commissioner shall be entitled to one vote with regard to the  
32 promulgation of Rules and creation of Bylaws and shall otherwise have an  
33 opportunity to participate in the business and affairs of the Commission. A  
34 Commissioner shall vote in person or by such other means as provided in the  
35 Bylaws. The Bylaws may provide for Commissioners' participation in  
36 meetings by telephone or other means of communication.

37          (4)   The Commission shall meet at least once during each calendar year.  
38 Additional meetings shall be held as set forth in the Bylaws.

39          (5)   All meetings shall be open to the public, and public notice of meetings shall  
40 be given in the same manner as required under the rule-making provisions in  
41 G.S. 90-270.170.

42          (6)   The Commission may convene in a closed, nonpublic meeting if the  
43 Commission must discuss:

44           a.     Noncompliance of a Compact State with its obligations under the  
45 Compact;

46           b.     The employment, compensation, discipline, or other personnel  
47 matters, practices, or procedures related to specific employees or other  
48 matters related to the Commission's internal personnel practices and  
49 procedures;

50           c.     Current, threatened, or reasonably anticipated litigation against the  
51 Commission;

- d. Negotiation of contracts for the purchase or sale of goods, services, or real estate;
- e. Accusation against any person of a crime or formally censuring any person;
- f. Disclosure of trade secrets or commercial or financial information which is privileged or confidential;
- g. Disclosure of information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy;
- h. Disclosure of investigatory records compiled for law enforcement purposes;
- i. Disclosure of information related to any investigatory reports prepared by or on behalf of or for use of the Commission or other committee charged with responsibility for investigation or determination of compliance issues pursuant to the Compact; or
- j. Matters specifically exempted from disclosure by federal and state statute.

(7) If a meeting, or portion of a meeting, is closed pursuant to this provision, the Commission's legal counsel or designee shall certify that the meeting may be closed and shall reference each relevant exempting provision. The Commission shall keep minutes which fully and clearly describe all matters discussed in a meeting and shall provide a full and accurate summary of actions taken, of any person participating in the meeting, and the reasons therefore, including a description of the views expressed. All documents considered in connection with an action shall be identified in such minutes. All minutes and documents of a closed meeting shall remain under seal, subject to release only by a majority vote of the Commission or order of a court of competent jurisdiction.

(c) The Commission shall, by a majority vote of the Commissioners, prescribe Bylaws and/or Rules to govern its conduct as may be necessary or appropriate to carry out the purposes and exercise the powers of the Compact, including, but not limited to:

- (1) Establishing the fiscal year of the Commission;
- (2) Providing reasonable standards and procedures:
  - a. For the establishment and meetings of other committees; and
  - b. Governing any general or specific delegation of any authority or function of the Commission;
- (3) Providing reasonable procedures for calling and conducting meetings of the Commission, ensuring reasonable advance notice of all meetings and providing an opportunity for attendance of such meetings by interested parties, with enumerated exceptions designed to protect the public's interest, the privacy of individuals of such proceedings, and proprietary information, including trade secrets. The Commission may meet in closed session only after a majority of the Commissioners vote to close a meeting to the public in whole or in part. As soon as practicable, the Commission must make public a copy of the vote to close the meeting revealing the vote of each Commissioner with no proxy votes allowed;
- (4) Establishing the titles, duties, and authority and reasonable procedures for the election of the officers of the Commission;
- (5) Providing reasonable standards and procedures for the establishment of the personnel policies and programs of the Commission. Notwithstanding any civil service or other similar law of any Compact State, the Bylaws shall exclusively govern the personnel policies and programs of the Commission;

- 1           (6)    Promulgating a Code of Ethics to address permissible and prohibited activities
- 2           of Commission members and employees;
- 3           (7)    Providing a mechanism for concluding the operations of the Commission and
- 4           the equitable disposition of any surplus funds that may exist after the
- 5           termination of the Compact after the payment and/or reserving of all of its
- 6           debts and obligations;
- 7           (8)    The Commission shall publish its Bylaws in a convenient form and file a copy
- 8           thereof and a copy of any amendment thereto with the appropriate agency or
- 9           officer in each of the Compact States;
- 10          (9)    The Commission shall maintain its financial records in accordance with the
- 11          Bylaws; and
- 12          (10) The Commission shall meet and take such actions as are consistent with the
- 13          provisions of this Compact and the Bylaws.
- 14          (d)    The Commission shall have the following powers:
- 15           (1)    The authority to promulgate uniform rules to facilitate and coordinate
- 16           implementation and administration of this Compact. The rules shall have the
- 17           force and effect of law and shall be binding in all Compact States;
- 18           (2)    To bring and prosecute legal proceedings or actions in the name of the
- 19           Commission, provided that the standing of any State Psychology Regulatory
- 20           Authority or other regulatory body responsible for psychology licensure to sue
- 21           or be sued under applicable law shall not be affected;
- 22           (3)    To purchase and maintain insurance and bonds;
- 23           (4)    To borrow, accept, or contract for services of personnel, including, but not
- 24           limited to, employees of a Compact State;
- 25           (5)    To hire employees, elect or appoint officers, fix compensation, define duties,
- 26           grant such individuals appropriate authority to carry out the purposes of the
- 27           Compact, and establish the Commission's personnel policies and programs
- 28           relating to conflicts of interest, qualifications of personnel, and other related
- 29           personnel matters;
- 30           (6)    To accept any and all appropriate donations and grants of money, equipment,
- 31           supplies, materials, and services and to receive, utilize, and dispose of the
- 32           same, provided that at all times the Commission shall strive to avoid any
- 33           appearance of impropriety and/or conflict of interest;
- 34           (7)    To lease, purchase, accept appropriate gifts or donations of, or otherwise to
- 35           own, hold, improve, or use any property, real, personal, or mixed, provided
- 36           that at all times the Commission shall strive to avoid any appearance of
- 37           impropriety;
- 38           (8)    To sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise
- 39           dispose of any property, real, personal, or mixed;
- 40           (9)    To establish a budget and make expenditures;
- 41           (10) To borrow money;
- 42           (11) To appoint committees, including advisory committees comprised of
- 43           members, state regulators, state legislators or their representatives, and
- 44           consumer representatives, and such other interested persons as may be
- 45           designated in this Compact and the Bylaws;
- 46           (12) To provide and receive information from, and to cooperate with, law
- 47           enforcement agencies;
- 48           (13) To adopt and use an official seal; and
- 49           (14) To perform such other functions as may be necessary or appropriate to achieve
- 50           the purposes of this Compact consistent with the state regulation of

- 1                   psychology licensure, temporary in-person, face-to-face practice, and  
2                   telepsychology practice.
- 3       (e)   The Executive Board. – The elected officers shall serve as the Executive Board, which  
4       shall have the power to act on behalf of the Commission according to the terms of this Compact.
- 5           (1)   The Executive Board shall be comprised of six members:
- 6           a.    Five voting members who are elected from the current membership of  
7           the Commission by the Commission.
- 8           b.    One ex officio, nonvoting member from the recognized membership  
9           organization composed of State and Provincial Psychology Regulatory  
10           Authorities.
- 11          (2)   The ex officio member must have served as staff or member on a State  
12          Psychology Regulatory Authority and will be selected by its respective  
13          organization.
- 14          (3)   The Commission may remove any member of the Executive Board as  
15          provided in Bylaws.
- 16          (4)   The Executive Board shall meet at least annually.
- 17          (5)   The Executive Board shall have the following duties and responsibilities:
- 18           a.    Recommend to the entire Commission changes to the Rules or Bylaws,  
19           changes to this Compact legislation, or fees paid by Compact States  
20           such as annual dues and any other applicable fees;
- 21           b.    Ensure Compact administration services are appropriately provided,  
22           contractual or otherwise;
- 23           c.    Prepare and recommend the budget;
- 24           d.    Maintain financial records on behalf of the Commission;
- 25           e.    Monitor Compact compliance of member states and provide  
26           compliance reports to the Commission;
- 27           f.    Establish additional committees as necessary; and
- 28           g.    Other duties as provided in Rules or Bylaws.
- 29       (f)   Financing of the Commission. –
- 30           (1)   The Commission shall pay or provide for the payment of the reasonable  
31           expenses of its establishment, organization, and ongoing activities.
- 32           (2)   The Commission may accept any and all appropriate revenue sources,  
33           donations, and grants of money, equipment, supplies, materials, and services.
- 34           (3)   The Commission may levy on and collect an annual assessment from each  
35           Compact State or impose fees on other parties to cover the cost of the  
36           operations and activities of the Commission and its staff which must be in a  
37           total amount sufficient to cover its annual budget as approved each year for  
38           which revenue is not provided by other sources. The aggregate annual  
39           assessment amount shall be allocated based upon a formula to be determined  
40           by the Commission which shall promulgate a rule binding upon all Compact  
41           States.
- 42           (4)   The Commission shall not incur obligations of any kind prior to securing the  
43           funds adequate to meet the same, nor shall the Commission pledge the credit  
44           of any of the Compact States, except by and with the authority of the Compact  
45           State.
- 46           (5)   The Commission shall keep accurate accounts of all receipts and  
47           disbursements. The receipts and disbursements of the Commission shall be  
48           subject to the audit and accounting procedures established under its Bylaws.  
49           However, all receipts and disbursements of funds handled by the Commission  
50           shall be audited yearly by a certified or licensed public accountant and the

1 report of the audit shall be included in and become part of the annual report  
2 of the Commission.

3 (g) Qualified Immunity, Defense, and Indemnification. –

4 (1) The members, officers, Executive Director, employees, and representatives of  
5 the Commission shall be immune from suit and liability, either personally or  
6 in their official capacity, for any claim for damage to or loss of property or  
7 personal injury or other civil liability caused by or arising out of any actual or  
8 alleged act, error, or omission that occurred, or that the person against whom  
9 the claim is made had a reasonable basis for believing occurred within the  
10 scope of Commission employment, duties, or responsibilities, provided that  
11 nothing in this subdivision shall be construed to protect any such person from  
12 suit and/or liability for any damage, loss, injury, or liability caused by the  
13 intentional or willful or wanton misconduct of that person.

14 (2) The Commission shall defend any member, officer, Executive Director,  
15 employee, or representative of the Commission in any civil action seeking to  
16 impose liability arising out of any actual or alleged act, error, or omission that  
17 occurred within the scope of Commission employment, duties, or  
18 responsibilities, or that the person against whom the claim is made had a  
19 reasonable basis for believing occurred within the scope of Commission  
20 employment, duties, or responsibilities, provided that nothing herein shall be  
21 construed to prohibit that person from retaining his or her own counsel, and  
22 provided further that the actual or alleged act, error, or omission did not result  
23 from that person's intentional or willful or wanton misconduct.

24 (3) The Commission shall indemnify and hold harmless any member, officer,  
25 Executive Director, employee, or representative of the Commission for the  
26 amount of any settlement or judgment obtained against that person arising out  
27 of any actual or alleged act, error, or omission that occurred within the scope  
28 of employment, duties, or responsibilities, or that such person had a  
29 reasonable basis for believing occurred within the scope of Commission  
30 employment, duties, or responsibilities, provided that the actual or alleged act,  
31 error, or omission did not result from the intentional or willful or wanton  
32 misconduct of that person.

33 **§ 90-270.170. Rule making.**

34 (a) The Commission shall exercise its rule-making powers pursuant to the criteria set  
35 forth in this section and the Rules adopted thereunder. Rules and amendments shall become  
36 binding as of the date specified in each rule or amendment.

37 (b) If a majority of the legislatures of the Compact States rejects a rule, by enactment of  
38 a statute or resolution in the same manner used to adopt the Compact, then such rule shall have  
39 no further force and effect in any Compact State.

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

42 (d) Prior to promulgation and adoption of a final rule or Rules by the Commission, and  
43 at least 60 days in advance of the meeting at which the rule will be considered and voted upon,  
44 the Commission shall file a Notice of Proposed Rule Making:

45 (1) On the Web site of the Commission; and

46 (2) On the Web site of each Compact States' Psychology Regulatory Authority or  
47 the publication in which each state would otherwise publish proposed rules.

48 (e) The Notice of Proposed Rule Making shall include:

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

- 1           (2)    The text of the proposed rule or amendment and the reason for the proposed  
2           rule;
- 3           (3)    A request for comments on the proposed rule from any interested person; and  
4           (4)    The manner in which interested persons may submit notice to the Commission  
5           of their intention to attend the public hearing and any written comments.
- 6           (f)    Prior to adoption of a proposed rule, the Commission shall allow persons to submit  
7           written data, facts, opinions and arguments, which shall be made available to the public.
- 8           (g)    The Commission shall grant an opportunity for a public hearing before it adopts a rule  
9           or amendment if a hearing is requested by:
- 10          (1)    At least 25 persons who submit comments independently of each other;  
11          (2)    A governmental subdivision or agency; or  
12          (3)    A duly appointed person in an association that has at least 25 members.
- 13          (h)    If a hearing is held on the proposed rule or amendment, the Commission shall publish  
14          the place, time, and date of the scheduled public hearing.
- 15          (1)    All persons wishing to be heard at the hearing shall notify the Executive  
16          Director of the Commission or other designated member in writing of their  
17          desire to appear and testify at the hearing not less than five business days  
18          before the scheduled date of the hearing.
- 19          (2)    Hearings shall be conducted in a manner providing each person who wishes  
20          to comment a fair and reasonable opportunity to comment orally or in writing.
- 21          (3)    No transcript of the hearing is required, unless a written request for a transcript  
22          is made, in which case the person requesting the transcript shall bear the cost  
23          of producing the transcript. A recording may be made in lieu of a transcript  
24          under the same terms and conditions as a transcript. This subsection shall not  
25          preclude the Commission from making a transcript or recording of the hearing  
26          if it so chooses.
- 27          (4)    Nothing in this section shall be construed as requiring a separate hearing on  
28          each rule. Rules may be grouped for the convenience of the Commission at  
29          hearings required by this section.
- 30          (i)    Following the scheduled hearing date, or by the close of business on the scheduled  
31          hearing date if the hearing was not held, the Commission shall consider all written and oral  
32          comments received.
- 33          (j)    The Commission shall, by majority vote of all members, take final action on the  
34          proposed rule and shall determine the effective date of the rule, if any, based on the rule-making  
35          record and the full text of the rule.
- 36          (k)    If no written notice of intent to attend the public hearing by interested parties is  
37          received, the Commission may proceed with promulgation of the proposed rule without a public  
38          hearing.
- 39          (l)    Upon determination that an emergency exists, the Commission may consider and  
40          adopt an emergency rule without prior notice, opportunity for comment, or hearing, provided that  
41          the usual rule-making procedures provided in the Compact and in this section shall be  
42          retroactively applied to the rule as soon as reasonably possible, in no event later than 90 days  
43          after the effective date of the rule. For the purposes of this provision, an emergency rule is one  
44          that must be adopted immediately in order to:
- 45          (1)    Meet an imminent threat to public health, safety, or welfare;  
46          (2)    Prevent a loss of Commission or Compact State funds;  
47          (3)    Meet a deadline for the promulgation of an administrative rule that is  
48          established by federal law or rule; or  
49          (4)    Protect public health and safety.
- 50          (m)    The Commission or an authorized committee of the Commission may direct revisions  
51          to a previously adopted rule or amendment for purposes of correcting typographical errors, errors

1 in format, errors in consistency, or grammatical errors. Public notice of any revisions shall be  
2 posted on the Web site of the Commission. The revision shall be subject to challenge by any  
3 person for a period of 30 days after posting. The revision may be challenged only on grounds  
4 that the revision results in a material change to a rule. A challenge shall be made in writing and  
5 delivered to the Chair of the Commission prior to the end of the notice period. If no challenge is  
6 made, the revision will take effect without further action. If the revision is challenged, the  
7 revision may not take effect without the approval of the Commission.

8 **"§ 90-270.171. Oversight, dispute resolution, and enforcement.**

9 (a) Oversight. –

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

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

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

24 (b) Default, Technical Assistance, and Termination. –

25 (1) If the Commission determines that a Compact State has defaulted in the  
26 performance of its obligations or responsibilities under this Compact or the  
27 promulgated rules, the Commission shall:

28 a. Provide written notice to the defaulting state and other Compact States  
29 of the nature of the default, the proposed means of remedying the  
30 default, and/or any other action to be taken by the Commission; and

31 b. Provide remedial training and specific technical assistance regarding  
32 the default.

33 (2) If a state in default fails to remedy the default, the defaulting state may be  
34 terminated from the Compact upon an affirmative vote of a majority of the  
35 Compact States and all rights, privileges and benefits conferred by this  
36 Compact shall be terminated on the effective date of termination. A remedy  
37 of the default does not relieve the offending state of obligations or liabilities  
38 incurred during the period of default.

39 (3) Termination of membership in the Compact shall be imposed only after all  
40 other means of securing compliance have been exhausted. Notice of intent to  
41 suspend or terminate shall be submitted by the Commission to the Governor,  
42 the majority and minority leaders of the defaulting state's legislature, and each  
43 of the Compact States.

44 (4) A Compact State which has been terminated is responsible for all assessments,  
45 obligations, and liabilities incurred through the effective date of termination,  
46 including obligations which extend beyond the effective date of termination.

47 (5) The Commission shall not bear any costs incurred by the state which is found  
48 to be in default or which has been terminated from the Compact, unless agreed  
49 upon in writing between the Commission and the defaulting state.

50 (6) The defaulting state may appeal the action of the Commission by petitioning  
51 the U.S. District Court for the state of Georgia or the federal district where the

1 Compact has its principal offices. The prevailing member shall be awarded all  
2 costs of such litigation, including reasonable attorneys' fees.

3 (c) Dispute Resolution. –

4 (1) Upon request by a Compact State, the Commission shall attempt to resolve  
5 disputes related to the Compact which arise among Compact States and  
6 between Compact and Non-Compact States.

7 (2) The Commission shall promulgate a rule providing for both mediation and  
8 binding dispute resolution for disputes that arise before the Commission.

9 (d) Enforcement. –

10 (1) The Commission, in the reasonable exercise of its discretion, shall enforce the  
11 provisions and Rules of this Compact.

12 (2) By majority vote, the Commission may initiate legal action in the United  
13 States District Court for the State of Georgia or the federal district where the  
14 Compact has its principal offices against a Compact State in default to enforce  
15 compliance with the provisions of the Compact and its promulgated Rules and  
16 Bylaws. The relief sought may include both injunctive relief and damages. In  
17 the event judicial enforcement is necessary, the prevailing member shall be  
18 awarded all costs of such litigation, including reasonable attorneys' fees.

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

22 **"§ 90-270.172. Date of implementation of the Psychology Interjurisdictional Compact**  
23 **Commission and associated rules, withdrawal, and amendments.**

24 (a) The Compact shall come into effect on the date on which the Compact is enacted into  
25 law in the seventh Compact State. The provisions which become effective at that time shall be  
26 limited to the powers granted to the Commission relating to assembly and the promulgation of  
27 rules. Thereafter, the Commission shall meet and exercise rule-making powers necessary to the  
28 implementation and administration of the Compact.

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

33 (c) Any Compact State may withdraw from this Compact by enacting a statute repealing  
34 the same.

35 (1) A Compact State's withdrawal shall not take effect until six months after  
36 enactment of the repealing statute.

37 (2) Withdrawal shall not affect the continuing requirement of the withdrawing  
38 State's Psychology Regulatory Authority to comply with the investigative and  
39 adverse action reporting requirements of this act prior to the effective date of  
40 withdrawal.

41 (d) Nothing contained in this Compact shall be construed to invalidate or prevent any  
42 psychology licensure agreement or other cooperative arrangement between a Compact State and  
43 a Non-Compact State which does not conflict with the provisions of this Compact.

44 (e) This Compact may be amended by the Compact States. No amendment to this  
45 Compact shall become effective and binding upon any Compact State until it is enacted into the  
46 law of all Compact States.

47 **"§ 90-270.173. Construction and severability.**

48 This Compact shall be liberally construed so as to effectuate the purposes thereof. If this  
49 Compact shall be held contrary to the constitution of any state member thereto, the Compact shall  
50 remain in full force and effect as to the remaining Compact States."

51 **SECTION 5.** G.S. 58-50-130 reads as rewritten:

1 **"§ 58-50-130. Required health care plan provisions.**

2 (a) Health benefit plans covering small employers are subject to the following provisions:

3 ...

4 (5) No small employer carrier, insurer, subsidiary of an insurer, or controlled  
5 individual of an insurance holding company shall provide stop loss,  
6 catastrophic, or reinsurance coverage to small employers who employ fewer  
7 than ~~26~~16 eligible employees that does not comply with the underwriting,  
8 rating, and other applicable standards in this Act. An insurer shall not issue a  
9 stop loss health insurance policy to any person, firm, corporation, partnership,  
10 or association defined as a small employer that does any of the following:

- 11 a. Provides direct coverage of health expenses payable to an individual.
- 12 b. Has an annual attachment point for claims incurred per individual that  
13 is lower than twenty thousand dollars (\$20,000) for plan years  
14 beginning in 2013. For subsequent policy years, the amount shall be  
15 indexed using the Consumer Price Index for Medical Services for All  
16 Urban Consumers for the South Region and shall be rounded to the  
17 nearest whole thousand dollars. The index factor shall be the index as  
18 of July of the year preceding the change divided by the index as of July  
19 2012.
- 20 c. Has an annual aggregate attachment point lower than the greater of  
21 one of the following:
- 22 1. One hundred twenty percent (120%) of expected claims.
  - 23 2. Twenty thousand dollars (\$20,000) for plan years beginning in  
24 2013. For subsequent policy years, the amount shall be indexed  
25 using the Consumer Price Index for Medical Services for All  
26 Urban Consumers for the South Region and shall be rounded  
27 to the nearest whole thousand dollars. The index factor shall be  
28 the index as of July of the year preceding the change divided  
29 by the index as of July 2012.
- 30 Nothing in this subsection prohibits an insurer from providing  
31 additional incentives to small employers with benefits  
32 promoting a medical home or benefits that provide health care  
33 screenings, are focused on outcomes and key performance  
34 indicators, or are reimbursed on an outcomes basis rather than  
35 a fee-for-service basis.

36 ...."

37 **SECTION 6.** Article 3 of Chapter 58 of the General Statutes is amended by adding  
38 a new section to read:

39 **"§ 58-3-8. Certain nonprofit health benefit plans not subject to this Chapter.**

40 (a) A self-funded health benefit plan sponsored by a nonprofit organization that satisfies  
41 the conditions of subsection (b) of this section shall be deemed not to be insurance and not subject  
42 to this Chapter.

43 (b) A nonprofit organization that sponsors a self-funded health benefit plan under this  
44 section must satisfy all of the following conditions:

- 45 (1) Be incorporated in the State.
- 46 (2) Have been in existence for 10 continuous years.
- 47 (3) Have been determined by the Internal Revenue Service to be a tax exempt  
48 organization under Section 501(c) of the Internal Revenue Code.
- 49 (4) Provide membership opportunities for eligible individuals or business entities  
50 in all 100 counties of the State.

1           (5) Provide its members with representation on its governing board and  
2           committees.

3           (c) Two or more nonprofit organizations that individually satisfy the conditions of this  
4           section may jointly sponsor a health benefit plan for their members.

5           (d) A nonprofit organization that sponsors a health benefit plan under this section shall  
6           file an annual certification with the Secretary of State demonstrating that the organization  
7           satisfies the conditions set forth in subsection (b) of this section. A copy of this certification shall  
8           be submitted to the Commissioner.

9           (e) Nothing in this section shall prohibit a person participating in a self-funded health  
10           plan under this section from pursuing the remedies set forth in Article 1 of Chapter 75 of the  
11           General Statutes."

12           **SECTION 7.** Sections 1 and 2 of this act are effective when this act becomes law  
13 and apply to applications for licensure submitted on or after that date. Sections 3 and 4 of this act  
14 become effective when at least seven states have enacted the Psychology Interjurisdictional  
15 Compact (PSYPACT) set forth in Section 2 of this act. The North Carolina Psychology Board  
16 shall report to the Revisor of Statutes when the PSYPACT set forth in Section 4 of this act has  
17 been enacted by seven member states. Sections 5 and 6 of this act became effective January 1,  
18 2020.