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## SENATE BILL NO. 922

Offered January 11, 2017

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A *BILL to amend and reenact §§ 54.1-104, 54.1-105, 54.1-108, 54.1-113, 54.1-2400, 54.1-2401, 54.1-2403, 54.1-2408.2, and 54.1-2409.1 of the Code of Virginia, relating to the Department of Professional and Occupational Regulation, Department of Health Professions, and health regulatory boards; issuance and regulation of licenses, certifications, registrations, and multistate licensure privileges.*

Patrons—Petersen; Delegate: Kory

Referred to Committee on Education and Health

**Be it enacted by the General Assembly of Virginia:**

**1. That §§ 54.1-104, 54.1-105, 54.1-108, 54.1-113, 54.1-2400, 54.1-2401, 54.1-2403, 54.1-2408.2, and 54.1-2409.1 of the Code of Virginia are amended and reenacted as follows:**

**§ 54.1-104. Suspension of license, certificate, registration, permit, or authority for dishonor of fee payment; reinstatement.**

The Department of Professional and Occupational Regulation and the Department of Health Professions may suspend the license, certificate, registration, *permit*, or authority it has issued any person who submits a check, money draft, or similar instrument for payment of a fee required by statute or regulation which is not honored by the bank or financial institution named. The suspension shall become effective ~~ten~~ 10 days following delivery by certified mail of written notice of the dishonor and the impending suspension to such person's address. Upon notification of suspension, the person may reinstate the license, certificate, registration, *permit*, or authority upon payment of the fee and penalties required under statute or regulation. Suspension under this provision shall be exempt from the Administrative Process Act (§ 2.2-4000 et seq.).

**§ 54.1-105. Majority of board or panel required to suspend or revoke license, certificate, registration, permit, or multistate licensure privilege; imposition of sanctions.**

An affirmative vote of a majority of those serving on a board who are qualified to vote or those serving on a panel of a health regulatory board convened pursuant to § 54.1-2400 shall be required for any action to suspend or revoke a license, certification, registration, *permit*, or multistate licensure privilege to practice nursing or to impose a sanction on a licensee. However, an affirmative vote of a majority of a quorum of the regulatory board shall be sufficient for summary suspension pursuant to specific statutory authority.

**§ 54.1-108. Disclosure of official records.**

Official records of the Department of Professional and Occupational Regulation or the Department of Health Professions or any board named in this title shall be subject to the disclosure provisions of the Virginia Freedom of Information Act (§ 2.2-3700 et seq.), except for the following:

1. Examination questions, papers, booklets, and answer sheets, which may be disclosed at the discretion of the board administering or causing to be administered such examinations.

2. Applications for admission to examinations or for licensure, *certification, registration, or permitting* and the scoring records maintained by any board or by the Departments on ~~individual licensees~~ *individuals* or applicants. However, this material may be made available during normal working hours for copying by the subject individual *or applicant* at his expense at the office of the Department or board ~~which~~ *that* possesses the material.

3. Records of active investigations being conducted by the Departments or any board.

**§ 54.1-113. Regulatory boards to adjust fees; certain transfer of moneys collected on behalf of health regulatory boards prohibited.**

A. Following the close of any biennium, when the account for any regulatory board within the Department of Professional and Occupational Regulation or the Department of Health Professions maintained under § 54.1-308 or § 54.1-2505 shows expenses allocated to it for the past biennium to be more than ~~ten~~ 10 percent greater or less than moneys collected on behalf of the board, it shall revise the fees levied by it for certification ~~or~~, licensure, *registration, or permit* and renewal thereof so that the fees are sufficient but not excessive to cover expenses.

B. Nongeneral funds generated by fees collected on behalf of the health regulatory boards and accounted for and deposited into a special fund by the Director of the Department of Health Professions shall be held exclusively to cover the expenses of the health regulatory boards, the Health Practitioners' Monitoring Program, and the Department and Board of Health Professions and shall not be transferred

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59 to any agency other than the Department of Health Professions, except as provided in §§ 54.1-3011.1  
60 and 54.1-3011.2.

61 **§ 54.1-2400. General powers and duties of health regulatory boards.**

62 The general powers and duties of health regulatory boards shall be:

63 1. To establish the qualifications for registration, certification, licensure, *permit*, or the issuance of a  
64 multistate licensure privilege in accordance with the applicable law which are necessary to ensure  
65 competence and integrity to engage in the regulated professions.

66 2. To examine or cause to be examined applicants for certification ~~or~~, licensure, *or registration*.  
67 Unless otherwise required by law, examinations shall be administered in writing or shall be a  
68 demonstration of manual skills.

69 3. To register, certify, license, or issue a multistate licensure privilege to qualified applicants as  
70 practitioners of the particular profession or professions regulated by such board.

71 4. To establish schedules for renewals of registration, certification, licensure, *permit*, and the issuance  
72 of a multistate licensure privilege.

73 5. To levy and collect fees for application processing, examination, registration, certification,  
74 *permitting*, or licensure or the issuance of a multistate licensure privilege and renewal that are sufficient  
75 to cover all expenses for the administration and operation of the Department of Health Professions, the  
76 Board of Health Professions, and the health regulatory boards.

77 6. To promulgate regulations in accordance with the Administrative Process Act (§ 2.2-4000 et seq.)  
78 that are reasonable and necessary to administer effectively the regulatory system, which shall include  
79 provisions for the satisfaction of board-required continuing education for individuals registered, certified,  
80 licensed, or issued a multistate licensure privilege by a health regulatory board through delivery of  
81 health care services, without compensation, to low-income individuals receiving health services through  
82 a local health department or a free clinic organized in whole or primarily for the delivery of those health  
83 services. Such regulations shall not conflict with the purposes and intent of this chapter or of Chapter 1  
84 (§ 54.1-100 et seq.) and Chapter 25 (§ 54.1-2500 et seq.).

85 7. To revoke, suspend, restrict, or refuse to issue or renew a registration, certificate, license, *permit*,  
86 or multistate licensure privilege which such board has authority to issue for causes enumerated in  
87 applicable law and regulations.

88 8. To appoint designees from their membership or immediate staff to coordinate with the Director  
89 and the Health Practitioners' Monitoring Program Committee and to implement, as is necessary, the  
90 provisions of Chapter 25.1 (§ 54.1-2515 et seq.) ~~of this title~~. Each health regulatory board shall appoint  
91 one such designee.

92 9. To take appropriate disciplinary action for violations of applicable law and regulations, and to  
93 accept, in their discretion, the surrender of a license, certificate, registration, *permit*, or multistate  
94 licensure privilege in lieu of disciplinary action.

95 10. To appoint a special conference committee, composed of not less than two members of a health  
96 regulatory board or, when required for special conference committees of the Board of Medicine, not less  
97 than two members of the Board and one member of the relevant advisory board, or, when required for  
98 special conference committees of the Board of Nursing, not less than one member of the Board and one  
99 member of the relevant advisory board, to act in accordance with § 2.2-4019 upon receipt of information  
100 that a practitioner or permit holder of the appropriate board may be subject to disciplinary action or to  
101 consider an application for a license, certification, registration, permit or multistate licensure privilege in  
102 nursing. The special conference committee may (i) exonerate; (ii) reinstate; (iii) place the practitioner or  
103 permit holder on probation with such terms as it may deem appropriate; (iv) reprimand; (v) modify a  
104 previous order; (vi) impose a monetary penalty pursuant to § 54.1-2401, (vii) deny or grant an  
105 application for licensure, certification, registration, permit, or multistate licensure privilege; and (viii)  
106 issue a restricted license, certification, registration, permit or multistate licensure privilege subject to  
107 terms and conditions. The order of the special conference committee shall become final 30 days after  
108 service of the order unless a written request to the board for a hearing is received within such time. If  
109 service of the decision to a party is accomplished by mail, three days shall be added to the 30-day  
110 period. Upon receiving a timely written request for a hearing, the board or a panel of the board shall  
111 then proceed with a hearing as provided in § 2.2-4020, and the action of the committee shall be vacated.  
112 This subdivision shall not be construed to limit the authority of a board to delegate to an appropriately  
113 qualified agency subordinate, as defined in § 2.2-4001, the authority to conduct informal fact-finding  
114 proceedings in accordance with § 2.2-4019, upon receipt of information that a practitioner may be  
115 subject to a disciplinary action. The recommendation of such subordinate may be considered by a panel  
116 consisting of at least five board members, or, if a quorum of the board is less than five members,  
117 consisting of a quorum of the members, convened for the purpose of issuing a case decision. Criteria for  
118 the appointment of an agency subordinate shall be set forth in regulations adopted by the board.

119 11. To convene, at their discretion, a panel consisting of at least five board members or, if a quorum  
120 of the board is less than five members, consisting of a quorum of the members to conduct formal

proceedings pursuant to § 2.2-4020, decide the case, and issue a final agency case decision. Any decision rendered by majority vote of such panel shall have the same effect as if made by the full board and shall be subject to court review in accordance with the Administrative Process Act. No member who participates in an informal proceeding conducted in accordance with § 2.2-4019 shall serve on a panel conducting formal proceedings pursuant to § 2.2-4020 to consider the same matter.

12. To issue inactive licenses or certificates and promulgate regulations to carry out such purpose. Such regulations shall include, but not be limited to, the qualifications, renewal fees, and conditions for reactivation of licenses or certificates.

13. To meet by telephone conference call to consider settlement proposals in matters pending before special conference committees convened pursuant to this section, or matters referred for formal proceedings pursuant to § 2.2-4020 to a health regulatory board or a panel of the board or to consider modifications of previously issued board orders when such considerations have been requested by either of the parties.

14. To request and accept from a certified, registered, or licensed practitioner; *a facility holding a license, certification, registration, or permit*; or a person holding a multistate licensure privilege to practice nursing, in lieu of disciplinary action, a confidential consent agreement. A confidential consent agreement shall be subject to the confidentiality provisions of § 54.1-2400.2 and shall not be disclosed by a practitioner *or facility*. A confidential consent agreement shall include findings of fact and may include an admission or a finding of a violation. A confidential consent agreement shall not be considered either a notice or order of any health regulatory board, but it may be considered by a board in future disciplinary proceedings. A confidential consent agreement shall be entered into only in cases involving minor misconduct where there is little or no injury to a patient or the public and little likelihood of repetition by the practitioner *or facility*. A board shall not enter into a confidential consent agreement if there is probable cause to believe the practitioner *or facility* has (i) demonstrated gross negligence or intentional misconduct in the care of patients or (ii) conducted his practice in such a manner as to be a danger to the health and welfare of his patients or the public. A certified, registered, or licensed practitioner, *a facility holding a license, certification, registration, or permit, or a person holding a multistate licensure privilege to practice nursing* who has entered into two confidential consent agreements involving a standard of care violation, within the 10-year period immediately preceding a board's receipt of the most recent report or complaint being considered, shall receive public discipline for any subsequent violation within the 10-year period unless the board finds there are sufficient facts and circumstances to rebut the presumption that the disciplinary action be made public.

15. When a board has probable cause to believe a practitioner is unable to practice with reasonable skill and safety to patients because of excessive use of alcohol or drugs or physical or mental illness, the board, after preliminary investigation by an informal fact-finding proceeding, may direct that the practitioner submit to a mental or physical examination. Failure to submit to the examination shall constitute grounds for disciplinary action. Any practitioner affected by this subsection shall be afforded reasonable opportunity to demonstrate that he is competent to practice with reasonable skill and safety to patients. For the purposes of this subdivision, "practitioner" shall include any person holding a multistate licensure privilege to practice nursing.

#### **§ 54.1-2401. Monetary penalty.**

Any person licensed, registered, *permitted*, or certified or issued a multistate licensure privilege by any health regulatory board who violates any provision of statute or regulation pertaining to that board and who is not criminally prosecuted, may be subject to the monetary penalty provided in this section. If the board or any special conference committee determines that a respondent has violated any provision of statute or regulation pertaining to the board, it shall determine the amount of any monetary penalty to be imposed for the violation, which shall not exceed \$5,000 for each violation. The penalty may be sued for and recovered in the name of the Commonwealth. All such monetary penalties shall be deposited in the Literary Fund.

#### **§ 54.1-2403. Certain advertising prohibited.**

No person licensed, *certified, registered, or permitted* by one of the boards within the Department shall use any form of advertising that contains any false, fraudulent, misleading, or deceptive statement or claim.

#### **§ 54.1-2408.2. Minimum period for reinstatement after revocation.**

When the certificate, registration, *permit*, or license of any person certified, registered, *permitted*, or licensed by one of the health regulatory boards has been revoked, the board may, after three years and upon the payment of a fee prescribed by the board, consider an application for reinstatement of a certificate, registration, *permit*, or license in the same manner as the original certificates, registrations, *permits*, or licenses are granted; however, if a license has been revoked pursuant to subdivision A 19 of § 54.1-2915, the board shall not consider an application for reinstatement until five years have passed since revocation. A board shall conduct an investigation and review an application for reinstatement after

182 revocation to determine whether there are causes for denial of the application. The burden of proof shall  
183 be on the applicant to show by clear and convincing evidence that he is safe and competent to practice.  
184 The reinstatement of a certificate, registration, *permit*, or license shall require the affirmative vote of  
185 three-fourths of the members at the hearing. In the discretion of the board, such reinstatement may be  
186 granted without further examination.

187 **§ 54.1-2409.1. Criminal penalties for practicing certain professions and occupations without**  
188 **appropriate licensure, certificate, etc.**

189 Any person who, without holding a current valid license, *certificate*, *registration*, *permit*, or  
190 multistate licensure privilege; issued by a regulatory board pursuant to this title (i) performs an invasive  
191 procedure for which a license or multistate licensure privilege is required; (ii) administers, prescribes,  
192 sells, distributes, or dispenses a controlled drug; or (iii) practices a profession or occupation after having  
193 his license, *certificate*, *registration*, *permit*, or multistate licensure privilege to do so suspended or  
194 revoked shall be guilty of a Class 6 felony.