



Legal Memorandum to Employers

TO: Employers Located in Nurse Licensure Compact Member States

**FROM: Rick Masters, Special Counsel, Interstate Commission of
Nurse License Compact Administrators**

RE: Compact Requirement of Acceptance of Multistate License

This memorandum was prepared at the direction of the Executive Committee of the Interstate Commission of Nurse Licensure Compact Administrators in response to reports that some nurse employers in NLC member states have been requiring, as a condition of employment, that nurses (typically travel nurses) apply for a nursing license in the state(s) where the employer is located, notwithstanding the fact that the nurse/employee in question is already licensed in another compact member state which is the primary state of residence (“PSOR”).

Article III a. of the Compact provides: *“A multistate license to practice registered or licensed practical/vocational nursing issued by a home state to a resident in that state will be recognized by each party state as authorizing a nurse to practice as a registered nurse (RN) or as a licensed practical/vocational nurse (LPN/VN), under a multistate licensure privilege in each party state.”*

Article IV b. of the Compact specifically provides: *“A nurse may hold a multistate license, issued by the home state, in only one party state at a time.”* Moreover, under Article IV c. *“If a nurse changes primary state of residence by moving between two party states, the nurse must apply for licensure in the new home state, and the multistate license issued by the prior home state will be deactivated in accordance with applicable rules adopted by the Commission.*

- 1. The nurse may apply for licensure in advance of a change in primary state of residence.*
- 2. A multistate license shall not be issued by the new home until the nurse provides satisfactory evidence of a change in primary state of residence to the new home state and satisfies all applicable requirements to obtain a multistate license from the new home state.”*

Article IV d. of the Compact further states: *“If a nurse changes primary state of residence by moving from a compact state to a non-compact state, the multistate license issued by the prior home state will convert to a single-state license, valid only in the former home state.”*

Legal Memorandum to Employers
Page Two (2)

These provisions of the NLC, in any state in which it is enacted, have the same status as any other state law and entitle a nurse licensee, whose application is refused or whose job is terminated, to take legal action based upon the legal grounds that the multistate license is valid under Article III, a. of the compact and that Article IV expressly prohibits licensure in more than one compact state at a time.

An employer refusing to honor a multistate license or which is, in essence, requiring prospective employees to violate applicable state law by applying for license(s) in more than one compact state, is clearly acting in violation of state law, and is potentially legally liable to such employees for ‘wrongful discharge’ or “wrongful termination of employment in violation of public policy.” See for example, *Kirk v. Mercy Hospital Tri-County*, 851 S.W.2d 617, 622 (Mo. App. S.D. 1993) (termination of a nurse’s employment due to a refusal to violate or condone the violation of the Nurse Practice Act supports a claim for the public policy exception to wrongful discharge).

In summary, it is a violation of the NLC for an employer to refuse to honor a multistate license or to require prospective employees to violate applicable state law by applying for licenses in more than one compact state, which clearly violates the compact. Such employers are potentially legally liable to such nurse employees for wrongful termination of employment in the event their employment is terminated in violation of public policy as expressed by the NLC requirements.

The above legal analysis (pertaining to nurses who are not changing their PSOR) is not intended to address the situation in which some nurses have used the above provisions to respond to attempts by an employer to enforce NLC Rule 402(2) which requires that “A multistate licensee who changes primary state of residence to another party state shall apply for a multistate license in the new party state within 60 days.” Rule 402(2).