Legislative Analysis



DENTIST AND DENTAL HYGENIST COMPACT

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House Bill 4935 as introduced Sponsor: Rep. Parker Fairbairn Committee: Health Policy

Analysis available at http://www.legislature.mi.gov

Committee: Health Policy Complete to 10-29-25

SUMMARY:

House Bill 4935 would amend the Public Health Code to enter Michigan into the Dentist and Dental Hygienist Compact, an interstate agreement that allows licensed dentists and dental hygienists in participating states to practice across state lines under a *compact privilege* rather than obtaining additional state licenses. The compact establishes uniform licensure standards, oversight procedures, and information-sharing systems among member states, while allowing each state to retain authority over its scope of practice, disciplinary actions, and license issuance. The bill would recognize compact privilege holders (dentists and dental hygienists) as authorized to practice in Michigan and to treat them as Michigan licensees for purposes of obligations and compliance. The compact is included in full in the bill and is briefly described below.

Section 1 – Title and purpose

This section states the compact's goals, which are to increase access to dental care, promote workforce mobility, enable cross-state practice through a compact privilege, preserve each state's authority over scope of practice and discipline within its borders, and facilitate interstate sharing of licensure and disciplinary information.

Section 2 – Definitions

This section defines numerous terms used to implement the compact. Notably, it defines compact privilege as authorization from a participating "remote" state that allows a dentist or dental hygienist who holds a license in another participating state to practice in the remote state without obtaining a separate license there; qualifying license as an active, unexpired license from a participating state that is not encumbered; encumbered license as a license limited by a state licensing authority (other than through a nondisciplinary alternative program); jurisprudence requirement as a state-specific assessment of laws and rules that a remote state may require before issuing a compact privilege; and significant investigative information as probable-cause-level investigative information that is more than a minor infraction and could support adverse action.

<u>Section 3 – State participation requirements</u>

This section explains what a state must do to join and remain in the compact. To participate, a state must enact compact language consistent with the model version, take part in the compact commission's data system, and have a process to receive and investigate complaints about licensees. States must report any disciplinary actions or significant investigative information to the compact commission and require criminal background checks for license applicants. They also must follow the commission's rules, accept the national board dental exams for licensure, require graduation from accredited dental or dental hygiene programs, and ensure that applicants pass a clinical assessment. Continuing professional development must be

House Fiscal Agency Page 1 of 6

required for license renewal, and each state must pay an annual participation fee to the commission.

A state that offers alternate licensure pathways, such as endorsement or reciprocity, may still qualify for membership. With regard to background checks, states must use the results in their licensing decisions, keep documentation as allowed by law, and report to the commission whether the background check was completed and whether a license was granted.

A dentist or dental hygienist who holds an active, unencumbered license in a participating state must be issued a compact privilege to practice in another member state, if that state's jurisprudence requirement has been met.

Section 4 – Compact privilege

This section outlines the process and requirements for obtaining and maintaining a compact privilege to practice in another participating state. To receive a compact privilege, a dentist or dental hygienist must hold an active, unencumbered license in a participating state, complete the application process for the remote state, and pay any state or compact commission fees. The licensee must also meet that state's jurisprudence requirement, have passed the national board dental examination (or another exam accepted by commission rule), and have graduated from an accredited dental or dental hygiene program. Applicants must successfully complete a clinical assessment for licensure, report any disciplinary actions taken by nonparticipating states, keep their primary residence address current with the commission, and consent to receive service of process or subpoenas by mail at that address.

To keep a compact privilege, a licensee must continue meeting these requirements, maintain a qualifying license in their home state, and pay any renewal fees. When practicing in a remote state under a compact privilege, the licensee must follow that state's laws, rules, and scope of practice, and is subject to that state's disciplinary authority. A remote state may suspend, revoke, or limit a compact privilege if necessary to protect public health and safety. If a remote state takes action to restrict or remove a compact privilege, that action applies to all compact privileges held in other states.

If a participating state license becomes encumbered, the licensee loses all compact privileges and cannot obtain new ones until the license is restored to good standing. Likewise, if a compact privilege is removed in one state, the licensee is ineligible for a compact privilege elsewhere until the removal period has ended and all related conditions are met. Once a license or compact privilege has been reinstated, the licensee must again satisfy all initial requirements to obtain a new compact privilege.

Section 5 – Active military members and spouses

This section provides that the compact commission's compact-privilege fee is waived for active military members and their spouses, for whom a remote state also may reduce or waive its own fees.

Section 6 – Adverse actions and investigations

This section outlines how disciplinary actions, investigations, and enforcement are handled under the compact. The state that issued a qualifying license retains exclusive authority to take disciplinary action against that license. However, a participating state also may act on

House Fiscal Agency HB 4935 as introduced Page 2 of 6

significant investigative information provided by another state, following its own disciplinary procedures.

A participating state may allow a licensee to enter a nondisciplinary alternative program, such as substance abuse monitoring or remediation, instead of facing formal discipline. While in such a program, the licensee cannot practice in other compact states without authorization.

Any state where a licensee practices under a compact privilege may investigate alleged violations of dental or dental hygiene laws occurring in any other participating state. Remote states also may take disciplinary action against a licensee's compact privilege, issue subpoenas for hearings or investigations, and recover related costs if permitted by state law.

Participating states may conduct joint investigations and share investigative or compliance information to support enforcement. If a licensee's compact privilege ends while an investigation is ongoing, the remote state may continue the investigation and must report any significant findings to the compact's data system.

Section 7 – Compact commission

This section creates the Dentist and Dental Hygienist Compact Commission to administer and enforce the compact. Each state appoints one commissioner, chosen by its licensing authority, who serves as its voting representative. The commission must meet at least once a year, with additional or virtual meetings held as needed.

The commission's powers include adopting rules and bylaws, managing finances, hiring staff, setting budgets and fees, collecting assessments from member states, and overseeing compliance. It may hold property, enter contracts, accept grants or donations, and pursue legal action. The commission also can charge licensees fees for obtaining or renewing compact privileges and may form committees and establish an executive board to manage operations between meetings.

Meetings are generally open to the public, but closed sessions are allowed for sensitive topics such as personnel issues, litigation, or confidential investigations. Notices must be posted in advance, and minutes must accurately document discussions and decisions. To fund its operations, the commission may collect assessments from member states, charge licensee fees, and receive outside revenue. It must maintain accurate financial records, undergo an annual financial review, and include the findings in its annual report.

An executive board made up of commission officers and up to three additional members oversees day-to-day operations, monitors compliance, and recommends rule and fee changes, and may convene emergency meetings to address threats to public health or safety or compact operations. Members, officers, and staff of the commission are protected from personal liability for actions taken in good faith within the scope of their duties, and the commission is responsible for their defense and indemnification except in cases of intentional misconduct..

Section 8 – Data system

This section establishes a coordinated database managed by the compact commission to collect and share information on licensees and applicants across participating states. The system includes licensure records, adverse actions, and significant investigative information to support public protection and compact administration.

Each participating state must submit a standardized set of data to the system, including identifying information, licensure details, disciplinary actions, nonconfidential information on alternative program participation, denials of licensure and their reasons, and any significant investigative information. States may also provide other information deemed necessary by the commission's rules.

Records certified by the commission are recognized as official business records and may be used as evidence in administrative or legal proceedings. Significant investigative information is only accessible to other participating states, while adverse action data is available to all member states to monitor license status and ensure compliance. States can restrict certain information from being released publicly without their express consent, and any data later expunged under federal or state law must be removed from the system

Section 9 – Rulemaking

This section authorizes the compact commission to adopt rules needed to administer and enforce the compact. These rules carry the force of law in all participating states unless a court finds that a rule exceeds the compact's authority or conflicts with a state's defined scope of practice, in which case it is invalid in that state.

The commission must follow a formal public process for rulemaking, which includes advance notice, public hearings, and opportunities for written and oral comment. Notices must be posted at least 30 days before a hearing and must include the draft rule, its purpose, and instructions for submitting comments. Hearings must be recorded, and all materials be made publicly available. Rules are adopted by majority vote, with explanations provided for substantive changes, and typically take effect no sooner than 30 days after adoption.

If a majority of state legislatures of participating states reject a rule within four years of its adoption, it is voided. The commission may also adopt emergency rules with 24-hour notice to address urgent threats to public health or safety or compact operations. Minor technical corrections, such as fixing typographical or formatting errors, may be made with public notice and a 30-day objection period. State-level rulemaking procedures do not apply to the commission.

<u>Section 10 – Oversight, dispute resolution, and enforcement</u>

This section details how the compact is enforced and how disputes are resolved. Each participating state's executive and judicial branches must uphold and implement the compact. Legal proceedings involving the compact commission occur only in the jurisdiction of its main office, and the commission must be properly notified in any related case.

If a state fails to meet its obligations, the commission must issue written notice describing the default and offer technical assistance. States that do not correct the issue may, by majority vote of the commission, be terminated from the compact after all other remedies are exhausted. Terminated states remain responsible for financial obligations and must notify licensees, allowing compact privileges to continue for at least 180 days.

The commission may mediate or resolve disputes among states and take legal action against a noncompliant state in federal court to enforce the compact. Likewise, a participating state may bring an enforcement action against the commission. In both cases, the prevailing party may recover costs and attorney fees.

House Fiscal Agency HB 4935 as introduced Page 4 of 6

Section 11 – Effective date, withdrawal, and amendment

The compact takes effect once it is enacted into law by seven states. Once established, the compact remains in effect even if membership later falls below seven states. States that join later are bound by existing compact commission rules and bylaws upon joining.

A participating state may withdraw by repealing its compact statute, but withdrawal does not take effect until 180 days after that repeal. During that period, the withdrawing state must continue reporting investigations and adverse actions and must recognize existing compact privileges for at least 180 days after notifying licensees.

The compact allows cooperative agreements between participating and nonparticipating states as long as they do not conflict with its provisions. Amendments to the compact require enactment by all participating states before becoming effective.

Section 12 – Construction and severability

This section states that the compact and the compact commission's rulemaking powers should be interpreted broadly to carry out the compact's purposes. If any part of the compact is found unconstitutional, the rest remains valid and enforceable. The commission may deny or end a state's participation if that state's constitutional requirements conflict with the compact, but the compact remains in effect for all other participating states.

Section 13 – Consistent effect and conflicts

This section clarifies that state laws not conflicting with the compact remain enforceable. However, if a state law conflicts with the compact, the compact takes precedence to the extent of the conflict. Any agreements made between the compact commission and participating states are legally binding.

MCL 333.16601 and proposed MCL 333.16187b and MCL 333.16611a

BACKGROUND:

The Dentist and Dental Hygienist Compact was created by the Council of State Governments (CSG) in partnership with the American Dental Association (ADA), the American Dental Hygienists' Association (ADHA), and the U.S. Department of Defense (DoD). It is part of a national initiative to develop interstate compacts for health care professionals, similar to those already established for nurses, physicians, and occupational therapists.

The compact became active in 2024 after seven states enacted the legislation, triggering the creation of the Dentist and Dental Hygienist Compact Commission, which oversees its administration.² As described above, the compact includes uniform eligibility standards for member states, such as background check requirements, acceptance of national dental board exams, and adherence to continuing education standards.³ As of October 2025, the compact has 12 member states.⁴

House Fiscal Agency HB 4935 as introduced Page 5 of 6

¹ https://ddhcompact.org/

² https://www.ada.org/about/press-releases/seventh-state-approves-legislation-establishing-dental-compact

³ https://compacts.csg.org/wp-content/uploads/2022/07/DDH_Compact_2pager_.pdf

⁴ Arkansas, Colorado, Iowa, Kansas, Maine, Minnesota, Nebraska, Ohio, Tennessee, Virginia, Washington, and Wisconsin. https://ddhcompact.org/compact-map/

FISCAL IMPACT:

House Bill 4935 could have a significant fiscal impact on the Department of Licensing and Regulatory Affairs (LARA). Under the bill, LARA would incur costs for investigating complaints against licensees and for the general administration and implementation of the compact's requirements; such costs would include any expenses incurred for integrating Michigan's current data system with the compact commission's data system. The Dentist and Dental Hygienist Compact Commission could also levy an annual assessment on Michigan (such an assessment is levied on all compact members) to cover the costs of the commission's activities and operations. The magnitude of the costs is presently unknown, as the cost would be dependent on the volume of compact licensees that practice within Michigan. The state would also face liabilities if it defaulted on the compact.

The bill would allow LARA to recover some of its costs, namely via fines on licensees related to adverse disciplinary action and cost recovery related to investigations and dispositions of adverse action cases. The bill does not provide for license fees, so additional legislation would be needed to allow LARA to collect fees from compact privilege holders. It is unclear how revenues under the bill would compare to the costs that LARA and the state would incur.

Furthermore, traditional licensure revenues in the state may decline, as out-of-state licensees would be able to practice via the compact, instead of securing licensure through the state.

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House Fiscal Agency HB 4935 as introduced Page 6 of 6

[■] This analysis was prepared by nonpartisan House Fiscal Agency staff for use by House members in their deliberations and does not constitute an official statement of legislative intent.