

# Licensing Reform Task Force

## Barriers Subcommittee

---

### SUMMARY RECOMMENDATION: SUPPORT OF INTERSTATE COMPACTS

## Recommendation

The **Barriers Subcommittee** recommends that the **Licensing Reform Task Force** adopt a general statement supporting **interstate licensure compacts** as an important licensing portability tool and request that each professional and occupational licensing board review relevant compact opportunities for the board's profession.

The recommendation would not commit the Task Force to endorse every available compact. Instead, it would establish that Montana should continue to evaluate compacts that may expand access to qualified professionals, reduce duplicative licensing barriers, support workforce mobility, and preserve public protection. Boards should be encouraged to review compact model language, fiscal and administrative impacts, implementation timelines, compact commission requirements, and stakeholder support before recommending specific compact legislation.

## Executive Order No. 1-2026 Report Elements Addressed

This recommendation supports the Executive Order's direction that the Task Force provide recommendations and strategies to reform Montana's professional occupational licensing system by:

- **Identifying and removing burdens and barriers faced by licensees that are not necessary to protect the public.** Interstate compacts can reduce duplicative licensure steps for qualified professionals who are already licensed in another member state.
- **Improving access to and availability of professional services for citizens across Montana, including rural communities.** Compact participation may help Montana recruit and retain professionals and may allow qualified professionals to serve Montana communities more quickly.
- **Evaluating whether unnecessary barriers to entry exist for applicants.** Compact review can identify whether Montana's separate licensure process creates unnecessary barriers when other member states apply comparable standards.
- **Evaluating whether existing licensing requirements contribute to workforce shortages or access constraints in rural and frontier communities.** Compacts may be especially useful where Montana faces workforce shortages, including in health care and other mobile professional fields.
- **Evaluating whether licensure portability, reciprocity, or endorsement pathways could expand access to qualified professionals, particularly in rural and underserved areas.** This recommendation directly addresses portability and reciprocity by supporting board-led review of compact options.

- **Evaluating whether licensing structures are aligned with state and federal rural health transformation initiatives.** Where applicable, compact participation can support rural workforce access while maintaining public health and public-safety safeguards.

## Policy Assessment

### Benefits

Interstate compacts can improve workforce mobility by allowing qualified professionals to practice across state lines through a multistate license, compact privilege, or facilitated privilege process. They may reduce duplicative applications and support recruitment, particularly in rural and underserved areas. A board-led review process also ensures that compact decisions are informed by profession-specific expertise, stakeholder input, fiscal analysis, and public-protection considerations.

### Limitations

Compacts are not one-size-fits-all. Some compacts are mature and widely adopted; others are newer, not yet active, or still under revision. Compact participation may require fees, information technology changes, data reporting, rulemaking, participation in compact commissions, and ongoing administrative support. Joining a compact may also limit Montana's flexibility because compact rules are often developed through a multistate commission rather than solely through Montana board rulemaking.

### Implementation Consideration

The Task Force should distinguish between supporting compact review and recommending immediate enactment of specific compact legislation. Boards should identify which compacts are ready for legislative consideration, which require more study, and which are not appropriate for Montana at this time. The review should be coordinated with any work already underway by the Health Care Subcommittee to avoid duplication.

## Motion

The **Barriers Subcommittee** moves to advance the recommendation supporting interstate licensure compacts as a licensing portability tool and requesting that each professional and occupational licensing board review relevant compact opportunities for its profession, including compact maturity, model language, fiscal and administrative impacts, implementation timelines, compact commission requirements, stakeholder support, and public-protection considerations, before recommending any specific compact legislation for the 2027 Legislative Session.