

H.77: An act relating to Vermont’s adoption of the Physical Therapy Licensure Compact

H.77 would enter Vermont into the multistate Physical Therapy Licensure Compact¹ (or “PT Compact”) as amended by the PT Compact Commission. There are currently 28 states in the Compact, including New Hampshire, with another five states having enacted legislation but not yet issuing or accepting compact privileges.² By entering the PT Compact, Vermont agrees to mutually recognize other member states’ physical therapy and physical therapist assistant licenses as well as rules promulgated by the PT Compact Commission. By enacting this bill into law, Vermont would be essentially entering into a contract with other states that are parties to the PT Compact; therefore, the PT Compact provisions of the bill cannot be amended.³ The PT Compact provisions, however, may be supplemented with provisions for Vermont’s implementation and administration of the Compact so long as those provisions are not inconsistent with the Compact. (This is what is happening with the proposed committee amendment regarding State administration and criminal background checks.)

The PT Compact contains the following main provisions:

- State Participation in the Compact. Each participating state must 1) use the PT Commission’s data system, 2) receive and investigate complaints about licensees, 3) notify the PT Commission of any investigation or adverse action of licensees, 4) require criminal background checks using Federal Bureau of Investigation records check results, 5) comply with PT Commission rules, 6) use recognized national examinations for licensure, and 7) require continuing education for license renewals.⁴

¹ As defined on the PT Compact Commission’s webpage, <https://ptcompact.org/>, “[t]he Physical Therapy Compact is an interstate agreement between member states to provide a state-developed collaborative structure to protect the public by increasing consumer access to physical therapy services by reducing regulatory barriers to interstate mobility and cross-state practice.”

² <https://ptcompact.org/ptc-states>

³ Compact, Black’s Law Dictionary (11th ed. 2019) (defining “compact” as “[a]n agreement or covenant between two or more parties, esp. between governments or states”).

⁴ Sec. 1. 26 V.S.A. § 2134.

- Compact privilege. A physical therapist may practice in each state that is a party to the Compact (“member states”).⁵
- Requirements for licensure & Compact privilege.
 - A physical therapist is licensed by their “home state,” that is, their primary state of residence.⁶ To qualify for Compact privilege, a physical therapist’s primary state of residence must be a member state. A physical therapist must meet the home state’s qualifications for licensure, which at a minimum must include a criminal background check and meeting education and exam requirements.
 - A physical therapist must have no encumbrance on *any* state license, regardless of whether the state is a member state or not.⁷ An “encumbered license” means a physical therapy license has been limited by a licensing board in any way.⁸
- Compliance with state laws where practicing. When a physical therapist is practicing in a member state, the physical therapist is required to comply with that state’s laws.⁹
- Discipline of physical therapists. A home state shall have exclusive power to discipline and impose adverse action against a license issued by the home state.¹⁰
 - This includes the ability to discipline based on the factual findings of another member state.¹¹
 - If a home state disciplines the physical therapist’s license, the physical therapist’s ability to practice under the Compact license is suspended until all encumbrances have been removed from the home state license.¹²
 - A member state’s decision that participation in an alternative program may be used in lieu of adverse action.¹³

⁵ Sec. 1, 26 V.S.A. § 2132(a); 26 V.S.A. § 2133(4), (13); and 26 V.S.A. § 2135.

⁶ Sec. 1, 26 V.S.A. §§ 2133(9), 2135(a)(1).

⁷ Sec. 1, 26 V.S.A. § 2135(a)(2).

⁸ Sec. 1, 26 V.S.A. § 2133(7).

⁹ Sec. 1, 26 V.S.A. § 2135 (c).

¹⁰ Sec. 1, 26 V.S.A. § 2137(a).

¹¹ Sec. 1, 26 V.S.A. § 2137(d).

¹² Sec. 1, 26 V.S.A. § 2135(g).

¹³ Sec. 1, 26 V.S.A. § 2137(c).

- Compact Licensure Data System. Member states are required to share licensure information, including any disciplinary actions, in the Compact’s Coordinated Licensure Information System.¹⁴
- Physical Therapy Compact Commission (“PT Commission”).
 - The PT Commission promulgates uniform rules to facilitate and coordinate the implementation and administration of this Compact.¹⁵ These rules have the force and effect of law and shall be binding in all member states.^{16, 17}
 - Each member state has one delegate on the PT Commission. The head of the state licensing board—in Vermont’s case, the Director of the Office of Professional Regulation—selects the delegate.¹⁸
- Withdrawal from Compact. A state may withdraw from the Compact by repealing the enabling law, but the withdrawal does not take effect until six months after that repeal, and the state must comply with the Compact terms until that time.¹⁹

Proposed Committee Amendment:

While the PT Compact does require the State to fully implement a criminal background check requirement that uses records from the Federal Bureau of Investigation (“FBI”) in making licensure decisions,²⁰ the PT Compact Commission has encouraged states to adopt additional explicit statutory language authorizing the executive branch—in Vermont, the Office of Professional Regulation—to exchange identification records with the FBI for licensing and employment, which is required under federal law, specifically, [P.L. 92-544](#). The proposed amendment does this, as well as more clearly authorize the Director of the Office of Professional Regulations authority to oversee the administration and enforcement of the Compact and designate a delegate to the PT Commission.

The two-page committee amendment was drafted following the compact’s supplemental guidance and is in line with the statutory language of other Compact member states.

¹⁴ Sec. 1, 26 V.S.A. § 2139.

¹⁵ Sec. 1, 26 V.S.A. §§ 2133(21), 2138(c)(5).

¹⁶ *Id.*

¹⁷ The current rules, the “Rules Effective October 30, 2022” can be found here: <https://ptcompact.org/Portals/0/Images/PTCCRulesEffective10302022.pdf>

¹⁸ Sec. 1, 26 V.S.A. § 2138(b)(1).

¹⁹ Sec. 1, 26 V.S.A. § 2142(c).

²⁰ See 26 V.S.A. § 2134 (State Participation in the Compact) subdivision (a)(4) and subsection (b).