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FISCAL IMPACT REPORT

ORIGINAL DATE 02/07/13

SPONSOR HBIC LAST UPDATED 02/12/13 HB CS/62/aHJC

SHORT TITLE Electronic Professional License Renewals SB _____

ANALYST Daly

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	Minimal*	Minimal*	Minimal*	Recurring	Other State Funds

(Parenthesis () Indicate Expenditure Decreases)

*See Fiscal Implications

Relates to SB 79/SPACS

SOURCES OF INFORMATION

LFC Files

Responses Received From

Board of Examiners for Architects (BEA)
 Regulation & Licensing Department (RLD)
 Board of Nursing (BN)
 New Mexico Environment Department (NMED)
 Commission on Public Records (CPR)

SUMMARY

Synopsis of HJC Amendment

The House Judiciary Committee amendment to the HBIC substitute for House Bill 62 implements the suggested change offered by the New Mexico Environment Department (NMED) under Amendments to expand the language allowing electronic processing of professional and occupational registrations and licenses to include other licensing and permitting activities in which agencies may be engaged.

This bill, prior to this HJC amendment, was a duplicate of SB 79/SPACS (which has not been amended).

Synopsis of Original Bill

House Business and Industry Committee substitute for House Bill 62 (HB 62) amends the Uniform Electronic Transactions Act to allow state agencies to adopt rules allowing applicants to

satisfy by electronic means all agency requirements to obtain, renew, reactivate and reinstate a professional or occupational certification, permit, registration or license.

FISCAL IMPLICATIONS

The fiscal impacts reported are the costs of notification, hearing and other rulemaking processes an agency might incur to adopt a rule allowing satisfaction of that agency's requirements by electronic means, as well as costs related to the Commission of Public Records (CPR) responsibilities as to those new rules or amendments. However, the Regulation and Licensing Department (RLD) predicts that significant savings would be recognized by allowing efficient administrative functions.

SIGNIFICANT ISSUES

Allowing applicants/licensees to apply for the license/renewal electronically, the RLD states, will save the licensee time and provide efficient processing of all documents. It also would provide a tracking mechanism for both licensees and staff.

The NMED calls attention to the limited language of this substitute, which appears to apply only to professional and occupational registrations and licenses and does not include all permitting activities that an agency may engage in. For example, the NMED issues a number of facility permits including but not limited to air quality facilities (e.g., compressor stations, power plants), solid waste facilities (e.g., landfills), groundwater discharges (e.g., wastewater lagoons, dairies, and mines), and liquid waste permits (e.g., septic tanks). The NMED also issues certain professional and occupational licenses (e.g., certified operators and medical imaging). This Committee Substitute for HB 62 would not apply to facility permits.

The NMED reports it is currently working to incorporate electronic permitting to the greatest extent possible across its permitting activities and believes that electronic permitting of facility permits could significantly reduce the regulatory burden on businesses required to comply with the statutes and rules under its jurisdiction, but is concerned the language in this Substitute is too narrowly worded and would not provide the necessary authority for the types of permits the NMED issues.

The Board of Nursing (BN) advises that it currently provides electronic licensing renewals. It supports changes to allow applicants to obtain licenses electronically, but not for reactivation or reinstatements because of certain pre-conditions that must be met prior to those reactivations or reinstatements.

PERFORMANCE IMPLICATIONS

The RLD comments that the changes would significantly improve customer service. Currently the licensing staff spends a significant amount of time processing mail and deposits. The time saved by allowing electronic documents will allow staff to focus resources where necessary. The CPR anticipates a slight impact the first year after rule changes are made, but updates to electronic licensure would be included routinely.

AMENDMENTS

To broaden the language allowing for electronic licensing and permitting activities, The NMED suggests this amendment to Section 2 of this Committee Substitute:

A governmental agency may provide by rule the manner by which an applicant may satisfy by electronic means all agency requirements **relating to certifications, permits, registrations, and licenses including but not limited to obtaining, renewing, reactivating, and reinstating,** a professional or occupational certification, permit, registration or license.

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