LFC Requestor: Self Assigned

# 2025 LEGISLATIVE SESSION AGENCY BILL ANALYSIS

**Section I: General** 

Chamber: House Category: Bill

Number: 366 Type: Introduced

**Date** (of **THIS** analysis): 02/12/2025

**Sponsor(s):** Gail Armstrong

**Short Title:** Veterinarian as Health Practitioner

Reviewing Agency: Agency 665 - Department of Health

Analysis Contact Person: Arya Lamb

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### **Section II: Fiscal Impact**

#### **APPROPRIATION (dollars in thousands)**

Appropriation Contained		Recurring or	Fund	
FY 25	FY 26	Nonrecurring	Affected	
\$0	\$0	N/A	N/A	

#### **REVENUE** (dollars in thousands)

Estimated Revenue			Recurring or		
FY 25	FY 26	FY 27	Nonrecurring	Fund Affected	
\$0	\$0	\$0	N/A	N/A	

#### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 25	FY 26	FY 27	3 Year Total Cost	Recurring or Non- recurring	Fund Affected
Total	\$0	\$0	\$0	\$0	N/A	N/A

# Section III: Relationship to other legislation Duplicates: None Conflicts with: None Companion to: None Relates to: Section 24A-4-1 NMSA 1978 Duplicates/Relates to an Appropriation in the General Appropriation Act: None **Section IV: Narrative** 1. BILL SUMMARY a) Synopsis House Bill 366 changes "podiatrist" to "podiatric physician" and adds "veterinarian" to the definition of "Health care practitioner" in Section 24A-4-1 NMSA 1978 This bill adds veterinarians to the professions for which non-compete provisions are unenforceable. This bill adds veterinarians to the professions for which liquidated damages may be provided given that they are not unreasonably large. Is this an amendment or substitution? ☐ Yes ☒ No Is there an emergency clause? $\square$ Yes $\boxtimes$ No

### b) Significant Issues

Veterinarians in New Mexico are currently subject to non-compete clauses in employment contracts. This bill will make these unenforceable.

Veterinarians will remain subject to non-compete clauses in employment contracts and will not be able to work nearby the location of their prior employment. Veterinarians subject of a non-compete clause could relocate and that could lead to reduction of available veterinarian services.

#### 2. PERFORMANCE IMPLICATIONS

•	Does this bill impact the current delivery of NMDOH services or operations?
	□ Yes ⊠ No

• Is this proposal related to the NMDOH Strategic Plan? ☐ Yes ☒ No

	☐ Goal 1: We expand equitable access to services for all New Mexicans
	☐ Goal 2: We ensure safety in New Mexico healthcare environments
	☐ Goal 3: We improve health status for all New Mexicans
	☐ <b>Goal 4</b> : We support each other by promoting an environment of mutual respect, trust, open communication, and needed resources for staff to serve New Mexicans and to grow and reach their professional goals
3.	FISCAL IMPLICATIONS
	• If there is an appropriation, is it included in the Executive Budget Request?
	□ Yes □ No ⊠ N/A
	• If there is an appropriation, is it included in the LFC Budget Request?
	□ Yes □ No ⊠ N/A
	• Does this bill have a fiscal impact on NMDOH? ☐ Yes ☒ No
4.	<b>ADMINISTRATIVE IMPLICATIONS</b> Will this bill have an administrative impact on NMDOH? □ Yes ☒ No
5.	DUPLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP
	HB366 amends Section 24A-4-1 NMSA 1978
6.	TECHNICAL ISSUES
	Are there technical issues with the bill? ☐ Yes ☒ No
7.	LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES)
	• Will administrative rules need to be updated or new rules written? ☐ Yes ☒ No
	<ul> <li>Have there been changes in federal/state/local laws and regulations that make this legislation necessary (or unnecessary)? ☐ Yes ☒ No</li> </ul>
	<ul> <li>Does this bill conflict with federal grant requirements or associated regulations?</li> <li>□ Yes ⋈ No</li> </ul>
	• Are there any legal problems or conflicts with existing laws, regulations, policies, or programs? ☐ Yes ☒ No
Q	DISPADITIES ISSUES

# 8. DISPARITIES ISSUES

None

# 9. HEALTH IMPACT(S)

New Mexico could attract more veterinarians and become more competitive since noncompete clauses are unenforceable. Veterinary clinics could lose clients to other clinics if their clients follow a veterinarian to a different nearby clinic.

#### 10. ALTERNATIVES

None

## 11. WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

Veterinarians will remain subject to non-compete clauses in employment contracts and will not be able to work nearby the location of their prior employment. Veterinarians subject ot a non-compete clause could relocate and that could lead to reduction of available veterinarian services.

#### 12. AMENDMENTS

None