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## FISCAL IMPACT REPORT

ORIGINAL DATE 2/2/07

SPONSOR King LAST UPDATED 3/2/07 HB 651/aHFL

SHORT TITLE Interior Design Licensure and Board SB \_\_\_\_\_

ANALYST C.Sanchez

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates SB 535

#### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Regulation and Licensing Department (RLD)

#### SUMMARY

##### Synopsis of HFI Amendment

The House Floor amendment adds that all board members shall be residents of New Mexico and no more than two members shall be appointed from the same congressional district.

##### Synopsis of Original Bill

House Bill 651 proposes to amend the current governing Interior Designers Act, Chapter 61; Article 24C NMSA 1978. This legislation proposes three main changes to the Interior Designers Act. The first change is to amend the board composition from three public members and two professional members to two public members and three professional members. Second, is to eliminate the current license renewal date of December 1 and add replacement language that requires annual renewal. Third, to avoid First Amendment challenges to the Act. Accordingly, it is necessary to add the word "licensed" in front of the designation interior designer, to redefine this term.

## **FISCAL IMPLICATIONS**

The Interior Design board is a self-funded board which is financed through license fees. There is no fiscal impact attached to these proposed changes.

## **SIGNIFICANT ISSUES**

Constitutional Challenge: This bill was promulgated primarily as the result of an agreement with a group who challenged the current Interior Design Act on First Amendment grounds. To avoid litigation on the constitutionality of the Interior Design Act, the term Interior Designer needs to be defined as a “licensed interior designer.”

Board Members: The board advocates that membership of the board should include a majority of licensed designers rather than public members. This would ensure a greater understanding and representation of the profession as it relates to national standards and licensee responsibilities.

License renewal date: The removal of “succeeding December 31” will allow the board the flexibility to change the renewal date through regulations rather than by statute.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

SB 535

## **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

The Interior Design Act is open for constitutional challenge and could ultimately be determined unconstitutional and therefore invalid.

The Interior Design board will maintain current license renewal date in statute, and the board membership would remain with three public members and two professional interior designer members.

CS/nt