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## FISCAL IMPACT REPORT

Sariñana/ Martinez R./  
 Garcia H./ Alcon/ **ORIGINAL DATE** 2/14/19  
**SPONSOR** Pratt **LAST UPDATED** 3/14/19 **HB** 530/aHF1#1/aSPAC  
**SHORT TITLE** Waiver of Certain Fees for Military Spouses **SB** \_\_\_\_\_  
**ANALYST** Gaussoin

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

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>			Indeterminate but minimal			

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)

### SUMMARY

#### Synopsis of SPAC Amendment

The Senate Public Affairs Committee amendment to House Bill 530 strikes House Floor Amendment #1, replaces language in the title and replaces all of the bill, except the July 1, 2019, effective date, to expedite and waive the fees for teachers' licenses for military members and veterans, in addition to the occupational and professional licenses included in the original legislation.

The new language further amends 22-10A-12 NMSA 1978, current law on expedited teacher licensure for military service members and veterans, to require the Public Education Department to issue the license within 30 days, as opposed "as soon as practicable" in current law.

It adds language waiving the licensing fee for three years for military service members and adds the spouses and children of a person serving in the armed forces or national guard to the definition of "military service member."

It makes similar amendments to 61-1-34 NMSA 1978 concerning licensure for most of the more than 30 occupations and professions covered under Chapter 61. Not included are "unlicensed health care practitioners" and lactation consultants.

Synopsis of HFI#1

House Floor Amendment #1 to House Bill 530 strikes language in the title and the body that limited the professions and occupations affected. With the amendment, the bill would waive the fees for and expedite licensing of any professional or occupational license issued by a state entity under Chapter 61 of state statute.

Synopsis of Original Bill

House Bill 530 amends the Uniform Licensing Act to require state organizations that issue professional or occupational licenses to expedite licenses for active military services members and their family members and waive all fees. It would provide three-year, nonrenewable licenses for a qualified applicant who holds a similar current license from another state, undergoes a criminal background check if required, and moves to New Mexico within a year of submitting the application. The bill defines military service members as those serving in the armed forces or an active reserve component, including the national guard, their spouses, and their dependent children.

**FISCAL IMPLICATIONS**

Waiving licensing fees for military service members and their family members would result in a small reduction in revenue for various occupational boards and commissions.

**SIGNIFICANT ISSUES**

Although the bill requires the applicant to have a “substantially equivalent license,” RLD notes different jurisdictions have different licensing requirements, opening the door to New Mexico licenses being issued based on education, training, and experience significantly different than those required for New Mexicans. However, RLD also cites a 2015 report by the White House Council of Economic Advisors that found only two in 12 studies showed stricter requirements resulted in improved quality. (*Occupational Licensing: A Framework for Policymakers*)

In addition, RLD reports public safety “may be better served” by regular inspections and enforcement, and an expedited military licensee would still be subject to those requirements. [See *Social Cost Analysis of the Unemployment and Underemployment of Military Spouses* (April 2016), research conducted by the University of Utah and the Sorensen Impact Center.]

RLD reports military families move an average of once every three years and a 2016 study showed three-quarters of military spouses must reapply for licensure for the field in which they already work each time. (See *Increasing Job Opportunities for Military Families* by Rea Hederman and Bryanna Austin.)

RLD says a National Conference of State Legislature review found the following similar efforts in other states:

- **Rhode Island** requires each licensing board to “accept education, training or service completed by an individual as a member of the Armed Forces or Reserves of the United States [or] the National Guard of any state...toward the qualifications to receive the license or certification (R.I. Gen. Laws §5-87-1).”

- **North Carolina** requires occupational licensing boards to issue a license to a military spouse if he or she satisfies the following conditions: 1) holds a current license in another state with substantially similar requirements; 2) can demonstrate competency in the occupation through continuing education credits or recent experience; 3) has not committed any act in another state that would have necessitated disciplinary action in North Carolina; 4) is in good standing in the state of licensure; and 5) pays required fees (N.C. Gen. Stat. §93B-15.1).
- **West Virginia** allows a military spouse to retain his or her license in good standing without payment of fees or satisfaction of continuing education requirements during, and up to six months following, the soldier's active-duty service (W. Va. Code §30-1B-4).
- **Florida, New York, North Carolina, Texas and West Virginia**—waive or reduce licensing fees for military spouses. For example, Texas waives the application and examination fee for a military spouse who holds a license in another state (Tex. Occ. Code Ann. §55.009).
- **Arkansas** allows military spouses to seek employment with temporary licenses while completing the application process for full licensure. As long as spouses are in good standing of a substantially equivalent license, boards are required to expedite the process for full licensure and allow a full or partial exemption from continuing education. Military spouses are defined as spouses of active-duty service members stationed in Arkansas or returning military veterans within one year of their discharge from active duty.

As written, RLD says the bill, by applying to only specific articles in the Uniform Licensing Act, excludes uniform athlete agents, architects, auctioneers, body art practitioners, collection agencies, engineers and surveyors, landscape architects, interior designers, private investigators and security guards, public accountants, real estate brokers, real estate appraisers, funeral service providers, utility operators, signed language interpreters, and lactation consultant.

### **ADMINISTRATIVE IMPLICATIONS**

Enactment of this bill will require the professional and occupational boards and commissions to adopt rule changes in accordance with the revised statutory language. It will also require staff to amend any forms, applications, procedures and database setup related to the issuance of a military license and waiver of the fees.

### **OTHER SUBSTANTIVE ISSUES**

RLD raises the following concerns:

The proposed language does not specify how a person's military status will be verified (military member, spouse or dependent child).

The proposal does not provide for licensure renewals after the three-year term or a transition plan for the issuance of renewals under existing statutory provisions for military licensees who do not otherwise meet the New Mexico licensure criteria for education, training and experience.