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FISCAL IMPACT REPORT

SPONSOR <u>HGEIC</u>	LAST UPDATED <u>3/13/23</u>
	ORIGINAL DATE <u>2/26/23</u>
SHORT TITLE <u>Social Worker & Veterinarian Licensure</u>	BILL NUMBER <u>CS/CS/House Bill 384/HGEICS/HGEICS</u>
	ANALYST <u>Helms</u>

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	Minimal fiscal impact				Recurring	Regulation and Licensing Department Operating Budget

Parentheses () indicate expenditure decreases.
 *Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

SUMMARY

Synopsis of HGEIC Substitute for House Bill 384

The House Government, Elections and Indian Affairs Committee substitute for House Bill 384 (HB384/HGEICS) amends and clarifies various aspects of language and definitions in the Uniform Licensing Act and Private Investigations Act, amends timelines and fees for processes related to disciplinary proceedings in both acts, moves administration for the Interior Designers Act to the Regulation and Licensing Department, and provides for expedited licensure for physicians, veterinarians, and all license levels of social workers.

FISCAL IMPLICATIONS

The bill does not contain an appropriation.

LFC analysis does not anticipate any fiscal impact for the majority of amendments within HB384/HGEICS because they are technical changes to specify timelines and updated language around appropriate definitions for hearings, disciplinary proceedings, handling of incomplete applications, and expedited licenses.

Provisions that could incur a cost include:

- Section 4(B) strikes language that a civil penalty for unlicensed activity cannot exceed \$1,000 and adds language that a civil penalty cannot exceed \$10 thousand for each violation, which could create some revenue for RLD;

- Section 4(B) strikes language that the party in violation of the Uniform Licensing Act can be charged for administrative costs including investigative and hearing costs, which could increase costs to RLD for these activities;
- Section 7(G) strikes language where a licensee would have borne costs for all disciplinary proceedings, which could increase costs to RLD for these activities;
- In Section 21, a new section titled “Summary Suspension of License or Probation of License” is added, which could incur some administrative costs to RLD;
- Section 30 to 37, which incorporate the Interior Designer Act into the Uniform Licensing Act, includes depositing all money collected under the Interior Designers Act to the State Treasurer, which shall credit the money to the interior design fund;
- Section 39, which would require any person providing training to persons licensed within the Private Investigations Act to also have license, certification, or registration pursuant to the Private Investigations Act; and
- Section 46, which would make some changes to the Private Investigations Act fee structures, including clarifying initial registration fees for private investigation patrols or companies and adding fees to instructor license and renewal.

Regarding the original bill, which pertained to expedited licenses, the Regulation and Licensing Department anticipated no fiscal impact to the RLD or the Board of Social Work Examiners (SWEB). The Veterinary Medicine Board (VMB) also anticipated no fiscal impact. Agency analysis notes the VMB currently issue most licenses or permits within 15 days of receiving all documents. Any applications that go beyond the 30-day mark are due to the applicants scheduling process for the state’s jurisprudence exam, which is outside control of the VMB. LFC analysis also does not anticipate fiscal impact for expedited licenses for physicians, now also included in HB384/HGEICS.

SIGNIFICANT ISSUES

In addition to technical cleanup of Uniform Licensing Act language throughout HB384/HGEISC, amendments to the Uniform Licensing Act within HB384/HGEICS include

- Adding a definition for “party” to refer to a respondent licensee, applicant, or unlicensed person subject to a disciplinary proceeding and adding a definition for probation of a license (Section 1);
- Clarifying and updating technical language concerning hearings regarding completed applications (Section 2);
- Defining an incomplete application (Section 6);
- Clarifying disciplinary actions can also apply to applicants or unlicensed persons in addition to licensees (Sections 7, 9, 10, 12);
- Clarifying and updating language concerning date of notification for unlicensed activity (“discovery by the board is considered the date on which a complaint or other information that would reasonably connect the allegations to the person was received by the board”) and method of notification for applicants or unlicensed persons in addition to licensees (Sections 7 and 8);
- Allowing a board to issue civil investigative subpoenas when investigating complaints (Section 7);
- Allowing a board to agree to virtual hearings (Section 9);
- Amending that boards must make a decision, after a hearing, within 90 days (Section 14); and

- Clarifying, in addition to accident or sickness, extraordinary cause is additional reason to miss a disciplinary proceeding (Section 16).

HB384/HGEICS also adds Section 21, which allows for preliminary injunction if a licensee poses a clear and immediate danger in continuing to practice, or for suspension or probation of a license if a licensee is judged mentally incompetent by a final order or court, or has pled guilty to an offense related to their license.

In Section 22, in addition to existing language allowing for extension of expedited licenses due to extenuating circumstances, the bill adds language providing permission to boards to extend an expedited license by board rule.

HB384/HGEICS incorporates the Interior Designers Act into the administration of the Regulation and Licensing Department. The bill amends requirements for interior designer licensure to require an applicant to take and pass the national council for interior design qualification or other nationally recognized examination approved by the department, and to have an active certification from a nationally recognized certification. Section 33 provides a person may apply for interior designer licensure without an examination and be approved on a case-by-case basis if actively licensed in another location with equal or exceeding qualifications and an apprenticeship for at least eight years with a licensed interior designer. Section 34 requires a license renewal every four years and requires evidence of 20 hours of continuing education before a renewal. Section 35 notes a person may not knowingly use the name or title of a licensed interior designer without a state license. Section 36 adds that an interior designer licensure fee cannot exceed \$200 dollars, and Section 37 creates the interior design fund with all fees to be deposited with the State Treasurer and vouchers to be administered by the superintendent of RLD.

Sections 39 through 50 amend regulation within the Private Investigations Act (PIA). There are minor technical changes to language and amendments including

- Requiring any person providing training to persons licensed within PIA to also have license, certification, or registration pursuant to PIA;
- Requiring attorney employees (in addition to attorneys) to be exempt from PIA;
- Requiring private investigators to have completed coursework in traffic crash reconstruction if they offer related analyses;
- Requiring only certain persons to offer skip tracing;
- Requiring biennial, rather than annual, license renewal;
- No longer requiring a private investigation company to hold a surety bond but still requiring a general liability certificate of insurance; and
- Requiring a private investigator holding a firearm to undergo a department-determined psychological evaluation.

Additionally, HB384/HGEICS adds Section 42 to delineate requirements to register as an instructor, including requirements for background checks and various proofs of certification and training, and clarifying scope of responsibilities afforded to different licensure levels.

Finally, the bill provides for expedited licensure for all license levels of social workers (see “Technical Issues” for SWEB’s analysis on issues with the original bill, which LFC analysis shows have been resolved in HB384/HGEICS), veterinarians, and physicians.

In provisions for expedited licensure, HB384/HGEICS could have the potential to increase number of social worker, physician, and veterinarian license-holders in the state, and is within current administrative capacity at SWEB and VMB.

Analysis from SWEB notes:

New Mexico separately licenses both a LISW and a LCSW. Generally, both license types are considered to be interchangeable. The relative licensure requirements, responsibilities, and career paths are roughly equivalent for both the LISW and LCSW. Many states recognize only one license type – LICSW (licensed independent clinical social worker). The only difference in statute in New Mexico for the LISW and LCSW is that a LCSW must pass a clinical examination, and a LISW must pass an advanced generalist examination. §61-31-6 NMSA 1978 - Scope of Practice, does not specify which license type can practice any of the five (5) delineated areas of specialization. Determining the equivalency of other states' license types for expedited licensure in New Mexico will be difficult because in New Mexico, there is no breakdown of the scope of practice for LISW and LCSW, rather, they are bulked together in rule with the only difference being the examination that the applicant must take/pass. This can be addressed in future legislative or rule changes. New Mexico also issues a provisional license for all license types pending the applicant taking and passing the required examination(s). Expedited licensure should not apply to provisional licenses

TECHNICAL ISSUES AND AMENDMENTS

Analysis from RLD on the original bill noted three technical issues with associated amendments to ensure the provisions of the bill could be correctly applied to social work licensing. Although listed below, these technical issues are resolved in HB384/HGEICS.

Analysis from RLD on the original bill had noted:

- To allow for the receipt of incomplete applications, the requirement that the Board of Social Work Examiners (SWEB) “shall process the application as soon as practicable but no later than thirty days after the out-of-state social worker files an application...” should read that the board “shall process the application as soon as practicable but no later than thirty days after the out-of-state social worker files and application submits a complete application...”
- SWEB issues four (4) types of licenses:
 1. LBSW (licensed baccalaureate social worker – lowest level);
 2. LMSW (licensed master social worker);
 3. LISW (licensed independent social worker); and
 4. LCSW (licensed clinical social worker).

There could be confusion with an expedited license applicant and licensing staff as to whether the two and a half (2.5) years of practice required must be for the specific license type being applied for, or whether it may include time a person was licensed at a lower license level. Section 2, page 6, lines 8-9 should be amended to read “has practiced at the same licensure level sought for a minimum of two and one-half years.”

- Add language to make clear that expedited licensure will not apply to provisional licenses.

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