

**LFC Requester:**

**Noah Montano**

**AGENCY BILL ANALYSIS  
2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:**

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*{Analysis must be uploaded as a PDF}*

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

*Check all that apply:*

**Original**  **Amendment**   
**Correction**  **Substitute**

**Date** 1-31-2025

**Bill No:** HB217

**Sponsor:** Rep. Pamela Herndon  
**Short Title:** Counseling Compact

**Agency Name and Code Number:** Regulation and Licensing Department - 420

**Person Writing:** Jen Rodriguez

**Phone:** (505)795-3250 **Email:** jen.rodriguez@rld.nm.gov

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
N/A	N/A	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
N/A	Unknown*	Unknown*	Recurring	Counseling and Therapy Practice Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

\* There will be an impact on revenue, however, it is not possible to predict if this will bring in more licensees, or if this will decrease the cost of full licensure.

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

	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	N/A	48 + Unknown	8 + Unknown	56 + Unknown	Partially Recurring	Counseling and Therapy Practice Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

+There could be an impact on operating budget due to an “annual assessment” and fees for “adverse actions in other states” that may be imposed on states as members of the Compact. *See* Note 2 and Note 4 in the “Fiscal Implications” section below.

Duplicates/Conflicts with/Companion to/Relates to:  
 Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis: House Bill 217 (HB217)

HB217 enters the state of New Mexico into the Counseling Licensure Compact (Compact). The purpose of the Compact as described in the bill is to “facilitate interstate practice of licensed professional counselors with the goal of improving public access to professional counseling services.” The Compact allows the member states to preserve regulatory authority and to protect public health and safety through implementation of its licensure procedures. The Compact establishes flexibility for counseling licensees in member states to obtain compact privileges for licensure in other member states.

The Compact includes a host of definitions including “home state” which is the licensee’s primary state of residence; “member state” which is a state that has enacted the Compact; “remote state” which is a member state, other than the home state, where the licensee is seeking to practice; and “counseling compact commission” which is the national administrative body whose membership consists of all state that have enacted the compact. Additionally, the Compact defines “alternative program” as a non-disciplinary monitoring or practice remediation process approved by a licensing board to address impaired practitioners.

The counseling compact commission (commission) is an instrumentality of the compact states, and each member state shall have and be limited to one delegate selected by the member state’s licensing board. The delegate must be a current member of the licensing board who is a licensed professional counselor or public member, or an administrator of the licensing board.

The powers and duties of the commission include the following: establish the fiscal year of the commission; establish bylaws; maintain the commissions financial records in accordance with its bylaws; meet and take actions consistent with provisions of the Compact and the bylaws; promulgate rules, which shall be binding to the extent and in the manner provided for in the

Compact; bring and prosecute legal proceedings or actions in the name of the commission; purchase and maintain insurance bonds; borrow, accept, or contract for services of personnel; hire employees, elect or appoint officers, fix compensation, define duties, and grant such individuals appropriate authority to carry out the purposes of the compact and to establish the commission's personnel policies and programs relating to conflicts of interest, qualifications of personnel and other related personnel matters; accept any and all appropriate donations and grants of money, equipment, supplies, materials, and services, provided that there is no appearance of impropriety or conflict of interest; lease, purchase and accept appropriate gifts and donations of any property (real, personal or mixed); sell, convey, mortgage, pledge, lease, exchange, abandon or otherwise dispose of any property (real, personal or mixed); establish a budget and make expenditures; borrow money; appoint committees; provide and receiving information in cooperation with law enforcement agencies; establish and elect an executive committee; and perform all other functions necessary to achieve the purposes of the Compact.

The executive committee, consisting of eleven (11) members, is vested with the following duties and responsibilities: (1) recommend changes to the commission regarding rules or bylaws, changes to the Compact legislation and changes to fees paid by member states, such as annual dues and any commission compact fees charged to licensees for the privilege to practice; (2) ensure compact administration services are appropriately provided; (3) prepare and recommend the budget; (4) maintain financial records on behalf of the commission; (5) monitor compact compliance of member states and provide reports to the commission; and (6) establish additional committees as necessary and perform additional duties as provided in the rules or bylaws.

The Compact is designed to achieve the following objectives: (1) increase public access to professional counseling services; (2) enhance the states' ability to protect public health and safety; (3) encourage cooperation of member states in regulating multistate practice for licensed professional counselors; (4) support spouses of relocating military members; (5) enhance the exchange of licensure, investigative and disciplinary information between member states; and (6) allow for the use of telehealth technology to facilitate increased access to professional counseling services; (7) support the uniformity of professional counseling licensure requirements throughout the states to promote public safety and public health benefits; (8) invest all member states with the authority to hold a licensed professional counselor accountable for meeting all state practice laws in the state in which the client is located at the time care is rendered through the mutual recognition of member state licenses; (9) eliminate the necessity for licenses in multiple states; and (10) provide opportunities for interstate practice by licensed professional who meet the uniform licensure requirements.

To participate in the Compact, each member state must: (1) currently license and regulate professional counselors; (2) require licensees to pass a national recognized examination by the Compact commission; (3) require licensees to have a master's degree in counseling with 60 semester hours or 90 quarter-hours, or 60 semester-hours or ninety quarter-hours of graduate course work in specified areas; (4) require licensees to complete a supervised postgraduate professional experience as defined by the commission; and (5) have a mechanism in place for receiving and investigating complaints about licensees.

A member state shall: (1) participate fully in the commission's data system; (2) notify the commission of any adverse action or availability of any investigative information regarding a licensee; (3) implement procedures that consider the criminal history records of applicants for an initial privilege to practice, including the submission of fingerprints or other biometric-based information for the purpose of obtaining an applicant's criminal history record information; (4)

comply with the rules of the commission; (5) require an applicant to obtain or retain a license in the home state and meet the home state's qualifications for licensure, as well as all other applicable state laws; (6) grant the privilege to practice to a licensee holding a valid unencumbered license in another member state in accordance with the terms of the Compact and rules; and (7) provide for the attendance of the state's commissions to the counseling compact commission meetings.

For a licensee to exercise the compact privilege, the licensee shall: (1) hold a license in the home state; (2) have a valid United States social security number or national practitioner identifier; (3) be eligible for privilege to practice in any member state; (4) have not had any encumbrance or restriction against any license or privilege to practice within the last two years; (5) notify the commission that the licensee is seeking privilege to practice within a remote state; (6) pay any applicable fees, including any state fee, for the privilege to practice; (7) meet any continuing competence or education requirements established by the home state; (8) meet any jurisprudence requirements established by the remote state in which a licensee is seeking a privilege to practice; and (9) report to the commission any adverse action, encumbrance, or restriction on license taken by any nonmember state within thirty days from the date the action is taken. The privilege to practice is valid until the expiration date of the home state license.

A remote state has the power to take adverse action against a licensed professional counselor's privilege to practice within that member state. A remote state has the authority, in accordance with state law, to issue subpoenas for hearings and investigations that require witness testimony and the production of evidence. Additionally, the home state has the sole power to take adverse action against a licensed professional counselor's license issued by the home state. The home state shall give the same priority and effect to reported conduct received from a member state as it would if the conduct had occurred in the home state. However, nothing in the Compact shall override a member state's decision that participation in an alternative program may be used in lieu of adverse action.

The effective date of the legislation is June 20, 2025.

## **FISCAL IMPLICATIONS**

NOTE 1: A direct fiscal impact anticipated for the Regulation and Licensing Department (RLD) if HB217 is enacted would be for the necessary additions and updates that would have to be made to the NM Plus online licensing system that is utilized by the RLD for all licensing under the Act. Contracting fees for information technology development and implementation of the necessary changes to the NM Plus licensing system are estimated to be forty thousand dollars (\$40,000) in FY26.

An administrative rulemaking process, including a public hearing and all required publication of notices and proposed rules, would be required to update and amend current administrative rules issued pursuant to the Act if HB217 is enacted. The RLD believes it can absorb the costs associated with the rulemaking processes for this bill within existing resources.

NOTE 2: The New Mexico Counseling and Therapy Practice Board (Board) "may" be required to pay an annual assessment based on a formula to be determined by the audiology and speech-language pathology compact commission. The RLD is unable to determine at this time what the dollar amount of that annual assessment would be, or if it will actually be imposed in any given fiscal year.

NOTE 3: If HB217 is enacted, the Board may incur out-of-state travel expenses for its compact commission delegate members to attend annual meetings. It is unclear whether the travel costs will be covered by the commission, the attending delegates, or the Board itself. However, there is a possibility that expenses for the delegate's attendance will need to be covered. If the Board is responsible for these costs, the potential expenses—such as airfare, hotel, meals, Uber, taxi, etc.—are unknown at this time but are estimated to cost a minimum of \$2,000 per day for the delegate each year, with an estimated four (4) days of travel and attendance each year. Therefore, the RLD anticipates a resulting expense of eight thousand dollars (\$8,000) per year in FY26 and future years.

NOTE 4: With respect to Section 8 of the bill, “Adverse Actions,” the issuing state would incur expenses related to taking adverse action against an audiologist or speech-language pathologist's privilege to practice within a member state. The issuing state is responsible for paying any witness fees, travel expenses, mileage and other fees required by the service statutes of the state in which the witnesses or evidence are located. Potential expenses that may be incurred by the RLD on behalf of the Board under this provision cannot be reasonably estimated at this time.

## **SIGNIFICANT ISSUES**

### **PERFORMANCE IMPLICATIONS**

The Board has indicated strong support for the bill. The Board believes it will improve access to patient care by: (1) making the state more attractive to current counselors residing outside of New Mexico with plans to relocate to the state; and (2) increasing access to telehealth services for underserved and rural areas of the state. See the letter of support attached, passed unanimously by the Board.

However, the Board has also expressed concerns that the additional education requirement (see “Conflict, Duplication, Companionship, Relationship” section, below) may lead to fewer licensees who can meet the new requirements. Further, the fingerprinting requirement may cause some qualified candidates to avoid licensure in New Mexico due to concerns about citizenship and immigration.

### **ADMINISTRATIVE IMPLICATIONS**

As noted in the “Fiscal Implications” section (above) enactment of HB217 would necessitate an administrative rulemaking process to be conducted by the Board to adopt rules in accordance with the requirements, procedures and bylaws of the compact and require an enhancement to the current NM Plus online licensing system that is expected to involve contracting expenses of forty thousand dollars (\$40,000) in FY26.

Federal Background Checks and Fingerprinting will need to be implemented. This would be an addition to our existing contract for these services.

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

The Compact licensing requirements for education are more strenuous than the core curriculum requirements the Board currently requires. The Compact requires sixty (60) credit hours for a Master's in counseling while the Board rules only require 48 hours. Presumably, many current licensees would not qualify for the multi-state license. Further, the Counseling and Therapy Act licensing requirements would need to be amended to qualify to participate in the Compact.

## **TECHNICAL ISSUES**

## **OTHER SUBSTANTIVE ISSUES**

### **ALTERNATIVES**

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

Without passing this legislation, the state of New Mexico may be seen as being less competitive, as many states in the surrounding area have joined the compact. Additionally, there will likely be economic repercussions due to lack of healthcare providers and continued lack of health care accessibility in underserved and rural areas if the bill is not enacted.

According to *Think New Mexico*, 37 states have joined the Compact. New Mexico may be placed at a disadvantage in its ability to attract counselors to practice in our state without this legislation.

### **AMENDMENTS**

Subject: Letter of Support for New Mexico Counseling Compact

I am writing on behalf of the New Mexico Counseling and Therapy Practice Board to express our wholehearted support for the New Mexico Counseling Association's (NMCA) efforts to join with 30 states as a part of the Counseling Compact.

The NM Counseling & Therapy Practice Board has consistently demonstrated a commitment to the highest standards of professional practice, ethical conduct, and the well-being of individuals seeking counseling services in our state and those who provide them. By becoming a participant in the Counseling Compact, New Mexico will further enhance its ability to collaborate with counseling organizations across state lines and promote the exchange of valuable knowledge and resources.

We believe that the Counseling Compact will not only facilitate the mobility of counselors to attend to the diverse needs of New Mexicans but will also foster a stronger network of professionals dedicated to improving mental health services nationwide. As a member of the compact, New Mexico will contribute to the establishment of uniform standards and reciprocity, ensuring that counselors can seamlessly serve clients in various states while upholding the profession's integrity. Additionally, embracing the compact is a step forward that will hopefully get the ball rolling for other mental health professionals in the state.

The New Mexico Counseling and Therapy Practice Board recognizes the importance of collaboration in advancing the field of counseling, and we are confident that New Mexico's involvement in the Counseling Compact will significantly contribute to the achievement of these shared goals.

Thank you for considering our letter of support, and we look forward to witnessing the positive impact of the Counseling Compact in our state.

Sincerely,

A handwritten signature in blue ink, appearing to read 'K. Vaillancourt', with a stylized flourish at the end.

Kourtney T. Vaillancourt, PhD, LMFT, LADAC  
Chair  
New Mexico Counseling and Therapy Practice Board