

<b>LFC Requester:</b>	<b>Noah Montano</b>
-----------------------	---------------------

**AGENCY BILL ANALYSIS  
2025 REGULAR SESSION**

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

**Analysis.nmlegis.gov**

*{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** 2-4-2025  
**Bill No:** HB 242

**Sponsor:** Rep. Marian Matthews  
**Short Title:** Psychology Interjurisdictional Act

**Agency Name and Code Number:** Regulation and Licensing Department - 420  
**Person Writing:** Jen Rodriguez  
**Phone:** 505-795-3250 **Email:** Jennifer.rodgers@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	Board of Psychologist Examiners

(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	48.0	8.0	56.0	Partially Recurring	Board of Psychologist Examiners

(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: Companion bill to 2025 SB106.  
Duplicates/Relates to Appropriation in the General Appropriation Act

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Synopsis: House Bill (HB242)

HB242 would enter New Mexico into the Psychology Interjurisdictional Compact (Compact). The purpose of the Compact is to afford recognition to licensed psychologists in other states and to regulate telepsychology and temporary in-person practice of psychology. Features of the Compact include: (1) increased public access to professional psychological services; (2) enhance a member state’s ability to protect the public health and safety, specifically, client, patient safety; (3) encourage cooperation of compact states in licensure and regulation; (4) facilitate the exchange of information between compact states regarding licensure and disciplinary actions; (5) promote compliance with laws governing psychological practice in member states; and (6) invest all member states with the authority to hold licensed psychologists accountable through the mutual recognition of compact state licenses.

The Compact lays out criteria for member states including requiring a criminal history background check of all applicants, and grants power to the home state to investigate violations of the practice by licensees in any other member state. The Compact lays out requirements for standardizing practice across state lines either via telepsychology or on a temporary basis through an E.Passport issued by the Association of State and Provincial Psychology Boards. E.Passport requirements include but are not limited to a graduate degree in psychology from an accredited higher education institution in an appropriate program based on specific standards, and holding an unrestricted license in the home state.

The Psychology Interjurisdictional Compact Commission (Compact Commission) described in HB242, serves as the national administrative body. The Compact Commission consists of one delegate from each member state, with a six-member executive board. It is granted specific authority to facilitate the requirements of the Compact.

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

**FISCAL IMPLICATIONS**

NOTE 1: A direct fiscal impact is anticipated for the Regulation and Licensing Department (RLD) if HB242 is enacted. Necessary additions and updates would have to be made to the RLD's online licensing system (NM Plus) which 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 HB242 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 Board of Psychologist Examiners (Board) "may" be required to pay an annual assessment based on a formula to be determined by the 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 HB242 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 Compact Commission, the attending delegates, or the Board itself. However, there is a possibility that expenses for a 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 trip for a delegate each year, with an estimated four (4) trips per year. Therefore, the RLD anticipates a resulting expense of eight thousand dollars (\$8,000) per year in FY26 and future years. [Note: RLD's previous report on the identical Senate Bill 106 erroneously listed the fiscal impact for two delegates to the commission. The fiscal impact has been corrected in this report.]

NOTE 4: With respect to Article 7 of the bill, "Adverse Actions," the issuing state would incur expenses related to taking adverse action against a psychologist'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**

The RLD consulted Board members about whether it is believed the Board would support the passage of HB242. At this time, it appears the Board has not reached a consensus on joining the compact. There is significant concern among some board members about the ability to discipline psychologists who cause harm to New Mexico clients. There is also a concern that enforcement may be inconsistent across state lines leading to public harm.

## **PERFORMANCE IMPLICATIONS**

Individual licensed psychologists can apply for one or more of the certificates required to participate in the compact: the E.Passport to practice telepsychology and the Interjurisdictional Practice Certificate (IPC) for the temporary in-person, face-to-face practice of psychology. The costs to obtain these certificates are passed down to licensees. The costs for the E. Passport are \$40.00 one-time APIT application fee, \$400.00 Application Fee and \$100.00 Annual Renewal Fee. The costs for the IPC are \$40.00 one-time TAP fee, \$200.00 Application Fee and \$50.00 Annual

Renewal Fee.

### **ADMINISTRATIVE IMPLICATIONS**

Enactment of this bill would require the New Mexico State Board of Psychologist Examiners to adopt rules in accordance with the requirements, procedures and bylaws of the compact. In addition, administrative staff shall develop and document procedures for reporting and obtaining licensing and disciplinary action information to the coordinated database, which is the coordinated licensure information system developed and maintained by the commission.

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

HB242 is identical to SB106

### **TECHNICAL ISSUES**

### **OTHER SUBSTANTIVE ISSUES**

HB242 will provide options for psychologists to follow clients in transition. This bill also has the potential to increase service to underserved areas. According to the PSyPact website: <https://psypact.gov/mpage/psypactmap> forty-two (42) states have joined the compact.

### **ALTERNATIVES**

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

Psychologists from other states will continue to be licensed in New Mexico through Temporary Licenses, Expedited Licensure or Licensure by Qualifications.

### **AMENDMENTS**