

LFC Requester:	Noah Montano
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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}

Date Prepared: 2-18-2025 *Check all that apply:*
Bill Number: HB 441 Original Correction
 Amendment Substitute

Sponsor: Reps. Gail Armstrong, Elizabeth “Liz” Thomson, Jenifer Jones and Rebecca Dow **Agency Name and Code** Regulation and Licensing Department - 420
Short Title: Dentist and Dental **Number:** _____ **Person Writing** Jen Rodriguez
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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	Dental Health Care Fund

(Parenthesis () indicate revenue 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. Currently, the Board of Dental Health Care licenses 743 out-of-state practitioners, with renewal revenue of \$95,243 annually.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	40 +		40	Nonrecurring	Dental Health Care Fund
	N/A	Unknown	8.0 + Unknown	8 + Unknown	Recurring	Dental Health Care 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.

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: House Bill 441 (HB441)

HB 441 would enter New Mexico in the Dentist and Dental Hygienist Interstate Compact (Compact) and amend the Dental Health Care Act, §§ 61-5A-1 to -29, NMSA 1978. It would allow out-of-state, Compact-licensed dentists and dental hygienists (collectively “dental professionals”) to practice in New Mexico under certain conditions and allow New Mexico dental professionals to use their license to practice in other states and jurisdictions under those same conditions. The Compact aims to enhance mobility for dental professionals, improve access to care, and ensure public safety through cooperative state regulation.

Key points by Section:

Section 1, Short Title: Dentist and Dental Hygienist Interstate Compact

Section 2, Purpose: To facilitate the interstate practice of dentistry and dental hygiene, improving public access to these services by allowing licensed professionals to practice in participating states without needing additional licenses. The Compact also aims to streamline the process for dentists and dental hygienists to practice across state lines, addressing workforce shortages and enhancing public health and safety. It also facilitates the relocation of dental professional military members and their spouses.

Section 3, Definitions: Provides definitions for terms within the Compact, including: “adverse action,” “clinical assessment,” “compact privilege,” “encumbered license,” “jurisprudence requirement,” “participating state,” “qualifying license,” “remote state,” “scope of practice,” and “significant investigative information.”

Section 4, State Participation in the Compact: A state must do the following to join the Compact and continue as a participating state:

1. Enact the Compact that is not materially different than the model compact;
2. participate in the Compact Commission (commission) data system;

3. have a system in place for receiving and investigating complaints;
4. Notify the commission of any adverse action or significant investigative information against an applicant or licensee;
5. fully implement the background check requirements;
6. comply with commission rules;
7. accept the national exam;
8. accept accredited education (predoctoral and doctoral) graduates for dentist licenses;
9. accept accredited dental hygienist education for dental hygienist licenses;
10. require successful completion of a clinical assessment for applicants;
11. require continuing professional development for license renewal; and
12. pay a participation fee to the commission.

Section 5, Compact Privilege: Licensed professionals in participating states can obtain a compact privilege to practice in other participating states, provided they meet the following specific requirements:

1. Have a qualifying license from a participating state;
2. be eligible for a compact privilege;
3. submit to the application process wherever there is a compact privilege;
4. pay commission and remote state fees for the compact privilege;
5. meet any jurisprudence requirements established by the remote state;
6. pass a national board examination;
7. Meet the educational requirements for dentists or dental hygienists;
8. successfully complete a clinical assessment;
9. report to the commission any adverse action taken in a non-participating state;
10. report address of primary residence and any change in primary residence to the commission;
11. consent to accept service of process by mail to their primary residence; and
12. be subject to the remote state's regulatory authority, including scope of practice.

If a licensee has an encumbered license, they will lose compact privileges.

Section 6, Active Military Member or Spouse: Exempt from commission fees and reduced or no fee to practice in a remote state.

Section 7, Adverse Actions: States retain the authority to impose disciplinary actions. Adverse actions and significant investigative information must be shared among states.

Section 8, Establishment and Operation of the Dentist and Dental Hygienist Compact Commission: the commission will oversee the compact, with each participating state will have one delegate commissioner, selected by the Board. The commission will handle rulemaking, data system management, and dispute resolution.

Section 9, Data System: A coordinated database will be maintained to track licenses and disciplinary actions among the participating states.

Section 10, Rulemaking: The commission will have the authority to promulgate rules for all participating states.

Section 11, Oversight, Dispute Resolution and Enforcement: Executive and judicial branches of each participating state are required to implement and enforce the Compact. The commission

will determine if a participating state is in default of the Compact and may terminate the participating state from the Compact if the default is not cured. The commission will also attempt to mediate any disputes between states and may provide for both mediation and binding arbitration as appropriate.

Section 12, Effective Date and Withdrawal: The Compact becomes effective when enacted by seven (7) states. States can withdraw by repealing the Compact, however, it will not be effective for one hundred and eighty (180) days after the repealing statute is passed.

Sections 13, Construction and Severability and 14, Consistent Effect and Conflict with Other State Laws: Both sections are boilerplate language addressing construction and severability of the language, and the binding effect of the Compact.

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 HB441 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 HB441 is enacted. The RLD believes it can absorb the costs associated with the rulemaking processes for this bill within existing resources.

NOTE 2: The Dental Health Care Board (Board) “may” be required to pay an annual assessment based on a formula to be determined by the 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 HB441 is enacted, the Board may incur out-of-state travel expenses for its compact commission delegate member 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 one 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 7 of the bill, “Adverse Actions,” the issuing state would incur expenses related to taking adverse action against a dental professional’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 Dental Health Care Board provided the following:

Licensure portability is especially important to our younger dentists and hygienists [as they] tend to move frequently after graduation. This is important, which is why we currently have expedited and military licensure already. We unfortunately have had a net outflow of both dentists and hygienists to neighboring states based on current HPI data. This may accelerate that process if it is easier for our providers to get privileged in our bordering states. It is important to maintain the dental board's jurisdiction over all dentists and hygienists practicing in our state. It is unclear if having a "privilege" (instead of a license) will affect this.

There are other unknowns with this compact. The compact Commission is newly formed (it consists of 10 individuals representing the first 10 states to join), and the second meeting was January 21, 2025. At that time, they elected officers and began looking at bylaws. It will be up to 18-24 months before they will be able to issue any privileges. It is unclear how much input our state will have (since we will **not** have representation on the Commission) in the rules making process. The Commission holds significant authority over this process. In addition, only one dentist of the ten commissioners sits on this Commission.

On page 13 line 7, "If a remote state imposes an adverse action against a compact privilege that limits the compact privilege, that adverse action applies to all compact privileges in all remote states." It is unclear how that will be enforced. On page 14 line 19, it described that only the issuing state can take action in the license. A remote state can only take action on the privilege and not the license. Also, B mentions that the state can take action on the license for actions that occur in the remote state. Will the Board be able to issue subpoenas for investigative information in the other states?

The top of page 16 addresses some of these issuing/remote state subpoenas, but it also mentions that "the issuing authority shall pay any witness fees, travel expenses, mileage and other fees required by the service statutes of the state where the witnesses or evidence is located." It goes in to discuss joint investigations between states. It is unclear how this will function.

The financing of the Commission is also unclear. It currently is operating based on funding from the ADA until the end of this year. Pages 24-25 discuss the ability to levy fees and assessments on both the participating states and the licensees. That amount has been undetermined.

The database in which we will be required to participate is further discussed on page 30 but it is still unclear how the database will function. On page 31 line 19, it states that, "it is the responsibility of the participating states to monitor the database to determine whether adverse action has been taken against a licensee or license applicant." It sounds like our staff will have to proactively pull those

reports to "monitor" the status of those practicing in NM with a privilege.

It is also not yet worked out in rules how participation in a board-mandated or in a self-referred HPWP will affect this reporting.

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

The Compact must be adopted in its entirety without any substantive changes. According to the Compact website, <https://ddhcompact.org/> “[n]o substantive changes should be made to the model language. Any substantive changes may jeopardize the enacting state’s participation in the Compact.”

The Compact was developed through a partnership between the Council of State Governments (CSG,) the Department of Defense (DoD,) the American Dental Association (ADA,) and the American Dental Hygienists’ Association (ADHA.) <https://ddhcompact.org/>

According to the website, ten (10) states have adopted the Compact, but compact privileges have not been issued.

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Licensing of Dentists and Dental Hygienists will continue as status quo, including expedited licensure for out of state practitioners.

AMENDMENTS

In order to provide the RLD with time necessary to conduct required Extend start date to January 2026