

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

FISCAL IMPACT REPORT

| | | | |
|-------------|---|---------------|--------------|
| SPONSOR | Trujillo/Sedillo Lopez/Figueroa | LAST UPDATED | 2/27/2025 |
| | | ORIGINAL DATE | 2/19/2025 |
| SHORT TITLE | Audiology & Speech-Language Pathology Compact | BILL | Senate Bill |
| | | NUMBER | 104/aSHPAC |
| | | ANALYST | Hanika-Ortiz |

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

| Agency/Program | FY25 | FY26 | FY27 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|----------------|------------------|--------|--------|-------------------|---------------------------|-------------------------------|
| RLD | No fiscal impact | \$56.0 | \$16.0 | \$72.0 | Recurring | Speech/Language /Hearing Fund |

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Similar to CS/House Bill 79/HJC

Sources of Information

LFC Files

SUMMARY

Synopsis of SHPAC Amendment to Senate Bill 104

The Senate Health and Public Affairs Committee Amendment to Senate Bill 104 (SB104) clarifies both terms that refer to the board and requirements for compact licensees. The amendment also strikes language shielding the commission, either personally or in an official capacity, from civil liability, leaving language in place that states in effect that the commission shall defend itself in any civil action.

The amendment will make it easier to hold the commission accountable for misconduct. If this is considered a substantive change from the model compact, it could affect state participation.

Synopsis of Original Senate Bill 104

Senate Bill 104 (SB104) proposes to enter New Mexico into the Audiology and Speech-Language Pathology Interstate Compact (ASLP compact).

Sections 1 and 2 state the objectives of the ASLP compact, including mutual recognition of other member state licenses; enhancing the exchange of licensure, investigative and disciplinary information among member states; allowing a remote state to hold a provider of services with a compact privilege in that state accountable to that state's practice standards; and allowing for the use of telehealth technology to facilitate increased access to speech-language pathology services.

Section 3 is the definitions section for terms such as “home state” to mean the licensee’s primary

state of residence, “member state” to mean a state that has enacted the compact, “remote state” to mean a member state other than the home state where a licensee is seeking licensure, and “telehealth” to mean the use of technology to deliver these services from a distance.

Section 4 lays out requirements for state participation in the compact. Member states must recognize licenses issued by other member states, require applicants to submit to a federal background check, determine whether applicants have had any adverse actions on their licensure records, require applicants to obtain licensure in their home state, grant compact privileges to qualified licensees holding a valid license in another state, and recognize the right to practice in a member state via telehealth tools. Section 4 also requires audiologists to meet certain criteria, such as meeting certain educational requirements and holding an active, unencumbered license. Member states may grant a single state license without granting a compact privilege, may charge a fee for granting a compact privilege, and must comply with rules of the commission.

Section 5 provides the basis upon which compact privileges may be exercised by licensees, and how member states must monitor and regulate those licensees with compact privileges. If a licensee moves to a non-member state, the license is converted to a single state license that is valid only in the former state, and the privilege to practice in any member state is deactivated.

Section 6 allows an audiologist or speech-language pathologist to practice via telehealth.

Section 7 allows military licensees to retain their home state designation while on active duty.

Section 8 sets out the criteria and authority upon which a remote state may impose adverse actions against a licensee within that member state, authorizes joint investigations, only allows a home state to take adverse action against a license issued by the home state, and requires member states to address adverse conduct with its own state laws to determine action. All state actions taken must be reported to the administrator of the data system for the compact.

Section 9 lays out the structure and governance of the ASLP compact’s commission (commission). Acknowledgment is made that nothing in the compact shall be construed to be a waiver of the sovereign immunity of each compact state. Each compact state is also allotted two delegates: one audiologist and one speech-language pathologist to serve on the commission.

The last sections of the bill address defense and indemnification of commission members and representatives (Section 10); the coordinated data system provided by the commission (Section 11); rulemaking powers of the commission (Section 12); disagreements between states, enforcing compact rules, states in default and relief available (Section 13); date of implementation (Section 14); construction and severability (Section 15); and binding effect of laws (Section 16).

The effective date of this bill is July 1, 2025.

FISCAL IMPLICATIONS

The Board facilitates and oversees licensing of these practitioners. According to the New Mexico Commission for Deaf and Hard-of-Hearing, nothing in the bill indicates a necessary change to the current operations of the board that would increase costs. According to the Board webpage, there is not currently a requirement for a background check. This addition of background checks may require additional resources, but this may be a matter of adjusting fees to offset those costs.

As of December 2024, the Legislative Finance Committee's Cash Balance Report shows \$881 thousand in the Speech/Language Path/Hearing Board fund.

The Regulation and Licensing Department (RLD) estimates that contracting fees to implement changes to its NM Plus licensing system will be approximately \$40 thousand in FY26. RLD will also have minimal administrative expenses related to rulemaking processes, delegates' travel to serve on the commission, and for taking adverse action against a licensee.

SIGNIFICANT ISSUES

According to the New Mexico Commission for Deaf and Hard-of-Hearing, entering the compact would improve continuity of care for a person with a hearing loss or need for speech related services, improve access to providers, and enable telehealth services with the provider of choice regardless of residence. Hearing loss impacts 1 in 10 people worldwide. Screening and detection are a critical part of the care needed when there is a suspected hearing loss. Continued care can improve outcomes for a person with hearing loss over their lifetime. The benefits can mean offsetting cognitive decline, reducing depression, and addressing increased risk of dementia.

To join a compact, a state must enact compact model legislation via its legislative process. The ASLP compact is not yet issuing compact privileges. In 2024, the commission began creating a data system to receive applications, provide interstate data communications, and issue compact privileges. The ASLP commission will begin issuing compact privileges in summer of 2025.

ADMINISTRATIVE IMPLICATIONS

A rule-making process and public hearing will need to be completed during 2025.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill is identical to the original House Bill 79. Since introduction, the House Judiciary Committee substituted the bill to add to the board's authority the ability to implement a criminal background check requirement for initial licensing, which is required to join the ASLP compact.

This bill is similar to prior year bills: House Bill 391 (2023) and House Bill 210 (2021).

OTHER SUBSTANTIVE ISSUES

New Mexico faces shortages of virtually every type of healthcare practitioner. Interstate compacts may be partial solutions to this serious problem, easing movement of practitioners into the state or allowing them to practice part-time and/or via telehealth in the Compact state of their choosing. As of 2024, 34 states adopted the Audiology and Speech-Language Pathology Interstate Compact, according to the Audiology and Speech-Language Compact commission.

AHO/hj/SL2/sgs/SL2/hg/sgs