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FISCAL IMPACT REPORT

BILL NUMBER: House Bill 277

SHORT TITLE: Scope of Practice Advisory Committee

SPONSOR: Chavez

LAST UPDATE: 2/6/2026 **ORIGINAL DATE:** 2/6/2026 **ANALYST:** Hilla

APPROPRIATION* (dollars in thousands)

FY26	FY27	Recurring or Nonrecurring	Fund Affected
	\$200.0	Recurring	General Fund

*Amounts reflect most recent analysis of this legislation.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
DOH	No fiscal impact	\$213.9	\$225.8	\$439.7	Recurring	General Fund
Per Diem	No fiscal impact	\$4.3 to \$9.1	\$4.3 to \$9.1	\$8.6 to \$18.2	Recurring	General Fund
Total	No fiscal impact	\$218.2 to \$223	\$230.1 to \$234.9	\$448.3 to \$457.9	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Choose an item. House Bill(s) and Senate Bill(s)

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

Regulation and Licensing Department

Health Care Authority

Department of Health

Agency or Agencies That Were Asked for Analysis but did not Respond

University of New Mexico Health Sciences Center

SUMMARY

Synopsis of House Bill 277

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House Bill 277 (HB277) appropriates \$200 thousand from the general fund to the Department of Health (DOH) for the Scope of Practice Act. The act creates the scope of practice advisory committee administratively attached to DOH. A licensing board or legislator may submit to the committee a written request to review a proposed change to a scope of practice, which will include a clear description of the proposed change, evidence-based support for the proposed change, and anticipated impacts on patient safety, health care access and health care costs. The committee or its staff must review the request within ten days of receipt of the request to ensure it is complete.

Should the request be considered complete, the committee will post a copy of the request on its website and hold a public hearing within sixty days of receipt of the request to evaluate it. The evaluation will consider patient safety and quality of health care, including the potential harm or benefit to the health, safety or welfare of consumers; education, training and competency of the health care workforce; required supervision and accountability; access to health care, including in rural or underserved areas; the cost of health care; health care workforce development; regulatory consistency; and standards and recommendations of national health care accrediting bodies and professional associations.

The committee will invite pertinent licensing boards, professional associations and patient advocates to a public hearing, and shall accept written public input. The committee will take a final vote on every proposed scope of practice change evaluated at the public hearing, and may accept, reject, or modify the proposed scope of practice change. Within thirty days of committee action, a written report of the decision will be posted on the websites of the committee, the Legislature, the governor and pertinent licensing boards.

The committee is comprised of nine members, of which four will be appointed by Legislative Council and four by the governor, and the DOH secretary or designee. Appointed committee members shall be appointed for staggered terms of four years beginning July 1, 2026. Members elected by the governor will serve for an initial two-year term period, whereas members appointed by the Legislative Council will serve for an initial four-year term period. The committee may hire staff and receive per diem and mileage reimbursement with no other compensation.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, which is May 20, 2026.

FISCAL IMPLICATIONS

The appropriation of \$200 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY27 shall revert to the general fund. This appropriation is not in the current version of the General Appropriation Act of 2026.

Public members of the scope of practice advisory committee established by the bill may receive per-diem and mileage reimbursement in accordance with Sections 10-8-1 through 10-8-8 NMSA 1978 (the Per Diem and Mileage Act). Mileage costs would vary widely and are difficult to estimate. The Per Diem and Mileage Act allows \$45 per nonsalaried public officers, or appointed committee members, should meetings be less than four hours a day, and \$95 per member should meetings last longer than four hours. This creates a range of \$360-\$760 a month for all eight

elected members depending on the length of the meeting. This creates an estimated fiscal impact of \$4.3 thousand to \$9.1 thousand for the eight elected members for a year's worth of meetings.

Under the Per Diem and Mileage Act, the DOH secretary would receive per diem rates set for state employees which is \$0.70/mile as of January 2026. As per diem rates for DOH employees such as the secretary are already included in the department's operating budget, this analysis only assumes the per diem fiscal impact for the eight appointed public officers who would receive different per diem rates from state employees per Section 10-8-4 NMSA 1978.

DOH estimates a slight increase to its operating budget to carry out HB277. In FY27, this is estimated to cost an additional \$213.4 thousand in recurring general fund revenue but can use the \$200 thousand appropriation for FY27. The department anticipates a slight increase in FY28 of \$225.8 thousand for staff and associated personnel costs and website costs. DOH also notes HB277 may have a fiscal impact on RLD and its attached boards.

Noted in the Regulation and Licensing Department's (RLD) analysis, the appropriation is directed toward DOH but not the Board of Pharmacy, which may incur additional administrative costs in participating in committee hearings, preparing testimony or documentation, and responding to committee reports and requests. Though the Board of Pharmacy anticipates absorbing these additional costs, other RLD administratively attached boards do not assume any fiscal impact from HB277.

SIGNIFICANT ISSUES

RLD notes that its administratively attached licensing boards have no guaranteed representation on the scope of practice advisory committee. RLD has 15 administratively attached health licensing boards, ranging from optometry, social work examiners, counseling and therapy practice. The department notes that the committee will effectively become another regulator for its attached health boards, and HB277 should consider adding a committee member that would liaison for the health boards attached to RLD. Further noting analysis from the Board of Pharmacy, HB277 would alter the current framework in which the board reviews, approves or recommends changes to the scope of practice for pharmacists and pharmacy technicians by introducing separate committee-based process. The Board of Pharmacy notes that the powers of the scope of practice advisory committee may conflict with the board's statutory authority for analyzing similar changes under Sections 61-11-1 to 61-11-31 NMSA 1978. This is similarly noted by DOH in its analysis and extends this sentiment to each of RLD's boards and commissions. It is unclear how the committee's recommendation would change, clarify, or expedite processes already in statute or in the New Mexico Administrative Code outlining changes in the scope of practice.

DOH states that it is unclear why it would be tasked with developing the committee and its processes. The department states:

The fact that the bill would authorize a legislator to instigate the review of a proposed modification to the scope of practice for a given health care profession or occupation could threaten to exert political influence on the decisions of licensing bodies in determining the professional scopes of practice for their licensees. It is unclear why this would be necessary, given that legislators, and members of the public generally, can submit comments to licensing bodies regarding the designated scopes of practice for their licensees. Presumably, those licensing bodies would be significantly better able to

understand the consequences of a proposed modification to the scope of practice for a given health care profession or occupation, than would be the Advisory Committee.

DOH notes that scope of practice has the potential to affect healthcare shortages and access to care; however, scope changes may be subjective and may fall behind evolving clinical competencies and workforce needs.

Noted by both DOH and the Health Care Authority, since the unexpended balance of the \$200 thousand appropriation would revert at the end of FY27, it is anticipated that the committee would complete its work within the one fiscal year.

ADMINISTRATIVE IMPLICATIONS

DOH would need to make new administrative rules to specify elements of the committee's operations, like public records, required format of meetings, quorum, voting on business, an appeals process, etc., unless additional details are provided in statute.

TECHNICAL ISSUES

The bill does not specify if the ten days for the committee to review a scope of practice change are in calendar days or in business days. The bill should contemplate this distinction. This true for the sixty-day timeline for scheduling the hearing, as well as the thirty-day timeline for publishing the report.

Through RLD, the Board of Pharmacy notes that HB277 may consider clarifying the committee's role is advisory only and does not supersede or duplicate the statutory authority of each health care licensing board, including the Board of Pharmacy.

DOH notes the following:

Although HB277 does provide some time limits for certain steps, if these meetings can be separate, the actual timeline to address the request may not match legislator expectations. For example, if during an initial public meeting the proposal is presented and initially evaluated, and then at a later (not necessarily next) public meeting the boards and advocates provide input, and at a later (not necessarily next) public meeting a decision is provided, triggering the 30 days to complete the report, then it may be at least five months from time of receipt to the release of the final report. The timeline may need to be clearer to ensure complying with the intent of the legislator.

DOH recommends adding certified nurse midwives and licensed midwives as health care professionals.