

LFC Requestor: Harry Rommel

**2026 LEGISLATIVE SESSION
AGENCY BILL ANALYSIS**

Section I: General

Chamber: Senate

Category: Bill

Number: 2525

Type: Introduced

Date (of THIS analysis): 01/20/2026

Sponsor(s): Linda M. Trujillo, Katy Duhigg, Nicole Tobiassen, Pamelya Herndon, Marian Matthews

Short Title: Interstates Medical Licensure Compact

Reviewing Agency: Agency 665 - Department of Health

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Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or Nonrecurring	Fund Affected
FY 26	FY 27		
\$ 0.00	\$ 0.00	N/A	N/A

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY 26	FY 27	FY 28		
\$ 0.00	\$ 0.00	\$ 0.00	N/A	N/A

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 26	FY 27	FY 28	3 Year Total Cost	Recurring or Non- recurring	Fund Affected
Total	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00	N/A	N/A

Section III: Relationship to other legislation

Duplicates: None

Conflicts with: None

Companion to: None

Relates to: None

Duplicates/Relates to an Appropriation in the General Appropriation Act: None

Section IV: Narrative

1. BILL SUMMARY

a) Synopsis

SB 2525 proposes to enact the Interstate Medical Licensure Compact Act which would allow New Mexico to join 42 other states, the District of Columbia, and Guam as a member of the Interstate Medical Licensure Compact. This is an agreement among participating states, territories, and the District of Columbia that allows physicians to apply for licensure in multiple jurisdictions through a single, expedited application process ([Physician License | Interstate Medical Licensure Compact](#))

- Section 1 Identifies Bill as “Interstate Medical Licensure Compact”
- Section 2 Enters New Mexico into the Interstate compact agreement and creates definitions and articles of interstate compact.
- Section 3 Adds a new section to the Medical Practice Act to prohibit requiring participation as a condition of employment
- Section 4 Adds a new section to the Medical Practice Act to address interstates medical licensure compact commissioners.
- Section 5 adds a new section of the Medical Practice Act to address Board Obligations
- Section 6 adds a new section of the Medical Practice Act related to investigations
- Section 7 Contingent Repeal

Is this an amendment or substitution? ☐ Yes ☒ No

Is there an emergency clause? ☐ Yes ☒ No

b) Significant Issues

The U.S. Bureau of Labor Statistics estimates the number of licensed occupations in the U.S. has risen from five percent of the workforce in the 1950s to approximately twenty-

five percent of today's workforce. This creates more administrative work for states and, in addition, presents significant challenges for workers who have to navigate the various state licensing requirements, rules, regulations and fee structures ([Compact-Resource-Guide-1-1.pdf](#)).

According to the 2025 annual report published by the New Mexico Health Care Workforce Committee, New Mexico continues to fall below acceptable benchmarks for the number of physicians needed ([Searching: UNM Digital Repository](#)). Data from 2021 (the most recent year data was available) across four specialty areas are as follows:

- Primary Care Providers: 334 physicians below benchmark
- Obstetrics/Gynecologists: 59 physicians below benchmark
- General Surgeons: 10 physicians below benchmark
- Psychiatrists: 119 below benchmark

Interstate compacts do several important things, including: 1.) Establish a formal, legal relationship among states to address common problems or promote a common agenda; 2.) Create independent, multistate, governmental authorities (such as commissions) that can address issues more effectively than a state agency acting independently could or when no state has the authority to act unilaterally, or beyond its border; 3.) Establish uniform guidelines, standards, or procedures for agencies in the compact's member states; and 4.) Assist states in developing and enforcing stringent standards, while providing an adaptive structure that, under a modern compact framework, can evolve to meet new and increased demands over time ([Compact-Resource-Guide-1-1.pdf](#)).

The US Health Resources and Services Administration (HRSA) provides additional data regarding the shortage of physicians – the Health Professional Shortage Area (HPSA). An area is designated as an HPSA if there are 3,500 or more patients for every one provider. In New Mexico, 21 of the 33 counties are either entirely or partially in a HPSA for primary care ([Map of Health Professional Shortage Areas: Primary Care, Geographic, by County, October 2025 - Rural Health Information Hub](#)).

Participation in the Compact will likely help reverse these shortages. In fact, recent research indicates the Compact has resulted in an increase in out-of-state practices for physicians whose primary jurisdiction (that designated by the physician as their jurisdiction of principal licensure) participates in the Compact. This same research indicates the Compact increased the number of jurisdictions in which physicians practiced (<https://imlcc.com/wp-content/uploads/2023/11/Access-to-Care-and-Physician-Practice-Growth-Dr-Deyo-Ghosh-and-Plemmons-11-2023.pdf>).

Furthermore, during emergency responses and medical surge New Mexico and healthcare entities within the state must go through an emergency licensure process delaying when the physician can practice within the state and in some instances causing a physician to decline deployment to New Mexico.

It is worth noting that jurisdictions participating in the Compact retain authority to issue licenses, initiate investigations, and take disciplinary actions against physicians licensed in their jurisdictions. Additionally, physicians are obligated to practice medicine in accordance with the medical practice act and all applicable laws and rules of the jurisdiction they are licensed in and must comply with all continuing medical education requirements in that jurisdiction.

Forty other states are members of the Interstate Medical Licensure Compact. Additional information can be found here: [Compact State Map | Interstate Medical Licensure Compact](#).

2. PERFORMANCE IMPLICATIONS

- Does this bill impact the current delivery of NMDOH services or operations?

☒ Yes ☐ No

If yes, describe how.

Participation in the interstate medical compact will most likely lead to an increase in the number of medical providers in the state. This will enable NMDOH to more readily link individuals to care, and recruit physicians to provide care through NMDOH public health offices located throughout the state.

- Is this proposal related to the NMDOH Strategic Plan? ☒ Yes ☐ No

One of the primary goals of NMDOH is to improve access to healthcare. Having additional providers in the state would help the overall medical system and improve referral networks for all people in New Mexico.

3. FISCAL IMPLICATIONS

- If there is an appropriation, is it included in the Executive Budget Request?

☐ Yes ☒ No ☐ N/A

- If there is an appropriation, is it included in the LFC Budget Request?

☐ Yes ☒ No ☐ N/A

- Does this bill have a fiscal impact on NMDOH? ☐ Yes ☒ No

4. ADMINISTRATIVE IMPLICATIONS

Will this bill have an administrative impact on NMDOH? ☐ Yes ☒ No

5. DUPLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP

None

6. TECHNICAL ISSUES

Are there technical issues with the bill? ☐ Yes ☒ No

7. LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES)

- Will administrative rules need to be updated or new rules written? ☐ Yes ☒ No
- Have there been changes in federal/state/local laws and regulations that make this legislation necessary (or unnecessary)? ☐ Yes ☒ No
- Does this bill conflict with federal grant requirements or associated regulations?
☐ Yes ☒ No

- Are there any legal problems or conflicts with existing laws, regulations, policies, or programs? ☐ Yes ☒ No

None

8. DISPARITIES ISSUES

Rural areas such as much of New Mexico face disparities in health care access. The impact of compacts on rural healthcare in other states has been particularly significant. Communities that previously struggled to attract specialists can now access care through a combination of telemedicine and periodic in-person visits from doctors licensed through the compact ([The Impact of Interstate Medical Licensure Compact on Multi-State Credentialing | Medwave](#)).

9. HEALTH IMPACT(S)

Medical licensing compacts provide physicians with the capacity to apply for and secure separate licenses for each state they wish to practice in, using a single application within the compact. This leads to time, cost, and effort savings, as opposed to the traditional licensing process that necessitates separate license applications for each state ([Medical Licensing Compacts 101: Guide for Healthcare Providers](#)) and may help encourage medical professionals to work in NM which could improve access to healthcare.

Medical licensing compacts empower physicians to deliver telehealth and virtual care services to patients across state lines, subject to each state's practice laws. This enhances healthcare access, especially for underserved or rural areas patients who may struggle to locate or reach a local provider ([Medical Licensing Compacts 101: Guide for Healthcare Providers](#))

Medical licensing compacts allow physicians to promptly and effectively respond to emergencies and disasters occurring in other states, without needing an additional license for that state. This can save lives and alleviate suffering by delivering timely and sufficient medical care to victims of natural disasters, pandemics, terrorist attacks, or mass shootings ([Medical Licensing Compacts 101: Guide for Healthcare Providers](#))

10. ALTERNATIVES

None

11. WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

If SB2525 is not enacted, NM would not enter into the Interstate Medical Licensure Compact; the appointment of New Mexico Compact Commissioners, as well as requiring the public posting of interstate commission bylaws, rules, documents and minutes, would not take place; new sections of the medical practice act would not be created; and there would be no provision for a contingent repeal of the Interstate Medical Licensure Compact. New Mexico would miss an opportunity to alleviate provider shortages and expand access to health care statewide.

12. AMENDMENTS

None