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FISCAL IMPACT REPORT

BILL NUMBER: House Bill 13

SHORT TITLE: Occupational Therapy Licensure Compact

SPONSOR: Thomson

LAST ORIGINAL
UPDATE: _____ **DATE:** 1/20/2026 **ANALYST:** Hanika-Ortiz

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
RLD/ Board of Examiners for Occupational Therapy Total	No fiscal impact	Up to \$75.0	Indeterminate but minimal	\$75.0	Nonrecurring	Other state funds
	No fiscal impact	Indeterminate but minimal	Indeterminate but minimal	Indeterminate but minimal	Recurring	Other state funds

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to House Bills 10, 11, 12, 14, 31, 32, 33, 44, 45, 50

Sources of Information

LFC Files

Because of the short timeframe between the introduction of this bill and its first hearing, LFC has yet to receive analysis from state, education, or judicial agencies. This analysis could be updated if that analysis is received.

SUMMARY

Synopsis of House Bill 13

House Bill 13 (HB13) enters New Mexico into the Occupational Therapy Licensure Interstate Compact (OT compact) to facilitate the practice of occupational therapy (OT) across state lines while preserving the state's regulatory authority. Sections 1 and 2 cite the purpose which includes increasing access to OT, enhancing the exchange of licensure and disciplinary information among states, and facilitating telehealth technology to increase access to OT services. Section 3 defines terms, among them "compact privilege", which is authorization granted by a remote state to an OT or OT assistant to practice under that state's laws. "Telehealth" is the use of technology to deliver OT services for assessment, intervention, and consultation.

Section 4 lays out requirements for state participation in the OT Compact, including using the OT Compact commission's data system, notifying the commission of adverse actions regarding a

licensee, having procedures to obtain biometric-based information to obtain an applicant's criminal history record, using a recognized exam for licensure, and requiring a continuing education requirement for renewal. The OT compact does not affect a state's ability to issue a single-state license.

Section 5 includes requirements for licensees seeking OT compact privileges, including agreeing to a background check and paying fees. The section also requires an OT assistant practicing in a remote state to be supervised by an OT with an OT compact privilege in that remote state. Section 6 explains that home state licenses, which allow for privileges in member states, may be held in only one member state at a time, and provides guidance for moving between states. Section 7 requires active-duty military personnel to designate a home state where the individual holds a current license in good standing and provides guidance for changing one's home state. Section 8 sets forth criteria and authority with which home and remote states may impose adverse actions against a licensee. Section 9 recognizes the multi-state commission, allows for one delegate from each member state, and outlines duties of the commission.

Section 10 addresses qualified immunity and the defense and indemnification of commission members, officers, employees, and representatives, provided an act is not malicious or illegal. The last sections address requirements for a data system that include using a unique identifier when submitting data to the OT compact (Section 11), rulemaking requirements of the commission (Section 12), oversight, dispute resolution and enforcement related to disagreements among member states (Section 13), procedures for withdrawing from the OT compact (Section 14), construction and severability (Section 15), and binding effect of the OT compact (Section 16).

Finally, Section 17 amends powers and duties for the OT board (Chapter 61 Article 12A of state statute) that include proposing procedures, forms, and the manner for submitting fingerprints for criminal history reports for the purpose of evaluating qualification for licensure. The section also requires an applicant, as a condition of licensure, to submit fingerprints to the Department of Public Safety to obtain their criminal history.

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 OT Compact is expected to increase the number of licensed practitioners in New Mexico. States may charge an administrative fee for allowing a licensee with OT compact privileges to practice in their state. Costs that the board may incur include possible fee assessments for member states that may be determined later by the commission to help cover its annual expenses.

LFC scores the costs to implement changes to the Regulation and Licensing Department's NM Plus licensing system in order to integrate with the commission's database at \$75 thousand in FY27. There will also be one-time expenses related to rulemaking and recurring expenses for facilitating licenses, serving on the commission, and taking adverse action against a licensee.

SIGNIFICANT ISSUES

The OT compact allows licensed OTs and OT assistants to practice in any state that participates in the OT compact. This means that these practitioners would no longer need to get a license in each state where they want to obtain practicing privileges. This bill will positively impact veterans by providing means to have more licensed professionals to provide specialized services to veterans.

PERFORMANCE IMPLICATIONS

The OT Compact is similar to all the other workforce compacts being considered this legislative session in that they preserve state authority over scope of practice and disciplinary proceedings.

To participate under the compact, this bill cannot be materially altered.

ADMINISTRATIVE IMPLICATIONS

An administrative rulemaking process, including a public hearing and required publication of notices and proposed rules, would also be required. RLD may need to help absorb these costs.

The administrative staff that support the board will require training on how to report and obtain licensing and disciplinary action information using the OT Compact's shared data system.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

In addition to HB13, the Legislature is also considering other workforce compacts:

House Bill 10 Physician Assistant Interstate Compact
House Bill 11 Audiology and Speech-Language Pathology Compact
House Bill 12 Physical Therapy Compact
House Bill 14 Dentist and Dental Hygienist Compact
House Bill 31 EMS Personnel Licensure Interstate Compact
House Bill 32 Counseling Licensure Compact
House Bill 33 Psychology Interjurisdictional Compact
House Bill 44 Dentist and Dental Hygienist Compact
House Bill 45 Physician Assistant Licensure Compact
House Bill 50 Social Work Licensure Interstate Compact

OTHER SUBSTANTIVE ISSUES

OTs work with children with developmental delays and adults with conditions that make daily activities more difficult.

There are 32 states in the OT compact. However, even in enacted states, compact privileges are not automatic; each state must complete technical onboarding with the compact's data system.