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FISCAL IMPACT REPORT

BILL NUMBER: House Bill 44

SHORT TITLE: Dentist & Dental Hygienist Compact

SPONSOR: Armstrong

LAST UPDATE: 1/21/2026 **ORIGINAL DATE:** 01/21/2026 **ANALYST:** Hanika-Ortiz/Chilton

REVENUE* (dollars in thousands)

Type	FY26	FY27	FY28	FY29	Recurring or Nonrecurring	Fund Affected
RLD – licensing fees	Indeterminate but minimal gain	Recurring	Dental health care fund			

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
RLD – Dental Board	\$70.0	At least \$8.0	At least \$8.0	At least \$86.0	Recurring	Dental health care fund

Related: House Bills 10, 11, 12, 13, 14 and 32.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis
Regulation and Licensing Department (RLD)
Health Care Authority (HCA)

SUMMARY

Synopsis of House Bill 44

House Bill 44 (HB44) enters New Mexico in the Dentist and Dental Hygienist Interstate Compact to allow out-of-state, compact-licensed dentists and dental hygienists (“dental professionals”) to practice in New Mexico and similarly allows New Mexico dental professionals to practice in other participating states. The compact streamlines the process to practice across state lines, while ensuring public safety through cooperative state regulations.

House Bill 14 also amends the Dental Health Care Act to provide for state and federal criminal

history background checks.

To participate, a state must enact the model compact, participate in the Compact Commission data system, have a system for receiving and investigating complaints, notify the commission of any adverse actions against a licensee, and implement criminal background check requirements. To obtain a compact license, professionals must have an unrestricted license, pay state and compact fees, pass a national exam, meet educational and clinical requirements, report any adverse actions in nonparticipating states, and be subject to the participating state's regulatory authority, including scope of practice.

States retain authority to impose disciplinary actions to share among states. The commission will oversee the compact and manage the data system to track licenses and disciplinary actions. The remaining sections of the model compact language addresses rulemaking, disputes with and between states, enactment and withdrawal, construction and severability, and the binding effect of the compact. The compact becomes effective when enacted by the seventh state. States can withdraw by repealing the compact, with a 180-day waiting period before the repeal is effective.

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

FISCAL IMPLICATIONS

Although it expresses uncertainty due to the Dental Compact not yet being operational, the Regulation and Licensing Department (RLD) states that updates to its NM Plus online licensing system and connection to the compact's system would cost about \$70 thousand. RLD believed it could absorb the costs for the rulemaking and other administrative processes. RLD noted the Dental Health Care Board would incur travel expenses for serving on the commission. If the board is responsible for these costs, the potential expenses are estimated to be \$8,000 per year in FY26 and future years. The board may also incur costs related to disciplinary actions.

To cover operating costs, the Compact Commission may levy fees on participating states and licensees seeking compact licenses. That amount will be assessed by the commission, which is composed of one appointed commissioner from each member state. The commission will also need to ensure participating states know how to use the data system to monitor licensees and disciplinary actions.

The board may adjust licensing fees for accepting a compact licensee to cover participation in the Compact. The board states that it currently has 743 out-of-state practitioners, which generate \$95,243 annually.

SIGNIFICANT ISSUES

It is not clear if the board has the statutory authority to "fully implement" the criminal background requirements in the bill, which is necessary for state participation in the compact.

The Health Care Authority (HCA) states that the legislation may help increase the number of dentists and dental hygienists available to patients with Medicaid in New Mexico, improving access to care, especially in underserved areas. The compact ensures that dentists and dental

hygienists meet consistent licensure standards across participating states, which could lead to improved quality of care for patients covered by Medicaid.

However, HCA in 2025 cautioned that an unintended consequence of the bill may be to incentivize New Mexico-based dentists and dental hygienists to seek employment in other compact states, especially if wages and working conditions are perceived to be more favorable than New Mexico.

PERFORMANCE IMPLICATIONS

RLD noted that states must adopt the compact in its entirety without substantive changes.

ADMINISTRATIVE IMPLICATIONS

RLD is the state's governing authority over the practice of dentistry and dental hygiene. The dental board under the RLD said licensure portability is important to younger professionals, which is why it offers expedited licensure. The compact will also allow active-duty military personnel and spouses to obtain a compact privilege, based on an unrestricted license from any one participating state.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Duplicate of 2025 House Bill 441 and of 2026 House Bill 14. Other 2026 legislation enacting model interstate licensing compacts, includes:

- House Bills 10 and 45, Physician Assistant Interstate Compact
- House Bill 11, Audiology & Speech-Language Pathology Compact
- House Bill 13, Occupational Therapy Compact
- House Bill 12, Physical Therapy Licensure Compact
- House Bill 32, Counseling Compact
- Senate Bill 1, Interstate Medical Licensure Compact

OTHER SUBSTANTIVE ISSUES

The compact was developed through a partnership between the Council of State Governments, the Department of Defense, the American Dental Association, and the American Dental Hygienists' Association. According to the website <https://ddhcompact.org/>, 12 states have enacted legislation to adopt the compact, (only seven were needed), and 7 additional states, including New Mexico, have legislation pending and compact privileges have not yet been issued.

The state dental board in 2025 raised concerns with whether enough dentists sit on the Compact Commission, how remote states take adverse action and conduct joint investigations, how much the commission will levy states for staff and operations, and how the database functions, including for monitoring a licensee, license applicant, or whether any adverse actions have been taken.