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FISCAL IMPACT REPORT

BILL NUMBER: Senate Bill 1

SHORT TITLE: Interstate Medical Licensure Compact

Sens. Trujillo/ Duhigg/ Tobiassen and Reps. Herndon/ Matthews

Cosponsors: Sens. Campos/ Jaramillo/ Nava/ Berghmans/Stewart/Figueroa/

SPONSOR: Wirth/ Stefanics/ Padilla

LAST UPDATE: 1/20/2026 **ORIGINAL DATE:** 1/20/2026 **ANALYST:** Rommel/Chilton

REVENUE* (dollars in thousands)

Type	FY26	FY27	FY28	FY29	FY30	Recurring or Nonrecurring	Fund Affected
Fee		\$53.0 to \$79.0	\$53.0 to \$79.0	\$53.0 to \$79.0	\$53.0 to \$79.0	Recurring	Other State Funds

Parentheses indicate revenue decreases.

*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
Medical Board	No fiscal impact	\$160.0	\$160.0	\$320.0	Recurring	Other state funds
Medical Board	No fiscal impact	\$300.0	No fiscal impact	\$300.0	Nonrecurring	Other state funds
Total	No fiscal impact	\$460.0	\$160.0	\$620.0	Choose an item.	Other state funds

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

New Mexico Medical Board

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

SUMMARY

Synopsis of Senate Bill 1

Senate Bill 1 (SB1) enables New Mexico to join an interstate medical licensing compact, adopting its rules and bylaws. This would increase allopathic or osteopathic physicians' ability to achieve

an expedited license to practice in New Mexico if they already held a license in another compact state. The bill would commit New Mexico to join with other states in the compact. It uses standard compact language used by each of the states that are party to the compact. The compact allows a second pathway to licensure alongside, but not replacing, the current New Mexico licensing methodology. In this second pathway, the locus of medical care being delivered is defined as the physician's location and, thus, under the control of the home state's medical board, although New Mexico's board could also discipline physicians independently.

The bill defines physician (to be licensed) as having passed required tests, having allopathic or osteopathic training, having completed an approved residency, being licensed by a state board among the compact states, and having no convictions or state disciplinary actions related to a licensing board or controlled substances license for any offense. SB1 mandates use of a common data system to identify public actions or complaints for access by compact states in which the physician is licensed and for identification of nonpublic complaints or actions at another compact's request. It allows for joint investigations of any allegations against a compact member-state physician and clarifies that findings of these investigations will subject a disciplined physician to actions by other compact states. If the state of primary licensure removes the licensure in that state, other states' licenses will be removed without other necessary actions; if a state other than the state of primary licensure disciplines a physician, other compact states may impose the same or lesser consequences on the physician or pursue a separate action.

Under SB1, an Interstate Medical Licensure Compact Commission would administer the compact overall—two members would be appointed from each compact state, one an allopathic and one an osteopathic physician. It would meet at least once per year, either in person or electronically, and give public notice of meetings (open to the public except for personnel matters and those relating to investigations of individuals). The duties of the commission include:

- Overseeing compact administration,
- Promulgating rules for the compact,
- Issuing advisory opinions to member states regarding the compact,
- Enforcing compact rules,
- Paying expenses, purchasing insurance and bonds, establishing a budget,
- Employing an executive director,
- Establishing personnel policies, a seal and bylaws; maintaining records,
- Accepting donations and grants,
- Leasing or purchasing needed property or selling property,
- Reporting audit results and other information annually to each legislature,
- Coordinating education and training regarding the compact;
- Seeking patents, trademarks, and copyrights.

The bill provides procedures for dealing with a state that has defaulted on its obligations, with remedies including terminating the participation in the compact.

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 New Mexico Medical Board (NMMB) projects that SB1 would increase the total number of

physician license applications by 10 to 15 percent, in line with the average rate of increase experienced by other states that have joined the compact. This would translate to a revenue of \$53 to \$79 thousand. The board has indicated it will require an additional position to administer the compact, estimated at \$160 thousand annually. Nonrecurring costs to establish the compact are estimated at \$300 thousand. NMMB receives fee revenues appropriated as other state funds.

The Medical Board provided the following estimate of costs:

Cost Category	Estimate
IT & Licensing – System Integration	\$200,000 (first year, non-recurring)
• Configure state licensing system to identify and track IMLC-origin licenses	\$25,000 (recurring)
• API integration with IMLCC's Coordinated Information System (CIS)	
• Modify online workflows	
Credentialing Operations & Compliance	
• Issue LOQs/full licenses	\$130,000 (recurring)
• Ongoing administration	
Rulemaking / Legal Services	\$100,000 (first year, nonrecurring)
Commissioner Participation & Travel	\$5,000 (recurring)

Total Recurring: \$160,000

Total Nonrecurring: \$300,000

SIGNIFICANT ISSUES

According to the Interstate Medical Licensure Compact's website:

To participate in the Compact, a state's legislature must introduce and enact a bill authorizing the state to join. The language of the compact must be consistent in each state that joins. States participating in the Compact make an affirmative and informed choice to accept the Compact's terms—made possible by the formal legislation, adopted and signed into law.¹

NMMB notes:

Physicians licensed in New Mexico through the compact will have to obtain New Mexico medical licenses and be subject to the New Mexico Medical Practice Act. New Mexico will not surrender any authority to issue and regulate licensed physicians. The goal of joining the compact is to expand access to care by streamlining the licensing process for

¹ <https://imlcc.com/>

physicians and facilitate multi-state practice and telemedicine, which would benefit both physicians and patients in New Mexico.

States that participate in the compact see a significant increase in physician licensure in their state, which we anticipate would occur in New Mexico. The compact would not supersede New Mexico's autonomy and control over the practice of medicine. New Mexico would maintain control through a coordinated legislative and administrative process. The practice of medicine is defined in the compact as where the patient is located, not where the physician is located. As such, all initial disciplinary actions will be handled by the board of the state where the patient is located, which is the same as handled by NMMB currently.

Additionally, the compact creates a Compact Commission that is comprised of two representatives of each member state. The commission essentially serves as an administrative clearinghouse of licensing and disciplinary information between participating states. The commission does not have regulatory control over physicians or the practice of medicine and will not issue licenses or revoke licenses. Its only charge is to facilitate interstate cooperation and the transfer of information between member states.

ADMINISTRATIVE IMPLICATIONS

NMMB indicates it will require an additional position to administer the compact.

TECHNICAL ISSUES

The bill does not include an effective date. If signed into law, the legislation would go into effect 90 days after the Legislature adjourns. However, according to Section 2, Article 18, the bill proposes that the compact shall become effective and binding on legislative enactment.

OTHER SUBSTANTIVE ISSUES

New Mexico faces a critical, chronic physician shortage across the disciplines. By 2030, New Mexico is projected to be short more than 2,100 physicians, including over 300 primary care providers. 32 of 33 counties in the state are classified as a health professional shortage area. In December 2025, there were over 1,300 online physician job postings according to data from the Workforce Solutions Department.

The Interstate Medical Licensure Compact will reduce the administrative burden and the time required to become licensed in New Mexico, which could increase available physicians. Access to a primary care provider who can see a person within a day or two reduces the number of people seeking more routine medical care in emergency departments and can reduce costs for uncompensated care. In addition, by providing routine care and follow-up on chronic conditions, primary care providers reduce the need to seek emergency treatment for diseases that can be controlled through routine care.