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FISCAL IMPACT REPORT

BILL NUMBER: HJCS/House Bill 10/aSHPAC

SHORT TITLE: Physician Assistant Interstate Compact

SPONSOR: House Judiciary Committee

LAST UPDATE: 2/17/2026 **ORIGINAL 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
NM Medical Board	No fiscal impact	Indeterminate but minimal	Indeterminate but minimal		Recurring	Other state funds
NM Medical Board	No fiscal impact	Up to \$75.0	Indeterminate but minimal		Nonrecurring	Other state funds

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Duplicates House Bill 45

Relates to House Bills 11, 12, 13, 14, 31, 32, 33, 44 and 50

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

New Mexico Medical Board

Regulation and Licensing Department

Health Care Authority

Department of Health

SUMMARY

Synopsis of SHPAC Amendment to HJC Substitute for House Bill 10

The Senate Health and Public Affairs Committee amendment to House Judiciary Committee substitute for House Bill 10 strikes language that would have required lawsuits involving the commission to be filed only in the state where the commission’s main office is located. The amendment also clarifies who receives immunity, by limiting coverage to officers and employees, and who receives indemnification coverage, by limiting it to the executive director and staff. No longer explicit is immunity and indemnification coverage for state delegates.

The change preserves the state’s judicial authority which avoids out-of-state litigation. In addition, instead of a broad group, the commission will defend and indemnify its core staff. This might reflect favorably for the commission’s budget, which may mean lower state assessments. State delegates are likely already covered due to protections when acting in an official capacity.

Synopsis of HJC Substitute for House Bill 10

The House Judiciary Committee substitute for House Bill 10 (HB10/HJCS) enters New Mexico into the Physician Assistant Licensure Compact, facilitating the ability of physician assistants (PA) to practice in other states by virtue of their home state license, through a separate compact privilege. PAs using a compact privilege must adhere to the laws and regulations of the remote state in which they are practicing. To participate in the compact, a state must include a criminal background check for PA licensing, participate in the compact commission's shared data system, require an applicant to first obtain a home license, grant compact privileges to licensees with an unencumbered license in another member state, use a nationally recognized examination, and notify the commission of any adverse actions against a license. Member states maintain the authority to discipline a licensee, and the compact authorizes joint state investigations.

The compact commission would serve as the national administrative body. The compact grants qualified immunity to the commission, unless an act is willful or wanton misconduct. Member states may charge a fee for granting a compact license. The compact requires each state to select a delegate to participate in annual compact commission meetings. The commission may impose a state assessment or fee to cover staff and operations and would be responsible for maintaining a coordinated data and reporting system. The rest of HB10/HJCS addresses rulemaking authority, disputes, and severability in case a state finds a provision unconstitutional, and binding effect, which in essence says that compact rules and obligations are legally binding for member states.

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), which regulates PA practices for New Mexico, would be required to recognize PA licenses issued by other participating compact states, which may have different scope of practice acts and operate under different practice models.

Member states participating in the compact have the ability to assess and retain fees for PAs applying for a compact privilege. Fees issued under the compact need to be sufficient to cover the additional burden for NMMB. The commission also has the authorization to generate revenue from a compact administrative fee, to be collected by states but transmitted to the commission.

NMMB would incur travel expenses for its delegate to attend annual commission meetings.

NMMB will also incur costs related to integrating its licensing database with the compact commission's shared data system with states. This database contains confidential licensure, adverse action, and investigative information on all licensed individuals in member states.

SIGNIFICANT ISSUES

The substitute bill added several New Mexico-specific provisions that (1) do not allow employers to require compact licensure as a condition of employment, (2) set conduct rules for its state delegate, (3) require informational postings from NMMB, (4) allow the state to participate in joint investigations but prohibits investigative subpoenas that conflict with New

Mexico’s Reproductive and Gender-Affirming Health Care Protection Act, (5) authorize NMMB to require fingerprint-based back ground checks, and (6) automatically pulls New Mexico out of the compact if the commission makes changes that affect New Mexico’s practice laws for PAs.

Any PA practicing under a compact privilege remains fully subject to the regulatory authority and discipline jurisdiction of the state in which they are practicing.

NMMB says the compact removes barriers that limit PA mobility, helping to expand access to healthcare, particularly for rural and underserved areas. Many healthcare facilities are struggling to recruit and retain PAs, including traveling PAs that temporarily cover for NM’s overworked physicians. NMMB also commented on barriers PAs face when they travel. The compact allows PAs to forgo the need to obtain an individual license from each state they choose to practice.

ADMINISTRATIVE IMPLICATIONS

Once legislation becomes law, states must complete rulemaking, systems integration, and administrative preparations before compact privileges can be issued to out-of-state PAs. According to pacompact.org, 19 states have joined but none are ready yet to issue privileges.

An administrative rulemaking process, including public hearing and required publication of notices and proposed rules is required. The NMMB may need to absorb these costs at first. The administrative staff who support NMMB would also require training on how to lawfully report and obtain licensing and disciplinary action information using the compact data system.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

In addition to HB10, the Legislature is also considering other workforce compacts:

- House Bill 11 Audiology and Speech-Language Pathology Compact
- House Bill 12 Physical Therapy Licensure Compact
- House Bill 13 Occupational Therapy Licensure 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

According to the American Academy of Physician Assistants, 62 percent of PAs in New Mexico are working in medical specialties and 28 percent in primary care. PA practice acts vary by state, and some practice acts allow PAs to practice independently. New Mexico is not one of those.

The Department of Health (DOH) cited the 2025 New Mexico Health Care Workforce Committee report, which found New Mexico was 284 PAs below national benchmarks.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

States that adopted interstate licensure compacts for doctors, physician assistants, psychologists and emergency medical services personnel were told they'd score higher in the competitive portion of the federal Rural Health Transformation program. New Mexico was awarded \$211.5 million per year for five years. If the state does not follow through with joining these four compacts, New Mexico could lose out on hundreds of millions of dollars of future year funding.

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