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## FISCAL IMPACT REPORT

**BILL NUMBER:** CS/House Bill 14/HJCS/aSHPAC

**SHORT TITLE:** Dentist & Dental Hygienist Compact

**SPONSOR:** House Judiciary Committee

**LAST ORIGINAL**  
**UPDATE:** 02/18/2026      **DATE:** 01/20/2026      **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			

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
RLD – Dental Board	\$70.0	At least \$8.0	At least \$8.0	At least \$86.0	Recurring	Dental health care fund

Parentheses indicate revenue decreases.

\*Amounts reflect most recent analysis of this legislation.

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

### Sources of Information

LFC Files

Agency or Agencies Providing Analysis Regarding the Original Bill

Regulation and Licensing Department

Health Care Authority

Neither agency has had the opportunity to comment on the committee substitute or the amendment.

## SUMMARY

### Synopsis of the SHPAC Amendment to HJC Substitute for House Bill 14

The Senate Health and Public Affairs Committee Amendment to the HJC Substitute to House Bill 14 changes the part of the bill dealing with commission members’, officers’ and employees’ liability and the commission’s liability for its acts and errors. The commission members, officers and employees will not be liable for acting within the scope of their duties or when the person believed he/she was acting within the scope of duties in the state in which he or she was employed. Liability for the commission is limited to the limits of liability under the laws and constitution of the state (in this case, New Mexico). The commission would defend, indemnify,

and hold harmless any of its employees for actions within or reasonably believed to be within the scope of an employee's position and "not due to intentional and willful misconduct."

Venue for any judicial proceedings could be in courts where the commission is located or in New Mexico federal courts.

With respect to litigation regarding a state's defaulting, the commission may choose between the US district court for the District of Columbia or a federal court in New Mexico. Likewise if the participating state (New Mexico) were pursuing legal action against the commission, it could be brought in the District of Columbia district court, New Mexico's district court, or a district court in the district where the commission has its offices.

In Section 8 of the bill, the attorney general would have standing to pursue appeals in the case that a dentist or dental hygienist's scope of practice was changed by the commission or where the definition of unprofessional conduct was changed in a way that conflicted with the Dental Health Care Act.

### **Synopsis of the HJC Substitute for House Bill 14**

The House Judiciary Committee substitute for House Bill 14 (HB14/HJCS) enacts 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 allow 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.

A change in the substitute bill adds a limitation on the state's liability:

The liability of the commission within any member state shall not exceed the limits of liability set forth under constitution and laws of that state for state officials, employees and agents. The commission is considered to be an instrumentality of the states for the purpose of any such action.

The substitute also adds clause H to Article 7 of the compact, which states:

All information provided to the commission or distributed by member boards shall be confidential, filed under seal and used only for investigatory or disciplinary matters, provided that information submitted to the New Mexico board of dental health care is subject to the confidentiality and transparency requirements imposed by New Mexico law or court order.”

Another change in the substitute adds district courts in New Mexico to the courts of the District Columbia and the states where the compact’s office is situated in which an action could be taken against this state or where the state could take action against the compact commission.

A new subsection 13 of the bill regulates conflict between the commission’s policies and regulations and state law. New material added to New Mexico’s Dental Health Care Act includes a prohibition on a dentist or dental hygienist’s employer requiring they subscribe to the interstate compact. The New Mexico representative to the board is to insist on reasons for any closed board meeting and to insist on there being complete meeting minutes. Another addition states that New Mexico may enter into joint investigations with other member states as needed.

The bill also adds to the Dental Care Act, Section 61-5A-10 NMSA 1978, which deals with powers of the Dental Board, the power to regulate the fingerprinting of board and compact applicants.

A new Section 8 would repeal section 1 through 6 of the bill if a court found inconsistency between the commission’s action and New Mexico state law regarding dental scope of practice or the definition of unprofessional conduct. New Mexico’s withdrawal from the compact in that case would be immediate. If this occurred, the Dental Board would notify the director of the legislative council service and the executive director of the New Mexico compilation commission.

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

Article 2, Section 1, of the compact language (which is part of both the original bill and the amended substitute) requires that states “*enact a compact that is not materially different from the model compact as determined in accordance with commission rules.*” It is not clear that the amended and substituted bill would be satisfactory to the Dental Commission. It is also not clear if the commission board has the statutory authority to “fully implement” the criminal background requirements in the bill, which is said to be necessary for state participation in the compact.

The National Center for Interstate Compacts, Council of State Governments, in coordination with the compact commission’s legal counsel, has determined the substitute bill substantially deviates from the compact model legislation, which would jeopardize and prevent the state’s entry into the compact. The center states the determination also applies the legislation on the Audiology and Speech-Language Compact (HB11), Counseling Compact (HB32), Social Work Licensure Interstate Compact (HB50), Occupational Therapy Licensure Compact (HB13), and Physician Assistant Interstate Compact (HB10).

The Health Care Authority (HCA) states 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.

## 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 44. 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.

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