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FISCAL IMPACT REPORT

SPONSOR <u>Sariñana/Torres-Velásquez</u>	LAST UPDATED _____
	ORIGINAL DATE <u>2/28/25</u>
	BILL
SHORT TITLE <u>Interstate Teacher Mobility Compact</u>	NUMBER <u>House Bill 110</u>
	ANALYST <u>Mabe</u>

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
PED OpBud		\$0 to \$200.0	\$0 to \$200.0	\$0 to \$400.0	Recurring	General Fund
Compact Membership Fees			\$6.0	\$6.0	Recurring	General Fund
Total		\$0 to \$200.0	\$0 to \$206.0	\$0 to \$406.0		

Parentheses () indicate expenditure decreases.
*Amounts reflect most recent analysis of this legislation.

Relates to House Bills 79, 81, 82, 156, 217, 243, 412, 413 and 441 and Senate Bills 46, 104, 105, 106 and 433

Sources of Information

LFC Files
Council of State Governments (CSG)

Agency Analysis Received From
Regional Education Cooperatives (REC)
Public Education Department (PED)

Agency Analysis was Solicited but Not Received From
Office of Military Base Planning and Support (OMBPS)
Public Schools Insurance Authority (PSIA)
Department of Finance and Administration (DFA)

SUMMARY

Synopsis of House Bill 110

House Bill 110 would create the Interstate Teacher Mobility Compact (ITMC) in New Mexico, allowing licensed teachers in compact states to obtain licensure more easily when moving across state lines. It also details administration through a joint interstate 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 June 20, 2025.

The compact requires PED to compile a list of eligible licenses for consideration and the level of licensure each applicant may attain. Applicants are required to have unencumbered licenses, meaning a license that is not suspended, revoked, or subject to probation or conditions, except for active military members and their spouses who can receive a license even if their license is encumbered.

The compact also creates the ITMC Commission to oversee the compact's administration. It sets guidelines for meetings, powers, duties, and members. Each state gets one delegate to the commission, the education secretary or their designate, and they are required to meet once a year. The commission is also responsible for exchanging investigative and disciplinary information on teachers between member states. By joining the compact, the executive and judicial branches of each state compact agree to enforce its purposes and intent. Any state may leave the compact by repealing their legislation.

FISCAL IMPLICATIONS

Other states that have enacted this compact report varied fiscal implications from \$0 to \$200 thousand for the time it will take to create and maintain the list of licenses eligible for the compact as well as review applications and participate in the Compact commission.

Currently, the ITMC commission does not charge membership fees to participating states, and according to LESC, it will not for the next year. For reference, the Nurse Licensure Compact charges each member state \$6,000 annually.

While many interstate compacts allow professionals to obtain a single interstate license, the ITMC requires teachers to still apply for a license in a compact state, albeit through a streamlined process. As such, interstate applicants moving to New Mexico will continue to pay application fees, which will increase revenues to the educator licensure fund unless Public Education Department (PED) waives or reduces licensure application fees for interstate applicants.

SIGNIFICANT ISSUES

According to the Council of State Governments (CSG), the prevalence of jobs requiring an occupational license has increased from 5 percent to 25 percent over the past 60 years. Licensing can protect consumers by setting professional standards, but inconsistent laws across states limit the ability of workers to move easily. These challenges disproportionately affect military families, immigrants with work authorization, people with criminal records, unemployed and dislocated workers, and similar groups.

To give military spouses with jobs requiring licensure more mobility, the U.S. Department of Defense (DOD), together with the CSG, started a grant process to help create interstate compacts for occupational licensure. So far, they have completed compacts for teachers, social workers, massage therapists, school psychologists, dietitians, respiratory therapists, cosmetologists, dentists and dental hygienists and are currently in the process of developing compacts for athletic trainers and aestheticians. States wishing to join an occupational compact must enact legislation using the model language provided.

To develop the interstate teacher mobility compact (ITMC), DOD and CSG partnered with the National Association of State Directors of Teacher Education and Certification (NASDTEC). The compact became active in 2023 after 10 states joined. There are now 13 member states, including three states that border New Mexico—Colorado, Utah, and Oklahoma.

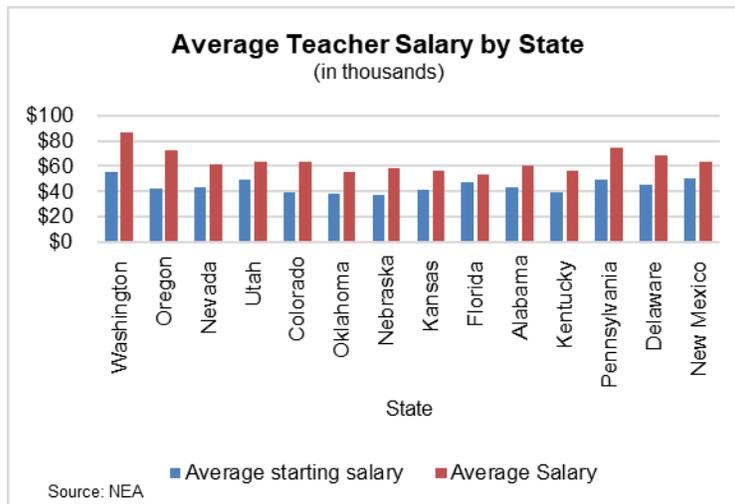
The ITMC was created to simplify teacher licensure mobility, support military spouses, enhance information exchange between states, improve teacher retention and recruitment, and maintain state sovereignty. Licensure under the compact applies only to the initial license granted by a state.

New Mexico does not require career technical education (CTE) teachers to have a bachelor's degree. Under the compact, CTE teachers may have difficulty getting a reciprocal license if the receiving state requires them to have a bachelor's degree. The process of applying for a license and receiving the closest equivalent is meant to maintain each state's autonomy and standards while recognizing the broad professionalism of high-quality teachers.

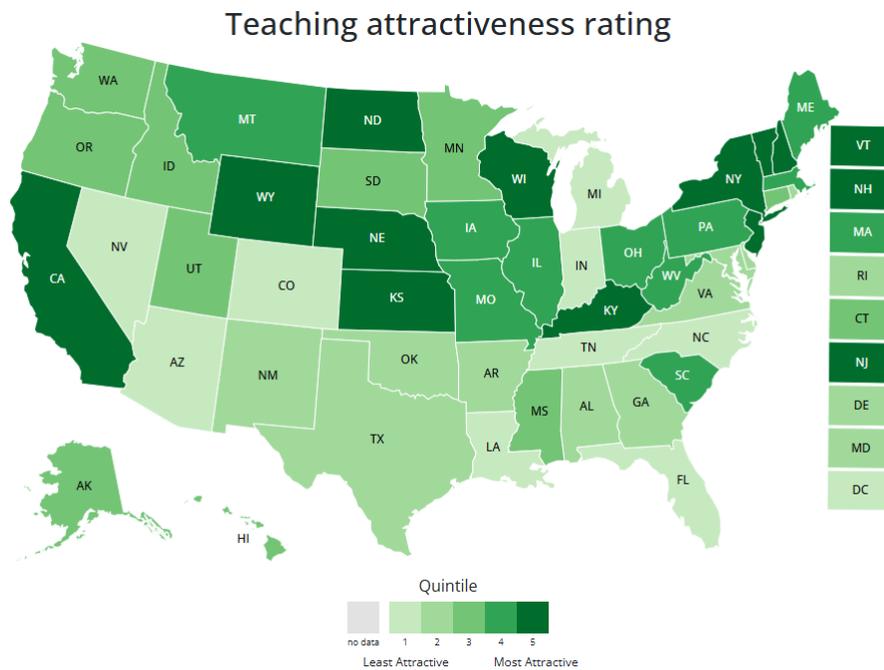
Many occupational compacts existed before the DOD began their grant program. Currently, New Mexico is only a member of one professional compact, the Nurse Licensure Compact, which is one of the oldest and most widely adopted compacts with 41 states participating. In addition to the interstate teacher mobility compact in House Bill 110, New Mexico is also considering 10 other occupational compacts during the 2025 legislative session (see details below).

PED currently offers expedited and free licensure for military service members, spouses, and veterans. Reciprocity for nonmilitary teachers also exists under current PED rules. A teacher from another state can be granted a license if the teacher has teaching experience, demonstrates the required competences, and meets other requirements and qualifications. HB110 would streamline this process for applicants from ITMC member states.

Increased ease of mobility means teachers will likely move across state lines more often, but a state could just as easily see its vacancy rates increase as decrease. Currently, New Mexico's average starting teacher salary is competitive with compact member states, but the overall average salary lags behind ITMC member states, which could increase the likelihood teachers leave the state if given the option. Cost-of-living differences and personal circumstances also affect these decisions to change locations, which complicate projections on the impact of this legislation on the supply of teachers in New Mexico.



Additionally, according to a Learning Policy Institute (LPI) report, New Mexico ranks in the middle among states for teacher attractiveness and some nearby compact member states rank higher.



PERFORMANCE IMPLICATIONS

According to the New Mexico State University’s Southwest Outreach Academic Research Evaluation and Policy Center Report, there were 737 teacher vacancies in 2024, down from 751 in 2023. Getting qualified teachers to fill these vacancies would have a positive effect on student achievement. Although, as outlined above, increased mobility does not necessarily mean decreased vacancies.

ADMINISTRATIVE IMPLICATIONS

PED's licensure bureau would need to adopt a system of how to evaluate and award licenses to teachers from compact states. Additionally, the PED secretary or secretary's designee would need to serve on the compact commission.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 110 relates to House Bill 156, which raises minimum teacher salary levels by \$5,000 each tier and Senate Bill 343, which ensures minimum salary for vocational teachers. It also relates to other professional licensure compact bills:

- House Bill 79 and Senate Bill 104: Audiology and Speech-Language Pathology Compact
- House Bill 81: Occupational Therapy Licensure Compact
- House Bill 82: Physical Therapy Licensure Compact
- House Bill 217: Counseling Compact
- House Bill 243 and Senate Bill 46: Interstate Medical Licensure Compact
- House Bill 412: Emergency Medical Services Licensure Compact
- House Bill 413: Physician Assistant Licensure Compact
- House Bill 441 and Senate Bill 433: Dental & Dental Hygienist Compact
- Senate Bill 105: Social Work Licensure Compact
- Senate Bill 106: Psychology Interjurisdictional Compact

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