# FISCAL IMPACT REPORT

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| **SPONSOR** | Gallegos/Herndon/Johnson/Anyanonu/ Hochman-Vigil | **LAST UPDATED** | 03/20/2025 |
| | | **ORIGINAL DATE** | 02/03/2025 |
| **SHORT TITLE** | Nursing Practice Changes | **BILL NUMBER** | House Bill 178/aHHHC/aHJC/ aSJC/aSFl#1 |
| | | **ANALYST** | Chilton |

### REVENUE*
(dollars in thousands)

| Type | FY25 | FY26 | FY27 | FY28 | FY29 | Recurring or Nonrecurring | Fund Affected |
|---|---|---|---|---|---|---|---|
| Increased licensing fees | | Up to $1,654.0 | Up to $1,654.0 | Up to $1,654.0 | Up to $1,654.0 | Recurring | Board of Nursing Fund |

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

## Sources of Information
LFC Files

Agency Analysis Received From
Regulation and Licensing Department (RLD)
Board of Nursing (BON)
New Mexico Medical Board (NMMB)
Department of Health (DOH)

## SUMMARY

### Synopsis of SFI#1 Amendment to House Bill 178

Senate floor amendment #1 to House Bill 178 (HB178) fixes a technical issue with an internal reference to a section number.

### Synopsis of SJC Amendment to House Bill 178

The Senate Judiciary Committee amendment to House Bill 178 (HB178) removes language which would have provided confidentiality protection for any communication to the Board of Nursing regarding disciplinary action.

### Synopsis of HJC Amendment to House Bill 178

The House Judiciary Committee amendment to House Bill 178 (HB178) changes two definitions used in Section 11 of the bill:
- "Gender identity" means self-perception, based on personal appearance, behavior, or physical characteristics, more masculine or feminine, matching birth sex assignment or

not.
- "Sexual orientation" means physical, romantic or emotional attraction to same- or opposite-sex persons, or lack of any such attraction.

## Synopsis of HHHC Amendment to House Bill 178

The House Health and Human Services Committee amendment makes two changes to House Bill 178 (HB178):
1) In Section 2 (page 9, line 23), the amendment adds wording specifying that currently licensed registered nurses can administer anesthetics up to and including mild sedation, if they were ordered to do so by a licensed physician or independent provider or in alignment with their employing organization's protocols. Moderate sedation is defined in Section 1-U-2 (page 8, lines 16-20) as the administration of medication to produce "calmness, relaxation, or sleep" and "during which a patient responds purposefully to verbal commands, either alone or accompanied by light tactile stimulation; respiratory functions remain stable; and cardiovascular functions are usually maintained."
2) A revised Section 4X (page 14, lines 14-16), gives nurses applying for first-time licenses the option to choose between a New Mexico license or a multistate license, the latter possibly being more expensive.

## Synopsis of House Bill 178

House Bill 178 makes numerous changes to the Nursing Practice Act (Section 61-3 NMSA 1978) with the following intent:
- Clarifying the scope of practice for various categories of licensed nurses regarding anesthetics, analgesics, and sedatives;
- Expanding Board of Nursing (BON) powers;
- Changing the fees for licensure:
- Changing various practices used in the discipline of nurses;
- Requiring confidentiality with respect to disciplinary actions; and
- Renaming "diversion programs" to "alternative to discipline programs" for such problems as substance use.

Section 1 of the bill amends Section 61-3-3 NMSA 1978 to define an advanced practice registered nurse (APRN) as a certified nurse practitioner or nurse anesthetist or nurse specialist. The bill also provides new definitions of anesthetics, artificial intelligence, general anesthesia, and sedation (including its subtypes of minimum, moderate, palliative, and deep).

Section 2 amends Section 61-3-6, retitling it "the administration of anesthetics, sedatives and general anesthesia." Nurses trained in giving anesthetics are empowered to do so to any person.

Section 4 adds to the powers of the Board of Nursing (Section 61-3-10) the provision that the board may establish an inactive reserve for registered nurses (RNs) and licensed practical nurses (LPNs) to be activated for limited functions during emergencies. Additional new BON powers and duties enumerated in HB178 include:
- Establishing a category of retired nurses able to give advisory and policymaking support,
- Establishing and maintaining a system assisting nursing schools in coordinated clinical placements prior to the licensure of new nurses, and
- Promulgating rules for the use of artificial intelligence (AI) in nursing.

Section 5 modifies Section 61-3-14 on expedited licensure of RNs to require RNs requesting expedited licensure to apply for that purpose.

Section 6 modifies Section 61-3-16 on licensure fees, increasing the maximum license fee to $200, but enabling the board to waive the fee for first-time applicants who have graduated from a New Mexico public school of nursing. Section 7 makes the same changes for licensed practical nurses (LPNs), with the exception that the licensing fee for LPNs is not specified.

Section 10 increases the maximum fee for renewal of a license and specifies an additional fee for multistate licensure.

Section 11 amends the disciplinary processes in the Nursing Practice Act, Section 61-3-28 to indicate that written and oral communication regarding disciplinary proceedings is to be considered confidential, except when their contents are needed for court cases, for law enforcement or national databases, or for board purposes.

Section 12 deals with a program entitled "Alternative to Discipline Program," replacing the name "Diversion Program" described in Section 61-3-29.1.

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.

## FISCAL IMPLICATIONS

BON could increase its license fees to the new limit or add a fee for a multiple-state licensure. If it increased the annual fee from the current maximum of $150 to the $200 allowed under House Bill 178, the increase of $50 per nurse per year, multiplied by the 32,794 registered nurses currently licensed in New Mexico, would result in an increase in revenue of $1.654 million.

## SIGNIFICANT ISSUES

BON indicates HB178 provides necessary updates to the Nursing Practices Act, reflecting current education, training, and competency needs: "The Legislature has always been forward leaning in supporting nurses in providing state of the art care to patients, and in doing so facilitating quality care." Failing to update the act, BON argues, may diminish "access outside the metropolitan areas to state-of-the-art practice … [and] nurses and hospitals will be put in a position where they are unable to provide the best care."

DOH makes a number of comments approving of changes that would be made by this bill:

> Creating a reserve category of registered nurses and licensed practical nurses for emergencies may have impact on the New Mexico Department of Health and the healthcare system in New Mexico. A reserve category of nurses would allow for additional vetted nurses to rapidly respond to identified emergencies and provide necessary care to New Mexicans during times of need such as wildfires and outbreaks. The New Mexico Department of Health maintains the Medical Reserve Corps for New Mexico and adding a current and maintained category of vetted nurses able to respond to identified emergencies would build capacity for response.

Creating a retired registered nurse license category to serve on community and nonprofit boards may have potential impact on the New Mexico Department of Health and the healthcare system in New Mexico. A retired registered nurse category would allow for this category of trained professionals to share their expertise and training in the service of community and nonprofit boards while also continuing to be vetted and maintained through the board of nursing. This retired category would also waive the licensing fee for retired nurses, removing the burden for those retired professionals that may find the licensing fee a burden. Ensuring New Mexico nursing data is collected and owned by the Board of Nursing allows for quick and easy access to data when needed, regardless of purpose. The recent issue with data loss from licensing and regulation created data gaps and loss of annual information for multiple professions. New Mexico Board of Nursing was not affected by this data loss due to internal tracking of data. Allowing for the Board of Nursing to collect and own nursing data will ensure larger data system failures will not affect New Mexico nursing data.

Developing and maintaining a system to assist all schools of nursing with pre-licensure clinical placements will allow for improved tracking and placement of pre-licensure nursing students. In recent years, clinical placements for pre-licensure students have become more difficult to identify within the healthcare system due to staffing vacancies and the amount of time and effort required to train students.

Allowing certified nurse practitioners to practice to the full scope of their licensure and remove barriers to providing care such as limits to prescriptive authority through formularies creates expanded access to care and potential for improved health status

## TECHNICAL ISSUES

In the discussion of confidentiality, the phrase "for board purposes" (page 25, line 18) lacks specificity and is open to broad interpretation.


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