

1 SENATE BILL 95

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

3 INTRODUCED BY

4 Bill Tallman

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9  
10 AN ACT

11 RELATING TO PUBLIC ASSISTANCE; CLARIFYING THAT FUNDS IN AN  
12 INDIVIDUAL DEVELOPMENT ACCOUNT SHALL NOT BE CONSIDERED IN  
13 ELIGIBILITY CALCULATIONS FOR BENEFITS UNDER THE NEW MEXICO  
14 WORKS ACT OR THE EDUCATION WORKS ACT; ADDING DEFINITIONS TO THE  
15 INDIVIDUAL DEVELOPMENT ACCOUNT ACT; ESTABLISHING LIMITS ON  
16 ADMINISTRATIVE EXPENSES AVAILABLE TO A PROGRAM ADMINISTRATOR  
17 UNDER THE ACT; ESTABLISHING QUALIFICATIONS FOR MEMBERS OF THE  
18 INDIVIDUAL DEVELOPMENT ACCOUNT COUNCIL; ESTABLISHING MINIMUM  
19 STATE MATCHING FUNDS; EXPANDING THE ALLOWABLE USES FOR FUNDS IN  
20 INDIVIDUAL DEVELOPMENT ACCOUNTS; EXPANDING THE TYPE OF ACCOUNT  
21 TO WHICH FUNDS IN AN INDIVIDUAL DEVELOPMENT ACCOUNT MAY BE  
22 TRANSFERRED; LISTING THE MEANS-TESTED PROGRAMS FOR WHICH  
23 ACCOUNT FUNDS ARE DISREGARDED FOR PURPOSES OF ELIGIBILITY;  
24 MAKING AN APPROPRIATION.

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1 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

2 SECTION 1. Section 27-2B-8 NMSA 1978 (being Laws 1998,  
3 Chapter 8, Section 8 and Laws 1998, Chapter 9, Section 8, as  
4 amended) is amended to read:

5 "27-2B-8. RESOURCES.--

6 A. Liquid and nonliquid resources owned by the  
7 benefit group shall be counted in the eligibility  
8 determination.

9 B. A benefit group may at a maximum own the  
10 following resources:

11 (1) two thousand dollars (\$2,000) in nonliquid  
12 resources;

13 (2) one thousand five hundred dollars (\$1,500)  
14 in liquid resources, excluding funds deposited in an individual  
15 development account established pursuant to the Individual  
16 Development Account Act or a qualified tuition program, as  
17 defined in Section 529 of the Internal Revenue Code of 1986;

18 (3) the value of the principal residence of  
19 the participant;

20 (4) the value of burial plots and funeral  
21 contracts for family members;

22 (5) individual development accounts; and

23 (6) the value of work-related equipment up to  
24 one thousand dollars (\$1,000).

25 C. Vehicles owned by the benefit group shall not be

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1 considered in the determination of resources attributed to the  
2 benefit group."

3 SECTION 2. Section 27-2D-6 NMSA 1978 (being Laws 2003,  
4 Chapter 317, Section 6, as amended) is amended to read:

5 "27-2D-6. RESOURCES.--

6 A. Liquid and nonliquid resources owned by the  
7 benefit group shall be counted in the eligibility  
8 determination.

9 B. A benefit group may at a maximum own the  
10 following resources:

11 (1) two thousand dollars (\$2,000) in nonliquid  
12 resources;

13 (2) one thousand five hundred dollars (\$1,500)  
14 in liquid resources, excluding funds deposited in an individual  
15 development account established pursuant to the Individual  
16 Development Account Act or a qualified tuition program, as  
17 defined in Section 529 of the Internal Revenue Code of 1986;

18 (3) the value of the principal residence of  
19 the participant;

20 (4) the value of burial plots and funeral  
21 contracts for family members;

22 (5) individual development accounts; and

23 (6) the value of work-related equipment up to  
24 one thousand dollars (\$1,000).

25 C. Vehicles owned by the benefit group shall not be

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1 considered in the determination of resources attributed to the  
2 benefit group."

3 SECTION 3. Section 58-30-2 NMSA 1978 (being Laws 2003,  
4 Chapter 362, Section 2, as amended) is amended to read:

5 "58-30-2. DEFINITIONS.--As used in the Individual  
6 Development Account Act:

7 A. "account owner" means the person in whose name  
8 an individual development account is originally established;

9 B. "allowable use" means a lawful use that complies  
10 with the provisions of the Individual Development Account Act,  
11 or rules adopted pursuant to that act;

12 C. "authorized financial institution" means a  
13 financial institution authorized by the office to hold and  
14 manage individual development accounts and reserve accounts;

15 D. [~~"director" means the director of the office~~]  
16 "department" means the workforce solutions department;

17 E. "earned income" means wages from employment,  
18 payment in lieu of wages, income tax refunds, disability  
19 payments, tribal distributions, or earnings from self-  
20 employment or acquired from the provision of services, goods or  
21 property, production of goods, management of property or  
22 supervision of services;

23 F. "eligible individual" means a person who meets  
24 the criteria for opening an individual development account;

25 G. "financial institution" means a bank, bank and

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1 trust, savings bank, savings association or credit union  
2 authorized to be a trustee of individual development accounts,  
3 the deposits of which are insured by the federal deposit  
4 insurance corporation or the national credit union  
5 administration;

6 H. "indigent" means an individual who, taking into  
7 account present income, liquid assets and requirements for  
8 basic necessities of life for the individual and the  
9 individual's dependents, is unable to pay the costs of  
10 allowable uses as set forth in the Individual Development  
11 Account Act;

12 [~~G.~~] I. "individual development account" means an  
13 account established and maintained in an authorized financial  
14 institution by an eligible individual participating in an  
15 individual development account program pursuant to the  
16 provisions of the Individual Development Account Act;

17 [~~H.~~] J. "individual development account program"  
18 means a program approved by the [~~office~~] department to  
19 establish and administer individual development accounts and  
20 reserve accounts for eligible individuals and to provide  
21 financial capability training or financial coaching required by  
22 the [~~office~~] department for account owners;

23 [~~I.~~] ~~"financial institution" means a bank, bank and~~  
24 ~~trust, savings bank, savings association or credit union~~  
25 ~~authorized to be a trustee of individual retirement accounts as~~

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1 ~~defined by federal law, the deposits of which are insured by~~  
2 ~~the federal deposit insurance corporation or the national~~  
3 ~~credit union administration;~~

4 ~~J. "indigent" means an individual who, taking into~~  
5 ~~account the present income and the liquid assets and the~~  
6 ~~requirement for other basic necessities of life for the~~  
7 ~~individual and the individual's dependents, is unable to pay~~  
8 ~~the costs of allowable uses as set forth in the Individual~~  
9 ~~Development Account Act;]~~

10 K. "matching funds" means money deposited in a  
11 reserve account to match the withdrawals for allowable uses  
12 from an individual development account according to a  
13 proportionate formula that complies with rules adopted by the  
14 [~~director~~] secretary;

15 L. "nonprofit organization" means an  
16 instrumentality of the state or a local government or an  
17 organization described in Section 501(c)(3) of the Internal  
18 Revenue Code of 1986 and exempt from taxation pursuant to  
19 Section 501(a) of that code;

20 ~~[M. "office" means the office of workforce training~~  
21 ~~and development;~~

22 ~~N.]~~ M. "program administrator" means a nonprofit  
23 organization or tribe that is selected pursuant to the  
24 Individual Development Account Act to offer an individual  
25 development account program pursuant to a contract with the

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1       ~~[director]~~ secretary;

2                   ~~[O-]~~ N. "reserve account" means an account  
3 established pursuant to the Individual Development Account Act  
4 in an authorized financial institution in which matching funds  
5 are maintained and available for payment for a predetermined  
6 allowable use following completion of all program requirements  
7 by the account owner; ~~[and]~~

8                   O. "secretary" means the secretary of workforce  
9 solutions; and

10                   P. "tribe" means an Indian nation, tribe or pueblo  
11 located in whole or in part within New Mexico."

12                   SECTION 4. Section 58-30-3 NMSA 1978 (being Laws 2003,  
13 Chapter 362, Section 3, as amended) is amended to read:

14                   "58-30-3. INDIVIDUAL DEVELOPMENT ACCOUNTS.--An individual  
15 development account may be established for an eligible  
16 individual as part of an individual development account program  
17 if the written instrument creating the account sets forth the  
18 following:

19                   A. the account owner is an eligible individual  
20 according to program requirements at the time the account is  
21 established;

22                   B. the individual development account is  
23 established and maintained in an authorized financial  
24 institution;

25                   C. deposits to an individual development account

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1 shall be made in accordance with the rules adopted pursuant to  
2 the Individual Development Account Act;

3 D. withdrawals from an individual development  
4 account shall only be made in accordance with the Individual  
5 Development Account Act [~~and rules adopted pursuant to that~~  
6 ~~act~~] for allowable uses;

7 E. the matching amount that will be deposited in  
8 the reserve account for each dollar deposited by the account  
9 owner in the individual development account; and

10 F. the financial institution in which an individual  
11 development account is held shall not be liable for withdrawals  
12 made for uses other than allowable uses."

13 SECTION 5. Section 58-30-4 NMSA 1978 (being Laws 2003,  
14 Chapter 362, Section 4, as amended) is amended to read:

15 "58-30-4. ELIGIBLE INDIVIDUALS.--

16 A. Except as set forth in Subsections B and C of  
17 this section, an eligible individual shall have earned income  
18 and shall be:

19 (1) eighteen years of age or older;

20 (2) a citizen, [~~or~~] legal resident, [~~of~~]  
21 refugee, asylee or person otherwise legally present in the  
22 United States at the time the person opens the person's  
23 individual development account;

24 (3) a resident of New Mexico; and

25 (4) an indigent.

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1           B. A child in foster care is an eligible individual  
2 if the child is:

- 3                   (1) [~~is~~] fifteen years of age or older;
- 4                   (2) [~~is~~] an indigent;
- 5                   (3) [~~is~~] a citizen, [~~or~~] a legal resident, [of  
6 the United States] a refugee or an asylee or is otherwise  
7 legally present in the United States at the time the person  
8 opens the person's individual development account; and
- 9                   (4) [~~is~~] a resident of New Mexico.

10           C. A child is an eligible individual if the child  
11 is:

- 12                   (1) [~~is~~] at least fifteen years of age and not  
13 more than eighteen years of age;
- 14                   (2) [~~is~~] a member of a family whose members  
15 are all indigents;
- 16                   (3) [~~is~~] a citizen, [~~or~~] a legal resident, [of  
17 the United States] a refugee or an asylee or is otherwise  
18 legally present in the United States at the time the person  
19 opens the person's individual development account; and
- 20                   (4) [~~is~~] a resident of New Mexico."

21           SECTION 6. Section 58-30-5 NMSA 1978 (being Laws 2003,  
22 Chapter 362, Section 5, as amended) is amended to read:

23           "58-30-5. RESPONSIBILITIES OF THE [~~OFFICE~~] DEPARTMENT.--

24           A. The [~~office~~] department shall adopt rules  
25 implementing the provisions of the Individual Development

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1 Account Act.

2 B. The ~~[director]~~ secretary shall make an annual  
3 report each November to the governor and to the legislative  
4 finance committee.

5 C. The ~~[office]~~ department shall use no more than  
6 five percent of the money appropriated to fund the Individual  
7 Development Account Act to administer that act, not including  
8 the costs of the program administrator.

9 D. A program administrator shall use no more than  
10 twelve percent of the funds allocated to the program  
11 administrator for implementation and administration of the  
12 program."

13 SECTION 7. Section 58-30-6 NMSA 1978 (being Laws 2003,  
14 Chapter 362, Section 6, as amended) is amended to read:

15 "58-30-6. INDIVIDUAL DEVELOPMENT ACCOUNT COUNCIL.--

16 A. The "individual development account council" is  
17 created. The council shall:

18 (1) provide oversight of the administration of  
19 the Individual Development Account Act;

20 (2) suggest possible changes that benefit  
21 account owners or improve the effectiveness of the individual  
22 development account programs throughout the state; and

23 (3) obtain subject matter expertise through  
24 attendance at conferences and workshops related to proven and  
25 promising asset-building strategies.

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1           B. The individual development account council shall  
2 meet at least two times in a calendar year to perform its  
3 duties.

4           C. The individual development account council shall  
5 consist of the lieutenant governor or the lieutenant governor's  
6 designee and eight members appointed by the governor to  
7 represent the state geographically; provided that the members  
8 shall include representatives of a participating financial  
9 institution, a philanthropic institution, a community college  
10 and a nonprofit workforce entrepreneurial training provider and  
11 at least one representative from a nonprofit or educational  
12 institution providing financial coaching within a service area  
13 containing fewer than twenty thousand persons, as shown by the  
14 most recent decennial census. The ~~[director]~~ secretary or the  
15 ~~[director's]~~ secretary's designee shall serve as an ex-officio  
16 member of the council.

17           D. Appointed members of the individual development  
18 account council shall receive per diem and mileage pursuant to  
19 the Per Diem and Mileage Act for attendance at required  
20 meetings and at authorized conferences and workshops and shall  
21 receive no other compensation, perquisite or allowance for  
22 their participation on the council.

23           E. The ~~[office]~~ department shall provide adequate  
24 staff support and administrative services for the individual  
25 development account council."

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1           SECTION 8. Section 58-30-7 NMSA 1978 (being Laws 2003,  
2 Chapter 362, Section 7, as amended) is amended to read:

3           "58-30-7. ADMINISTRATION OF INDIVIDUAL DEVELOPMENT  
4 ACCOUNT PROGRAMS.--

5           A. An individual development account may be  
6 established for an eligible individual; provided that the money  
7 deposited in the account is expended for allowable uses for the  
8 account owner or the account owner's spouse or dependents  
9 unless otherwise approved by the program administrator.

10           B. An individual development account program shall  
11 be approved and monitored by the [~~director~~] secretary for  
12 compliance with applicable law, the Individual Development  
13 Account Act and rules adopted pursuant to that act.

14           C. The program administrator shall establish a  
15 reserve account sufficient to meet the matching fund  
16 commitments made to all account owners participating in the  
17 individual development account program and shall report at  
18 least quarterly to each account owner the amount of money  
19 available in the reserve account for use by the program  
20 administrator to match withdrawals for allowable uses.

21 [~~Notwithstanding any matching commitment otherwise required~~]  
22 The amount of state funds deposited in a reserve account during  
23 a calendar year to match deposits from any single account owner  
24 shall not exceed the higher of:

25           (1) two thousand dollars (\$2,000); or

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1 (2) an amount determined by rule; [~~of the~~  
2 ~~office~~] provided that the cumulative reserve account deposits  
3 shall total not less than one hundred twenty-five percent of  
4 the prior calendar year match to deposits beginning in the  
5 second year of the individual development account program; and  
6 further provided that the state shall match deposits of every  
7 account owner dollar-for-dollar up to two thousand dollars  
8 (\$2,000) in a calendar year.

9 D. The program administrator shall provide  
10 financial education, including financial coaching and other  
11 necessary [~~training~~] guidance and electronic reminders  
12 [~~pertinent~~] to encourage deposits and to achieve goals of  
13 allowable uses by account owners, develop partnerships with  
14 financial institutions, [~~develop~~] distribute matching funds and  
15 manage the operations of an individual development account that  
16 is established within the program.

17 E. An eligible individual may open an individual  
18 development account upon verification by the program  
19 administrator that the individual maintains no other individual  
20 development account.

21 F. More than one eligible individual per household  
22 may hold an individual development account.

23 G. An account owner shall complete a tested  
24 financial education program, including financial coaching,  
25 prior to the withdrawal of money from the account owner's

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1 individual development account for allowable uses unless  
2 written approval is obtained from the program administrator."

3 SECTION 9. Section 58-30-8 NMSA 1978 (being Laws 2003,  
4 Chapter 362, Section 8, as amended) is amended to read:

5 "58-30-8. ALLOWABLE USES--WITHDRAWALS FROM INDIVIDUAL  
6 DEVELOPMENT ACCOUNTS--FORFEITURE OF MATCHING FUNDS FROM RESERVE  
7 ACCOUNT--LOSS OF ELIGIBLE INDIVIDUAL STATUS.--

8 A. Allowable uses of the money withdrawn from an  
9 individual development account are limited to the following:

10 (1) expenses to attend an approved post-  
11 secondary or vocational educational institution, including  
12 payment for tuition, books, supplies and equipment required for  
13 courses;

14 (2) costs to acquire or construct a principal  
15 residence as defined in rules adopted pursuant to the  
16 Individual Development Account Act that is the first principal  
17 residence acquired or constructed by the account owner within  
18 the previous five years;

19 (3) costs of major home improvements or  
20 repairs on the home of the account owner;

21 (4) capitalization or costs to start or expand  
22 a business, including capital, plant, equipment, operational  
23 and inventory expenses, attorney and accountant fees and other  
24 costs normally associated with starting or expanding a  
25 business;

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1 (5) acquisition or repair of a vehicle  
2 necessary to obtain or maintain employment by an account owner  
3 or the spouse of an account owner; and

4 (6) in the case of a deceased account owner,  
5 amounts deposited by the account owner and held in an  
6 individual development account shall be distributed directly to  
7 the account owner's spouse, or if the spouse is deceased or  
8 there is no spouse, to a dependent or other named beneficiary  
9 of the deceased or if the recipient is eligible to maintain the  
10 account, the account and matching funds designated for that  
11 account from a reserve account may be transferred and  
12 maintained in the name of the surviving spouse, dependent or  
13 beneficiary.

14 B. Unless otherwise approved by the program  
15 administrator pursuant to the provisions of Subsection D of  
16 this section, account owners qualifying as eligible individuals  
17 pursuant to the provisions of Subsection B or C of Section  
18 58-30-4 NMSA 1978 shall not be permitted to withdraw money from  
19 an individual development account until such time as the  
20 account owners have completed a high school curriculum at a  
21 public or accredited private New Mexico high school or received  
22 a [~~high school equivalency credential~~] general educational  
23 development certificate.

24 C. Except as provided in Subsection D of this  
25 section, if an account owner withdraws money from an individual

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1 development account for a use other than an allowable use, the  
2 account owner forfeits a proportionate amount of matching funds  
3 from the reserve account, as set forth in the agreement between  
4 the program administrator and the account owner.

5 D. The program administrator may approve a  
6 withdrawal by an account owner from an individual development  
7 account to be used for a purpose other than an allowable use  
8 only for serious emergencies as specified in the rules adopted  
9 by the ~~[office]~~ department. For such an approved withdrawal,  
10 the proportionate matching funds in the reserve account shall  
11 remain in the reserve account for twelve months following the  
12 withdrawal and, if an amount equal to the withdrawn money is  
13 redeposited in the individual development account within the  
14 twelve months, the matching funds shall again be available to  
15 match withdrawals for allowable uses.

16 E. At the request of the account owner and with the  
17 written approval of the program administrator, amounts may be  
18 withdrawn from the account owner's individual development  
19 account and deposited in another individual development account  
20 or a qualified tuition program, as defined in Section 529 of  
21 the Internal Revenue Code of 1986, established for an eligible  
22 individual who is the account owner's spouse or dependent."

23 SECTION 10. Section 58-30-9 NMSA 1978 (being Laws 2003,  
24 Chapter 362, Section 9, as amended) is amended to read:

25 "58-30-9. APPROVAL OF INDIVIDUAL DEVELOPMENT ACCOUNT

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1 PROGRAMS.--

2 A. The [~~office~~] department shall issue a request  
3 for proposals from nonprofit organizations or tribes interested  
4 in establishing an individual development account program. A  
5 proposal submitted in response to the request shall:

6 (1) describe the geographic area to be served  
7 and the potential individuals who will be assisted by the  
8 program;

9 (2) state the amount, if any, of requested  
10 distributions of state money from the individual development  
11 fund;

12 (3) describe the source and the amount of any  
13 private or other public funds, if any, that will be used to  
14 supplement the requested distributions from the individual  
15 development fund;

16 (4) state the amount, not to be less than one  
17 dollar (\$1.00), that will be deposited in the reserve account  
18 for each dollar deposited in an individual development account;

19 (5) describe the expertise, experience and  
20 other qualifications of the proposer and its employees; and

21 (6) contain such other information as required  
22 in the request for proposals and rules of the [~~director~~]  
23 secretary.

24 B. The [~~director~~] secretary shall issue a request  
25 for proposals to determine if an interested nonprofit

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1 organization or tribe is eligible to be a program  
2 administrator, determine the legal sufficiency of submitted  
3 proposals, evaluate the proposals and, after consulting with  
4 the individual development account council, select the program  
5 administrators.

6 C. In selecting program administrators, the  
7 [~~director~~] secretary shall:

8 (1) ensure that geographically diverse  
9 populations throughout New Mexico will be served by individual  
10 development account programs; and

11 (2) ensure that a substantial number of  
12 individual development accounts will serve families in which  
13 one or more children are living with their biological or  
14 adoptive mother or father, or with their legal guardian.

15 D. The [~~director~~] secretary shall enter into  
16 contracts with the selected program administrators.

17 E. The [~~director~~] secretary shall approve an  
18 individual development account program submitted by a program  
19 administrator before the program establishes individual  
20 development accounts or reserve accounts or provides services  
21 required by the Individual Development Account Act to eligible  
22 individuals.

23 F. An individual development account and a reserve  
24 account may be established only in an authorized financial  
25 institution.

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1           G. The [~~director~~] secretary shall monitor all  
2 individual development account programs to ensure that  
3 individual development accounts and reserve accounts are being  
4 operated according to the contract provisions, federal law, the  
5 provisions of the Individual Development Account Act and rules  
6 adopted pursuant to that act."

7           **SECTION 11.** Section 58-30-10 NMSA 1978 (being Laws 2003,  
8 Chapter 362, Section 10, as amended) is amended to read:

9           "58-30-10. TERMINATION OF INDIVIDUAL DEVELOPMENT ACCOUNT  
10 PROGRAMS.--

11           A. An individual development account program shall  
12 be terminated if the:

13                   (1) [~~office~~] department determines that the  
14 program is not being operated pursuant to the provisions of the  
15 contract between the program administrator and the [~~director~~]  
16 secretary, the Individual Development Account Act or rules  
17 adopted pursuant to that act;

18                   (2) provider of the program no longer retains  
19 its status as a program administrator; or

20                   (3) program administrator chooses to cease  
21 providing an individual development account program.

22           B. Upon termination of an individual development  
23 account program, the [~~director~~] secretary shall administer the  
24 program until a qualified program administrator is selected to  
25 administer the program. If, after a reasonable period, the

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1     ~~[director]~~ secretary is unable to identify and certify a  
2     program administrator to assume the authority to continue to  
3     operate a terminated individual development account program,  
4     money in a reserve account shall be deposited into the  
5     individual development accounts of the account owners for whom  
6     the proportionate share of the reserve account was established  
7     as of the first day of termination of the program."

8             **SECTION 12.** Section 58-30-11 NMSA 1978 (being Laws 2003,  
9     Chapter 362, Section 11, as amended) is amended to read:

10            "58-30-11. REPORTING.--A program administrator operating  
11     an individual development account program pursuant to the  
12     Individual Development Account Act shall report at least  
13     annually to the ~~[director]~~ secretary, as set forth in the rules  
14     of the ~~[office]~~ department. Individual account owners shall  
15     not be identified in the report. The report shall include:

- 16            A. the number of eligible individuals making
- 17     contributions to individual development accounts;
- 18            B. the total money contributed to each individual
- 19     development account and deposited into each reserve account;
- 20            C. the total money in the aggregate deposited in
- 21     individual development accounts and reserve accounts
- 22     administered by the individual development account program;
- 23            D. the amounts withdrawn from individual
- 24     development accounts ~~[for either]~~ identifying the allowable
- 25     uses ~~[or for]~~ and uses other than allowable uses and the

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1 amounts withdrawn from reserve accounts;

2 E. the balances remaining in individual development  
3 accounts and reserve accounts; and

4 F. other information requested by the [~~director~~]  
5 secretary to monitor the costs and outcomes of the individual  
6 development account program."

7 SECTION 13. Section 58-30-12 NMSA 1978 (being Laws 2003,  
8 Chapter 362, Section 12, as amended) is amended to read:

9 "58-30-12. ACCOUNT FUNDS DISREGARDED FOR PURPOSES OF  
10 CERTAIN MEANS-TESTED PROGRAMS.--

11 A. Money deposited into an individual development  
12 account, interest earned on that account and interest and  
13 matching funds deposited in a reserve account for the benefit  
14 of the account owners shall be disregarded for the purposes of  
15 determining eligibility for benefits and for determining  
16 benefit amounts pursuant to the New Mexico Works Act.

17 B. When determining eligibility for benefits and  
18 determining benefit amounts due under the [~~food stamp program~~]  
19 supplemental nutrition assistance program, children's health  
20 insurance program, child care and development block grant and  
21 medicaid, the human services department shall, pursuant to the  
22 authority granted by 7 USCA 2014 (d) and (g), disregard money  
23 deposited into an individual development account, interest  
24 earned on that account and interest and matching funds  
25 deposited in a reserve account for the benefit of the account

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1 owners.

2 C. Money withdrawn from an individual development  
3 account for a purpose other than an allowable use shall be  
4 counted as a resource for purposes of the New Mexico Works Act  
5 or medicaid unless the withdrawal is approved by the program  
6 administrator and an amount equal to the amount withdrawn is  
7 replaced within the twelve-month allowable time period pursuant  
8 to Subsection D of Section 58-30-8 NMSA 1978."

9 SECTION 14. Section 58-30-13 NMSA 1978 (being Laws 2006,  
10 Chapter 96, Section 13, as amended) is amended to read:

11 "58-30-13. INDIVIDUAL DEVELOPMENT FUND CREATED.--The  
12 "individual development fund" is created in the state treasury.  
13 The fund shall consist of appropriations, gifts, grants,  
14 donations and bequests made to the fund. Income from the fund  
15 shall be credited to the fund, and money in the fund shall not  
16 be transferred to any other fund at the end of a fiscal year.  
17 Money in the fund is appropriated to the [~~office~~] department  
18 for the purposes of carrying out the provisions of the  
19 Individual Development Account Act. Expenditures shall be made  
20 on warrant of the secretary of finance and administration  
21 pursuant to vouchers signed by the [~~director~~] secretary of  
22 workforce solutions or the [~~director's~~] secretary's designee."

23 SECTION 15. APPROPRIATION.--Five hundred thousand dollars  
24 (\$500,000) is appropriated from the general fund to the  
25 individual development fund for expenditure in fiscal year 2020

.211341.2

underscored material = new  
~~[bracketed material] = delete~~

1 and subsequent fiscal years to carry out the purposes of the  
2 individual development fund. Any unexpended or unencumbered  
3 balance remaining at the end of a fiscal year shall not revert  
4 to the general fund.

5 SECTION 16. EFFECTIVE DATE.--The effective date of the  
6 provisions of this act is January 1, 2020.