

LFC Requester:	Eric Chenier
-----------------------	---------------------

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov
(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 1/15/25 *Check all that apply:*
Bill Number: HB77 Original Correction
 Amendment Substitute

Sponsor: Rep. Liz Thomson **Agency Name and Code** HCA 630
Annual Federal SNAP State **Number:** _____
Short Title: Outreach Plans **Person Writing** Suzanne Duran - Vigil
Email suzannep.duran-vigi@hca.nm.gov
Phone: 505-795-0493 : _____

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
None	None	N/A	N/A

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
0	0	0	N/A	N/A

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	None	\$103.0	\$103.0	\$206.0	Recurring	SGF
	None	\$103.0	\$103.0	\$206.0	Recurring	FF

Total	None	\$206.0	\$206.0	\$412.0	Recurring	SGF/FF
--------------	------	---------	---------	---------	-----------	--------

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
 Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: Amends the Public Assistance Act to require the Health Care Authority (HCA) to develop annual federal Supplemental Nutrition Assistance Program (SNAP) state outreach plans to promote access to the benefits of the program.

FISCAL IMPLICATIONS

To effectively implement House Bill (HB) 77, beginning in SFY 27, HCA requires two full-time employees (FTE) classified as a pay band 70 - Social and Community Services Coordinator III. These positions will be responsible for overseeing and managing all contracts associated with the SNAP Outreach Plan.

# of FTE	Division	Description	Range	Hourly rate	Annual Salaries	Insurance Rate Bi-weekly	Group Insurance	PERA	FICA	RHC	Total Benefits	TOTAL Cost	FFP	GF Need	FF Need	Notes
2	ISD	SOC/COM SV COORD-A	70	34.23	142,944.48	163.37	4,263.96	25,358.35	10,935.25	2,858.89	43,416.45	186,360.93	50.0%	93,180.47	93,180.47	
						163.37	4,263.96				4,263.96	4,263.96	50.0%	2,131.98	2,131.98	
0																
2			TOTAL Personnel / Benefits		142,944.48	326.74	8,527.91	25,358.35	10,935.25	2,858.89	47,680.41	190,624.89	50.0%	95,312.44	95,312.44	
		FTE														
		2	Other Operating Costs:	per person	# of FTE	GF	FF									
			542100 - Instate M & F	157.00	314.00	157.00	157.00									
			542200 - Instate M & L	210.00	420.00	210.00	210.00									
			544100 - Office Supplies	600.00	1,200.00	600.00	600.00									
			544900 - Invert Exempt	5,000.00	10,000.00	5,000.00	5,000.00									
			546600 - Telecomm	1,700.00	3,400.00	1,700.00	1,700.00									
			546400 - Rent/Land & Building	45.00	90.00	45.00	45.00									
				7,667.00	15,334.00	7,667.00	7,667.00									
						GF	FF									
			TOTAL (whole numbers)		206,000.00	102,979.44	102,979.44									
			TOTAL (thousandths for LFC)		206.0	103.0	103.0									

SIGNIFICANT ISSUES

None

PERFORMANCE IMPLICATIONS

None

ADMINISTRATIVE IMPLICATIONS

The activity outlined in HB77 requires two additional FTE, pay band 70, to effectively administer the SNAP Outreach Plan and manage all associated contracts. These positions will be essential in ensuring the seamless execution of the outreach efforts, contract oversight, and coordination of related activities to include timely federal reporting. These positions will be responsible to develop Community Based Organization relationships for contracts, and they will ensure compliance with the contract terms and conditions, ensure stakeholder communications, complete performance monitoring along with timely reporting as required by federal and state law. Some simple reporting from HCA ASPEN application may be required to support the administration of the outreach efforts; this is anticipated to be at no additional cost.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None

TECHNICAL ISSUES

None

OTHER SUBSTANTIVE ISSUES

It should be noted that these costs assume HCA's baseline budget does not decrease. ISD staff are critical to the implementation of House Bill 77 and the FY26 LFC recommendation underfunds the ISD baseline budget significantly. ISD is narrowly meeting timeliness standards today and will be unable to remain timely with current HCA demands under LFC budget recommendation. Increasing the pool of potential HCA customers will further adversely affect timeliness, hindering the ability to meet Federal requirements and risking incurring federal penalties in the tens of millions.

If the FY26 Executive Recommendation is not funded, ISD will not be able to deliver services and benefits to New Mexicans timely.

- The current timeliness of 4 days for expedited SNAP, 15 days for new regular SNAP applications, and 24 days for new Medicaid applications.
- Recertification (renewal) timeliness is 45 days for SNAP and 40 days for Medicaid.

If ISD receives FY26 funding to keep its 158 existing FTEs (caseworkers), without the 8% salary retention differential, ISD will likely lose staff to competitors.

- Currently, the starting salary for an ISD caseworker is \$22.13 per hour (\$23.90 with the 8% SNAP settlement retention incentive), yet 20% of HCA staff qualify for SNAP or Medicaid themselves. For context, fast-food restaurant wages in New Mexico are now averaging \$22.00 per hour.
- ISD caseworkers require a full year on-the-job training to manage complex applications like Medicaid, SNAP, and TANF. High turnover not only erodes institutional knowledge but also wastes valuable resources invested in training.

The fiscal year 2026 Executive Budget Recommendation for the Health Care Authority's Income Support Division (ISD) addresses long-standing structural underfunding to ensure the agency meets state and federal performance requirements. If we do not receive this funding, we will not have adequate staffing to implement HB 77, even with additional FTE.

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo

AMENDMENTS

None