

LFC Requester:**Connor Jorgensen****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:** 2/17/25*Check all that apply:***Bill Number:** HB404Original Correction Amendment Substitute **Sponsor:** Rep. De La Cruz
Social Services Monetary
Stipend Project**Agency Name**
and Code HCA 630**Number:****Person Writing** Suzanne Duran-Vigil**Short**
Title:**Email** Suzannep.duran-505-795-0493 : vigi@hca.nm.gov**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$0.0	\$3,000.0	Recurring	State General Fund

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
None	\$3,000.0	None	None	None

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	None	None	None	None	None	none

(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:

House Bill 404 (HB 404): Social Services Monetary Stipend Project is an act relating to social services. HB 404 creates a three-year pilot project to provide a monthly stipend for basic cost of living expenses that will improve educational, employment, and health outcomes for adults who are former foster or delinquent children. HB 404 outlines the program eligibility, terms and reporting requirements. HB 404 also appropriates monies for the pilot program.

FISCAL IMPLICATIONS

HB 404 states on page 3 lines 11 – 17: “If the higher education department determines that the federal Social Security Act requires waivers or authorizations from the United States in order to carry out the monetary stipend project, the department shall notify the health care authority, and the authority shall request such waivers or authorizations no later than December 31, 2025.” Without knowing what the waivers or authorizations would be that would need to be requested, HCA is unable to determine the need for additional staff. Many times, approval of waivers requires reporting on Outcome Measures of the program. Depending on the complexity of reporting and whose responsibility this would be, ISD may need additional staff.

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

HB 404 outlines that the amount of the monetary stipend shall not exceed two thousand dollars (\$2,000) per month. This pilot project is funded with 100% state general funds which is considered monies from a public source. Unless the funding source also included private funds, which the bill does not propose, the income will be considered countable towards the eligibility of the Health Care Authority (HCA) income-based programs. The programs that are administered by HCA include Supplemental Nutrition Assistance (SNAP), Cash Programs, Low Income Home Energy Assistance Program (LIHEAP), and Medicaid. The policy is outlined in New Mexico Administrative Code (NMAC) 8.139.527.9 (Y)(Z).

Y. Guaranteed Basic Income is any payments that is funded solely with private funds or mixture of private and public funds will be excluded income.

Z. Universal Basic Income is any payments that is funded solely with private funds or mixture of private and public funds will be excluded income.

PERFORMANCE IMPLICATIONS

None

ADMINISTRATIVE IMPLICATIONS

HB 404 outlines that Higher Education Department (HED) shall determine the amount of the monetary stipend in consultation with HCA. There will be no administrative impacts for the consultation. No system changes will be necessary as HCA eligibility system ASPEN has been

enhanced for this type of income.

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CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None

TECHNICAL ISSUES

None

OTHER SUBSTANTIVE ISSUES

None

ALTERNATIVES

If the pilot project is co-mingled with private funds, the stipend will no longer be considered countable and will be exempt from determining eligibility for the purposes of the eligibility for HCA programs.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo

AMENDMENTS

None