

LFC Requester:	
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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}

Check all that apply:

Original Amendment
Correction Substitute

Date Prepared: 2025-02-13
Bill No: HB404

Sponsor(s) Art De La Cruz
:

Agency Name CYFD 69000
and Code
Number:
Person Writing Scott Patterson-Alatorre
Analysis:
Phone:

Short SOCIAL SERVICES
Title: MONETARY STIPEND
PROJECT

Email: Scott.patterson-
alatorre@cyfd.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
0	0		
0	0		

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
0	0	0		
0	0	0		

ESTIMATED ADDITIONAL OPERATION BUDGET (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	0		0	0		

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

BILL SUMMARY

If enacted, HB 404 would:

Create a three-year pilot project, titled the Monetary Stipend Project, to be administered through the Higher Education Department aimed at improving educational, employment and healthcare outcomes for adults with a history of participation in the delinquency and/or foster care system through:

- * Provision of monthly financial assistance payments to eligible adult participants while measuring the effect of the payments on socioeconomic outcomes;
- * Creation of participation criteria to include: be a resident of the state of New Mexico, be a lawful permanent resident or a US citizen, be an adult who is less than twenty-six years old, have a history of being adjudicated or incarcerated pursuant to the Delinquency Act, or have participated in and aged out of the Fostering Connections program;
- * Requirement that the individual be enrolled in a post-secondary educational program, be participating in an apprenticeship or workforce development program that is recognized by the Workforce Solutions department, or participating in a program or activity that is designed to promote employment or remove barriers to employment;
- * Directs the Higher Education Department to determine the amount of the monetary stipend in consultation with the Health Care Authority;
- * Provides guidance that the monetary stipend be individualized and adjusted based on the participant's income and consideration of other public assistance received, and shall not exceed two thousand dollars (\$2,000) per month;
- * Provides direction that the monetary stipend may be expended on cost-of-living expenses as provided by the rule;
- * Directs the Higher Education Department to promulgate rules to include: the form and manner of the application, the criteria for application review, the methodology and procedure for evaluation of participants, and any additional rules needed to carry out the program;
- * Directs the Higher Education Department to notify the Health Care Authority

should there be a need to request any waivers or authorizations that may be required in relation to the federal Social Security Act;

* Directs the Health Care Authority to request any needed waivers or authorizations no later than December 31, 2025;

* Directs the Higher Education department to provide a report on program outcomes to the Legislative Health and Human Services committee on May 1 and November 1 during each year of the monetary stipend project as well as a final report on the outcomes for participants no later than October 1, 2031.

* Provides an appropriation of three million dollars (\$3,000,000) from the state general fund to the Higher Education Department for use in fiscal years 2026 through 2028.

FISCAL IMPLICATIONS

No Fiscal Impact to CYFD

SIGNIFICANT ISSUES

This bill is unclear on mechanism or process for verifying past involvement or participation in the Fostering Connections program and/or services related to adjudication or incarceration pursuant to the Delinquency Act.

PERFORMANCE IMPLICATIONS

If enacted, HB 404 will result in the need to develop program related rules, regulations, procedures and policies for the provision and oversight of this program. This may require additional FTE needs for the Higher Education Department to ensure that the program is able to be executed appropriately to include ongoing data collection, analysis, and reporting.

ADMINISTRATIVE IMPLICATIONS

None identified for CYFD

If enacted, HB 404 will result in the need to develop program related rules, regulations, procedures and policies for the provision and oversight of this program. This may require additional FTE needs for the Higher Education Department to ensure that the program is able to be executed appropriately to include ongoing data collection, analysis, and reporting.

Additionally, this bill may require the Health Care Authority to seek waivers and authorizations from federal partners should they be required in relation to the federal Social Security Act.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None identified

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If not enacted, the consequences would be a continuation of the status quo.

AMENDMENTS

None.