

LFC Requester: \_\_\_\_\_

**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**

**[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto: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:** 2/24/25 *Check all that apply:*  
**Bill Number:** HB 404 Original  Correction   
Amendment  Substitute

**Sponsor:** Rep. Art De La Cruz **Agency Name and Code** Central New Mexico Community College-968  
**Short Title:** Social Services Monetary **Number:** \_\_\_\_\_  
**Person Writing** Martin Olea  
**Phone:** 505-728-7944 **Email** molea1@cnm.edu

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
	3,000.0	NR	GF

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

(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:

HB 404 establishes a three-year pilot program to provide monthly stipends—up to \$2,000—to eligible young adults who were formerly in foster care or the juvenile justice system.

Administered by the Higher Education Department (HED), the program aims to improve education, employment, and healthcare outcomes.

Eligible participants must be New Mexico residents under 26 who are enrolled in higher education, an apprenticeship, or workforce development. Stipends will be adjusted based on income and public assistance received.

HED will oversee implementation, data collection, and reporting, with biannual updates to the Legislative Health and Human Services Committee and a final evaluation by 2031. The bill appropriates \$3 million for FY 2026-2028, with unused funds reverting to the general fund.

## FISCAL IMPLICATIONS

Currently, CNM does not collect or maintain records regarding whether students were in foster care or adjudicated before the age of 18. While CNM supports students through various programs, there is no existing institutional process to systematically identify students who meet the eligibility criteria outlined in HB 404.

**Existing Support Mechanisms:** CNM's F.I.R.S.T. (Fostering Innovation, Respect, Support, and Training) Program allows students to either self-identify or be referred for enrollment. Upon enrollment, an attribute is added to their student account. However, the program does not track whether students were involved in the juvenile justice system, limiting the institution's ability to determine eligibility under HB 404.

**Challenges in Implementation:** To effectively identify eligible students for the proposed stipend, CNM would need to implement new data collection processes, including tailored questions to determine if students:

- Were adjudicated/incarcerated under the Delinquency Act
- Were in foster care before the age of 18
- Participated in the Fostering Connections program

Since CNM does not currently track this information, implementation would require additional administrative efforts, data system modifications, and possible coordination with external agencies.

**Potential Impact on Student Population:** The population most likely to qualify for the stipend under HB 404 is found in Adult Basic Education (ABE) programs or high schools serving students involved with the juvenile justice system. Without institutional tracking mechanisms, CNM would need to establish a process for verifying student eligibility, which may require collaboration with state agencies and other educational institutions.

The implementation of HB 404 at CNM may involve:

- Staff time and resources to modify data collection systems
- Additional training for staff to properly identify and track eligible students
- Potential legal considerations regarding student data privacy
- Outreach and collaboration with external agencies to verify student backgrounds

Further cost analysis is necessary to determine the financial burden on CNM and potential

funding sources to support implementation.

**Interagency Data Sharing and Oversight:** To ensure effective implementation and oversight of the monetary stipend project, the Higher Education Department (HED) should establish interagency agreements with relevant state agencies, including but not limited to the Human Services Department, Workforce Solutions Department, and the Health Care Authority, to facilitate data sharing. These agreements should ensure that: stipend distributions, and any recommendations for improving data exchange processes.

**Other Recommendations:** To maximize efficiency and effectiveness, it is recommended that the Higher Education Department prioritize contracting with an in-state entity with demonstrated experience in administering monthly wage and stipend programs and tracking participant data. This approach would streamline implementation, ensure compliance with reporting requirements, and leverage local expertise in supporting at-risk populations. Utilizing a directed subaward or a targeted RFP process can enhance the program's success by selecting a provider with established infrastructure and experience in stipend administration.

## **SIGNIFICANT ISSUES**

### **PERFORMANCE IMPLICATIONS**

### **ADMINISTRATIVE IMPLICATIONS**

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

### **TECHNICAL ISSUES**

### **OTHER SUBSTANTIVE ISSUES**

### **ALTERNATIVES**

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

### **AMENDMENTS**