

LFC Requestor: LFC Contractor

**2025 LEGISLATIVE SESSION
AGENCY BILL ANALYSIS**

Section I: General

Chamber: Senate

Category: Bill

Number: 102

Type: Introduced

Date (of THIS analysis): 02/05/25

Sponsor(s): William P. Soules and Yanira Gurrola

Short Title: Study Universal Basic Income & Pregnancy

Reviewing Agency: Agency 665 - Department of Health

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Section II: Fiscal Impact

APPROPRIATION (dollars in thousands)

Appropriation Contained		Recurring or Nonrecurring	Fund Affected
FY 25	FY 26		
\$0	\$80,000	Nonrecurring; Total appropriation is for expenditure over 2 years (FY26-FY27).	General Fund

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY 25	FY 26	FY 27		
\$0	\$0	\$0	N/A	N/A

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY 25	FY 26	FY 27	3 Year Total Cost	Recurring or Non- recurring	Fund Affected
Total	\$0	\$261	\$261	\$522	Non-recurring unless program is extended	General Fund

Personnel would be required to design the study, recruit participation, and to seek research approvals through the New Mexico State University Institutional Review Board (IRB) to assure ethical human subjects protections. Time for hiring, study of protocol development, and IRB applications are estimated to take between 6 and 9 months.

Additional personnel would be needed to administer and maintain enrollment, verify compliance with pilot requirements, and to administer payments.

- An Epidemiologist-O FTE is calculated at the hourly midpoint and average fringe benefits at 40%: Payband 70- \$33.23/hr x 2080 hours= \$69,118 + 40% fringe=\$96,765.00
- For an Accountant-Auditor-B, Payband 55- \$23.14/hr x 2080 hours= \$48,131 + 40% fringe= \$67,383.00
- For a Program Coordinator-I, Payband 70- \$33.23/hr x 2080 hours= \$69,118 + 40% fringe = \$96,765.00

Section III: Relationship to other legislation

Duplicates: None

Conflicts with: None

Companion to: None

Relates to: None

Duplicates/Relates to an Appropriation in the General Appropriation Act: None

Section IV: Narrative

1. BILL SUMMARY

a) Synopsis

Senate Bill 102 (SB102) proposes to establish a two-year Universal Basic Income Pilot Program, administered by the New Mexico Department of Health (NMDOH), to evaluate the financial impact of providing a universal basic income to pregnant individuals from pregnancy through the infant's first year of life.

The program would be open to pregnant individuals with incomes at or below 150% of the Federal Poverty Level, who could voluntarily enroll through an application process developed by NMDOH. Participants would be divided into a control group and a test group. Those in the test group would receive \$1,500 per month throughout the program duration, provided they meet specific requirements, including attending routine prenatal care appointments, receiving home visitation services, and completing study-related surveys and forms. Participants who do not comply with these requirements would be moved to the control group and would no longer receive payments.

The program would begin on July 1, 2025, and conclude on June 30, 2027. NMDOH would be required to report the program's findings to the Legislative Education Study Committee no later than December 1, 2027.

Is this an amendment or substitution? Yes No

Is there an emergency clause? Yes No

b) Significant Issues

A universal basic income program for pregnant women provides direct cash payments during pregnancy to help cover expenses like healthcare, nutrition, and general well-being. These payments are given based on specific eligibility criteria. The goal is to support maternal and infant health while reducing financial stress, which has been shown to improve overall health outcomes throughout the life of a child.

New Mexico consistently ranks among the poorest states in the U.S., with a poverty rate of 18.4% in 2022, significantly higher than the national average of 11.5% (U.S. Census Bureau, 2022). The poverty rate is even more pronounced among children, with 24.9% living below the federal poverty level. Pregnant individuals living in poverty face compounded challenges, including food insecurity, inadequate prenatal care, and increased stress, all of which negatively affect maternal and infant health. SB102 directly targets individuals at or below 150% of the federal poverty level, a population that is particularly vulnerable to poor health outcomes.

Early childhood is a critical period for development, and economic stability. Children in low-income families are more likely to experience developmental delays, chronic health issues, and lower educational attainment. By providing financial support during pregnancy and the first year of life, SB102 has the potential to improve long-term outcomes for children, reducing future healthcare costs and increasing economic productivity. Research indicates that every dollar invested in early childhood programs yields a return of \$4 to \$9 in long-term benefits ([Invest in Early Childhood Development: Reduce Deficits, Strengthen the Economy - The Heckman Equation](#)).

SB102 could lead to higher levels of overall achievement, better health, and better long term health outcomes for both mothers and children. Cash payments during pregnancy have been shown to positively impact outcomes throughout infancy, childhood, and adulthood ([Currie et al., 2015](#); [Hoynes et al., 2016](#)) and the 2021 expansion of the federal Child Tax Credit (CTC) reduced child poverty to a historic low, decreased food insufficiency, and alleviated financial hardship ([Curran, 2022](#)). These additional funds provided to pilot program participants would likely have similar positive effects.

According to the New Mexico Bureau of Vital Records and Health Statistics, there were 20,643 live births to residents in 2023. Of these, approximately 50% (\pm standard error 1.2, weighted percent) would qualify for the program at 150% of the federal poverty level (NM PRAMS, 2020–2021 births). A pilot study could be implemented using a systematically randomized sample of births to align with the proposed appropriation. Given that the selection criteria encompass a significant portion of the perinatal population, additional parameters would be necessary. Expanding operations statewide and sustaining efforts beyond two years would require substantial resources as an estimated \$185,800,000 would be required to expand the program to the entire eligible population in New Mexico.

Data from 51 studies and 22 cash transfer and voucher programs suggest that tying payments to service use increases antenatal care, skilled birth attendance, and postnatal care ([Hunter et al., 2017](#)). However, the pilot study design, which mandates participation in health services or home visiting, raises regulatory and ethical concerns for both participants and service providers. Automatic reassignment to the control group at various stages introduces potential biases and challenges for the research protocol. As written, SB102 relies on provider discretion to determine recommended prenatal care, and variations in ‘non-compliance’ may be influenced by demographic and geographic factors.

Memorials were introduced in the 2022 (HM22 - Study Low Income Basic Income) and 2023 (HM7 - Study NM Basic Income) legislative sessions, but neither progressed beyond the first committee. These memorials did not specifically focus on pregnant individuals. Additionally, a similar bill, SB164 (Universal Basic Income and Pregnancy), was introduced in 2024 but ultimately died in chamber.

Currently Universal basic income programs for pregnant women are growing across the U.S., including in Colorado ([The Healthy Beginnings Pilot](#)), Delaware ([Delaware Healthy Mother and Infant Consortium](#)), Baltimore ([Baltimore Young Families Success Fund](#)), Philadelphia ([Guaranteed Resources Optimize Wellbeing](#)), New York City ([The Bridge Project](#)), and California ([The Abundant Birth Project](#)).

2. PERFORMANCE IMPLICATIONS

- Does this bill impact the current delivery of NMDOH services or operations?

Yes No

If yes, describe how.

- Is this proposal related to the NMDOH Strategic Plan? Yes No

Goal 1: We expand equitable access to services for all New Mexicans

Goal 2: We ensure safety in New Mexico healthcare environments

Goal 3: We improve health status for all New Mexicans

Goal 4: We support each other by promoting an environment of mutual respect, trust, open communication, and needed resources for staff to serve New Mexicans and to grow and reach their professional goals

3. FISCAL IMPLICATIONS

- If there is an appropriation, is it included in the Executive Budget Request?
 Yes No N/A
- If there is an appropriation, is it included in the LFC Budget Request?
 Yes No N/A
- Does this bill have a fiscal impact on NMDOH? Yes No

4. ADMINISTRATIVE IMPLICATIONS

Will this bill have an administrative impact on NMDOH? Yes No

Staffing is calculated above for pilot implementation and study personnel.

5. DUPLICATION, CONFLICT, COMPANIONSHIP OR RELATIONSHIP

None

6. TECHNICAL ISSUES

Are there technical issues with the bill? Yes No

7. LEGAL/REGULATORY ISSUES (OTHER SUBSTANTIVE ISSUES)

- Will administrative rules need to be updated or new rules written? Yes No
- Have there been changes in federal/state/local laws and regulations that make this legislation necessary (or unnecessary)? Yes No
- Does this bill conflict with federal grant requirements or associated regulations?
 Yes No
- Are there any legal problems or conflicts with existing laws, regulations, policies, or programs? Yes
 No

Human Subjects Protections regulations might prohibit a scenario where people lose benefits by not 'complying' with services, although some studies have a prorated approach to when the individual starts and finishes study participation. Studies relying on coercion are out of compliance with U.S. Health and Human Services (HHS) regulations for the protection of human subjects in research at [45CFR 46](#).

8. DISPARITIES ISSUES

Poverty during pregnancy contributes to significant health disparities affecting both mothers and infants. Approximately 25% of New Mexicans live at or below the federal poverty level, with a substantial portion residing in rural areas which lack adequate healthcare services. This economic hardship is linked to limited

access to prenatal care, higher rates of maternal and infant mortality, and increased prevalence of chronic health conditions ([NM-IBIS - Summary Health Indicator Report - Population Demographic Characteristics - Poverty Among Children Under Age 18](#)).

The state faces a shortage of healthcare providers, particularly in rural regions, exacerbating these disparities. Notably, 33.3% of New Mexico's counties are classified as maternity care deserts, areas with no or limited access to maternity care services. Consequently, 23.3% of birthing individuals receive inadequate prenatal care, a rate higher than the national average of 14.8% ([Where you live matters: Maternity care access in New Mexico | PeriStats | March of Dimes](#)).

Native American and Hispanic communities in New Mexico experience higher rates of maternal and infant mortality compared to non-Hispanic white populations. NM PRAMS surveillance indicates that over 70% of Native American birthing people have households with incomes at or below \$150,000 compared to 57% of Latinx and 31% of non-Hispanic people in NM (unpublished ad Hoc data query, January 2024). The maternal mortality rate in New Mexico is 23.7 per 100,000 live births, exceeding the national average of 18.0 per 100,000. Native American women face a maternal morbidity rate twice as high as non-Hispanic white women ([Maternal Mortality Rates in the United States, 2020](#)).

9. HEALTH IMPACT(S)

- SB0102 impacts pregnant people with household incomes at or below 150% of poverty, their infants and other household members.
- The projected fiscal impact on intervention group participants from this population could have a positive impact, as it would provide a universal basic income during the two-year study period.
- The NM Maternal Mortality Review Committee has found that unemployment was an environmental stressor present for 61% of pregnancy-related deaths that occurred between 2015 and 2020. [Annual Report 2023 PowerPoint](#).
- Pregnancy is a critical period when environmental and socioeconomic factors affect children's short- and long-term well-being ([Jaggap et al., 2023](#); [Wimer et al., 2023](#)).
- Global research on cash assistance programs shows a decline in low-birth-weight babies, primarily among disadvantaged groups like low-income, unmarried, and less-educated mothers ([Wimer et al., 2023](#); [Falcão et al., 2023](#); [Gonzales & Trommlerova, 2022](#); [Jung, 2023](#)).

10. ALTERNATIVES

There could be alternative design approaches to study, but a universal income pilot could not be conducted without a legislative appropriation to fund it.

11. WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

If SB0164 is not enacted, then DOH will not design and implement a two-year pilot program to evaluate the financial impact of providing a universal basic income of \$1,500 per month from pregnancy through the first year of life of an infant.

12. AMENDMENTS

None.