

LFC Requester:

Jennifer Faubion

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: 2/06/2025 *Check all that apply:*
Bill Number: SB294 Original X Correction
 Amendment Substitute

Representative
 Christine Chandler and
 Senators Heather
 Berghmans, Angel
 Charley, and Cindy
Sponsor: Nava

Agency Name and Code

Number: ECECD

Person Writing Analysis: Elizabeth Groginsky

Short Title: Increase Child Income Tax Credit

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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
NFI	NFI		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

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

(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						

(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:

SB294 proposes to increase the Child Income Tax Credit for qualifying children under the age of six by amending Section 7-2-18.34 NMSA 1978 to multiply the tax credit amount that may be claimed for each qualifying child under the age of six by two.

FISCAL IMPLICATIONS

No foreseeable fiscal impact.

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

If SB294 passes, qualifying New Mexican families would receive additional funds to help provide for children under the age of six. This additional support could reduce child poverty, improve the lives of young children and families, and infuse additional money into New Mexico’s economy. This is evidenced by policy changes in recent years to New Mexico’s tax code – including the creation and expansion of the Child Tax Credit – that are associated with a 6.2% decline in the supplemental poverty measure from 2013 to 2023 (U.S. Census Bureau, Current Population Surveys).

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**