

LFC Requestor: HILLA, Emily

2025 LEGISLATIVE SESSION
AGENCY BILL ANALYSIS

Section I: General

Chamber: Senate

Category: Bill

Number: 397

Type: Introduced

Date (of THIS analysis): 2/19/25

Sponsor(s): Antonio Maestas, Leo Jaramillo

Short Title: NEW MEXICO NEXT GENERATION ACT

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	\$0	N/A	N/A

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	\$0	\$0	\$0	N/A	N/A

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

SB 397 creates a means of providing funding for educational or housing expenses for individuals born after July 1, 2025, who have a parent who has resided in New Mexico for at least 5 years and has been placed in the care of Children Youth and Families Department (CYFD) Protective Services Division or has been placed with a licensed child placement agency. The bill creates two funds: the next generation trust fund, which is designed to create a source of revenue to fund these expenses, and the baby bonds fund, which Department of Finance and Administration (DFA) will administer to provide support to eligible beneficiaries.

Is this an amendment or substitution? Yes No

Is there an emergency clause? Yes No

b) Significant Issues

SB 397 requires DFA to consult with CYFD and NMDOH to project expenditures for the upcoming fiscal year on an ongoing basis, beginning in May 2043. NMDOH's role in this consultation is primarily to estimate the number of eligible individuals each year through vital records data.

Additionally, SB 397 mandates that DFA enter into an agreement with NMDOH by July 1, 2025, to provide any necessary information to determine or verify the identity or number of individuals eligible for assistance. While the number of eligible recipients of the proposed fund is currently unknown, NMDOH would likely be able to meet the data requirements outlined in the bill without the need for additional support staff. However, before data can be shared with another state agency, a secure data transfer system would need to be developed and agreed to by both agencies.

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

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

8. DISPARITIES ISSUES

None

9. HEALTH IMPACT(S)

None

10. ALTERNATIVES

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

If Senate Bill 397 is not enacted, a mechanism for financial assistance for education and housing for certain eligible individuals will not be made available.

12. AMENDMENTS

None