

1 SENATE BILL 208

2 **57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026**

3 INTRODUCED BY

4 Pete Campos

10 AN ACT

11 RELATING TO CHILDREN; ENACTING THE WELCOME CHILD ACT; PROVIDING  
12 WELCOME CHILD BENEFITS TO CERTAIN PARENTS AND GUARDIANS  
13 BEGINNING JANUARY 1, 2028; CREATING THE WELCOME CHILD BENEFIT  
14 FUND; ESTABLISHING ELIGIBILITY REQUIREMENTS FOR THE WELCOME  
15 CHILD BENEFIT; PROVIDING FOR THE SECRETARY OF EARLY CHILDHOOD  
16 EDUCATION AND CARE TO PROMULGATE RULES TO IMPLEMENT THE  
17 PROVISIONS OF THE WELCOME CHILD ACT; MAKING AN ANNUAL  
18 DISTRIBUTION FROM THE EARLY CHILDHOOD EDUCATION AND CARE FUND  
19 TO THE WELCOME CHILD BENEFIT FUND; MAKING AN APPROPRIATION.

20

21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

22 SECTION 1. A new section of the Children's Code is  
23 enacted to read:

24 "[NEW MATERIAL] SHORT TITLE.--Sections 1 through 5 of  
25 this act may be cited as the "Welcome Child Act"."

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1                   **SECTION 2.** A new section of the Children's Code is  
2 enacted to read:

3                   "NEW MATERIAL] DEFINITIONS.--As used in the Welcome Child  
4 Act:

5                   A. "department" means the early childhood education  
6 and care department, the secretary or an employee of the  
7 department exercising authority lawfully delegated to that  
8 employee by the secretary; and

9                   B. "secretary" means the secretary of early  
10 childhood education and care."

11                  **SECTION 3.** A new section of the Children's Code is  
12 enacted to read:

13                  "NEW MATERIAL] WELCOME CHILD BENEFIT FUND.--The "welcome  
14 child benefit fund" is created as a nonreverting fund in the  
15 state treasury. The fund consists of distributions,  
16 appropriations, gifts, grants, donations and income from  
17 investment of the fund. The department shall administer the  
18 fund, and money in the fund is appropriated to the department  
19 to provide welcome child benefits pursuant to the Welcome Child  
20 Act. Expenditures from the fund shall be by warrant of the  
21 secretary of finance and administration pursuant to vouchers  
22 signed by the secretary of early childhood education and care  
23 or the secretary's authorized representative."

24                  **SECTION 4.** A new section of the Children's Code is  
25 enacted to read:

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1                   "[NEW MATERIAL] WELCOME CHILD BENEFIT.--

2                   A. Beginning January 1, 2028 and subject to the  
3 availability of funds in the welcome child benefit fund, the  
4 department shall provide a welcome child benefit to an  
5 applicant who:

6                   (1) is the parent or legal guardian of a  
7 newborn or newly adopted child; and

8                   (2) has resided in the state for at least six  
9 months in the twelve-month period immediately prior to the  
10 birth or adoption of the child.

11                  B. Except as provided in Subsection D of this  
12 section, the welcome child benefit shall consist of three  
13 monthly payments of three thousand dollars (\$3,000) to be paid  
14 to the child's parent or guardian for each of the three months  
15 following the determination of the applicant's eligibility to  
16 receive a welcome child benefit pursuant to Section 5 of the  
17 Welcome Child Act; provided that if the determination is made  
18 ninety days or more after the birth or adoption of a child or  
19 after an applicant is appointed as a guardian of a child, the  
20 benefit shall be paid in a lump sum of nine thousand dollars  
21 (\$9,000).

22                  C. If more than one custodial parent of a child  
23 applies and is eligible to receive the welcome child benefit,  
24 the monthly welcome child benefit may be divided evenly between  
25 the parents.

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1 D. On January 1, 2030 and each January 1  
2 thereafter, the total amount of the welcome child benefit shall  
3 be adjusted to account for inflation. The department shall  
4 make the adjustment by multiplying the total amount of the  
5 benefit by a fraction, the numerator of which is the consumer  
6 price index ending during the prior calendar year and the  
7 denominator of which is the consumer price index in calendar  
8 year 2028. The result of the multiplication shall be rounded  
9 to the nearest dollar, except that if the result would be an  
10 amount less than the amount of the benefit for the preceding  
11 fiscal year, then no adjustment shall be made.

17                   **SECTION 5.** A new section of the Children's Code is  
18 enacted to read:

19           "[NEW MATERIAL] WELCOME CHILD BENEFIT--APPLICATION AND  
20           DOCUMENTATION REQUIRED--NOTICE OF DETERMINATION.--

24 (1) the date of the child's birth or the date  
25 of adoption or guardianship, as applicable;

- (2) the applicant's relationship to the child;
- (3) the applicant's in-state residency; and
- (4) account information into which the welcome child benefit should be deposited.

B. The department shall make a determination within sixty days of receipt of a completed application. If the application is approved, the department shall promptly make a payment as provided in Section 4 of the Welcome Child Act.

C. If an application for a welcome child benefit is denied, the department shall promptly notify the applicant of the grounds for denial.

D. Only one welcome child benefit may be provided per child.

E. An applicant for the welcome child benefit shall not be eligible to receive the welcome child benefit if the applicant has willfully or knowingly provided the department with fraudulent documentation in support of an application."

**SECTION 6.** Section 9-29A-1 NMSA 1978 (being Laws 2020, Chapter 3, Section 1, as amended) is amended to read:

"9-29A-1. EARLY CHILDHOOD EDUCATION AND CARE FUND--  
DISTRIBUTIONS.--

A. The "early childhood education and care fund" is created within the state treasury. The fund shall consist of distributions, appropriations, gifts, grants and donations. Income from investment of the fund shall be credited to the

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1 fund. Money in the fund shall be expended only as provided in  
2 this section.

3                   B. The state investment officer, subject to the  
4 approval of the state investment council, shall invest money in  
5 the early childhood education and care fund:

6                   (1) in accordance with the prudent investor  
7 rule set forth in the Uniform Prudent Investor Act; and

8                   (2) in consultation with the ~~state treasurer~~  
9 secretary of early childhood education and care.

10                  C. The state investment officer shall report  
11 quarterly to the legislative finance committee and the state  
12 investment council on the investments made pursuant to this  
13 section. Annually, a report shall be submitted no later than  
14 October 1 each year to the legislative finance committee, the  
15 revenue stabilization and tax policy committee and any other  
16 appropriate interim committees.

17                  D. On July 1 of each year, a distribution shall be  
18 made from the early childhood education and care fund to:

19                   (1) the early childhood education and care  
20 program fund in an amount equal to the greater of five percent  
21 of the average of the year-end market values of the early  
22 childhood education and care fund for the immediately preceding  
23 three calendar years or five hundred million dollars  
24 (\$500,000,000) or, if the balance of the early childhood  
25 education and care fund is less than five hundred million

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1       dollars (\$500,000,000), the balance of the early childhood  
2       education and care fund; and

3               (2) after the distribution pursuant to  
4       Paragraph (1) of this subsection is made, the welcome child  
5       benefit fund in an amount equal to one hundred eighty-nine  
6       million dollars (\$189,000,000) or, if the balance of the early  
7       childhood education and care fund is less than one hundred  
8       eighty-nine million dollars (\$189,000,000), the balance of the  
9       early childhood education and care fund.

10               E. In addition to the [~~distribution~~ distributions  
11       pursuant to Subsection D of this section, money in the early  
12       childhood education and care fund may be expended in the event  
13       that general fund balances, including all authorized revenues  
14       and transfers to the general fund and balances in the general  
15       fund operating reserve, the appropriation contingency fund,  
16       [~~the tobacco settlement permanent fund~~] the state-support  
17       reserve fund and the tax stabilization reserve, will not meet  
18       the level of appropriations authorized from the general fund  
19       for a fiscal year. In that event, to avoid an unconstitutional  
20       deficit, the legislature may appropriate from the early  
21       childhood education and care fund to the general fund only in  
22       the amount necessary to meet general fund appropriations for  
23       that fiscal year and only if the legislature has authorized  
24       transfers from the appropriation contingency fund, the general  
25       fund operating reserve and the tax stabilization reserve [~~and~~

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1       ~~the tobacco settlement permanent fund~~] that exhaust those fund  
2       balances."

3           **SECTION 7. TEMPORARY PROVISION--PROMULGATION OF**  
4       **RULES.**--By July 1, 2027, the secretary of early childhood  
5       education and care shall adopt rules to implement the  
6       provisions of the Welcome Child Act.

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