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FISCAL IMPACT REPORT

BILL NUMBER: House Bill 172/ec

SHORT TITLE: Safe Staffing Act and Nursing Homes

SPONSOR: E. Chávez/Ferry/Szczepanski/Cates

LAST UPDATE: 02/02/2026 **ORIGINAL DATE:** 01/30/2026 **ANALYST:** Chilton

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
HCA	0	\$3,804.4	\$3,804.4	\$7,608.8	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

Health Care Authority

Aging and Long-Term Services Department

Board of Nursing

Agency or Agencies That Were Asked for Analysis but did not Respond

Department of Health

SUMMARY

Synopsis of House Bill 172

House Bill 172 (HB172) creates a new section of the Health Care Code, Chapter 24A NMSA 1978, entitled the “Safe Staffing Act.”

Section 3 establishes a statewide staffing advisory committee composed of fifteen geographically dispersed members including members from hospital nursing directors from public, rural and private hospitals, non-managerial nurses from the same types of hospital, and from the Health Care Authority (HCA).

Section 4 establishes the following minimum staff to patient ratios, not counting charge nurses:

Location in hospital and type of patient	Prescribed staffing ratio, nurse: patient
Emergency department: trauma patient	1:1

Emergency department: other patients	1:4
Intensive care unit	1:2
Labor and delivery: non-laboring, uncomplicated patients	1:2
Labor and delivery: laboring and/or complicated patients	1:1
Postpartum, antepartum units, well-baby nurseries	1:6
Mother-baby units (mothers and babies counted as separate patients in the ratios)	1:8
Operating room	1:1
Oncology unit	1:4
Post-anesthesia unit	1:2
Intermediate care unit	1:3
Medical-surgical unit	1:4
Cardiac telemetry unit	1:4
Pediatric unit	1:4
Behavioral health unit	1:4
Psychiatry unit	1:4

Ratios of nurse staffing to patients can be further increased due to collective bargaining agreements or the severity of patient conditions.

Section 5 requires hospitals and hospital networks to establish staffing committees to ensure compliance with the nurse-to-patient ratios specified in Section 4 of the bill. Section 5 also requires HCA to establish staff-to-patient ratios for other categories of hospital staff, allow for different nurse-to-patient ratios in rural settings, and address circumstances in which staffing ratios may differ from those specified in Section 4.

Section 6 requires hospitals to train personnel in staffing ratio determination and in reporting results of staffing decisions. It prohibits hospitals from tasking unlicensed personnel from being assigned to enumerated high-acuity tasks. It requires hospitals to adequately train nursing and other staff in units and areas where they may be assigned.

Section 7 requires hospitals to provide written notice of deviations from staffing ratios. HCA must determine rules to deal with violations of the staffing ratios, to accept and investigate complaints from hospital staff, and provide for hospital appeals regarding HCA actions regarding staffing ratios. It also provides for warnings and civil penalties if there are violations of staffing ratios. It establishes situations in which staffing ratios can be relaxed:

- National or state emergencies
- Sudden, unforeseen weather disasters
- Mass casualty incidents
- Pandemics, epidemics or endemic illnesses
- Contravening federal or state law on hospital governance.

Section 8 requires HCA to collect data on the effects of this bill and of the Nurse Licensure Compact on recruitment and retention of nurses.

This bill contains an emergency clause and would become effective immediately on signature by the governor.

FISCAL IMPLICATIONS

There is no appropriation in House Bill 172. However, HCA estimates that it would have to add 17 FTE employees to investigate and deal with an estimated 200 violations of the staffing act per year. This would include fourteen nurse surveyors and an attorney, as well as their office space and equipment. Promulgating rules and attending hearings would add to the cost, leading to an estimated total of \$3.8 million each year. Also, the Board of Nursing (BON) notes a significant fiscal impact upon hospitals.

SIGNIFICANT ISSUES

As pointed out by both HCA and the Aging and Long-Term Services Department (ALTSD), there are trade-offs in establishing rigid staff to patient ratios. One issue is the acute nursing shortage affecting all areas of the state. Exceeding recommended nurse-to-patient ratios may contribute to nurse burnout and workforce attrition. At the same time, existing workforce shortages—particularly among registered nurses—may make compliance with the specified ratios difficult, especially for hospitals in rural areas. It is not clear how hospitals should respond to an influx of patients outside of the emergency circumstances enumerated in Section 7 of the bill—whether by limiting admissions or by securing additional nursing staff on short notice.

HCA points out the variability of nursing ratios required to meet the needs of “changing patient acuity, complexity of care, services offered by the hospital, staff’s level of experience, number of support staff available, patient turnover, and competency of the staff available. The situation can change multiple times in a given period when referring to the acuity and needs of the patient.”

HCA also quotes statistics regarding the New Mexico nursing shortage: “Statistics from the New Mexico Healthcare Workforce Committee report published October 1, 2025, show that on average the number of advertised RN openings was more than 7,000. According to the same report, New Mexico institutions graduated 1,533 students in various RN programs (ASN, BSN, MSN). The students NM is producing cannot fill the openings as RNs retire or leave for other professions.” HCA and BON also both quote a study showing evidence that improved staffing ratios improve outcomes: [Nurse staffing levels and patient outcomes: A systematic review of longitudinal studies – ScienceDirect](#), as well as other studies with similar findings.

ALTSD also points out that “improved hospital nurse staffing levels may contribute to enhanced care quality and patient safety, potentially [positively] affecting discharge outcomes for older adults and individuals receiving long-term services and supports.”

TECHNICAL ISSUES

BON makes a number of points, suggesting alterations in the bill:

- The bill might take into account the many duties assumed by nonlicensed personnel, which may alter the prescribed nurse: patient ratios.
- The bill should describe the role of licensed practical nurses relative to those of registered nurses and its effects on nurse: patient ratios.
- Behavioral health specialists may contribute to the care of patients, especially those with mental health issues, and they are not discussed in this bill.

- Patients may be held in areas requiring, according to this bill, higher nurse: patient ratios, when they could be transferred to a lower-acuity unit if beds were available.

PERFORMANCE IMPLICATIONS

BON points out that outcomes of this legislation should be measured, such as patient outcomes and nurse job satisfaction, burnout and retention.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Related to 2023 House Bill 236 and 2024 House Bill 145, both of which also dealt with nursing staff ratios and neither of which passed.

ALTERNATIVES

HCA notes the availability of [Leapfrog ratings](#) as a means of rewarding hospitals with high quality ratings. Leapfrog takes into account many metrics of nursing quality, including “nurse-to-patient ratio, the nursing hours per patient day that are allotted to each unit in a facility, the percentage of RNs with at least a BSN degree (better outcomes have been associated with higher percentages of BSN prepared nurses.”

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