



NEW MEXICO LEGISLATURE

FEDERAL FUNDING STABILIZATION SUBCOMMITTEE

2025 INTERIM FINAL REPORT

LEGISLATIVE COUNCIL SERVICE
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INTERIM SUMMARY

Federal Funding Stabilization Subcommittee 2025 Interim Summary

The Federal Funding Stabilization Subcommittee met six times during the 2025 interim across New Mexico to examine how federal funding changes affect the state's budget, programs and local communities. The subcommittee's work focused on understanding New Mexico's exposure to federal fiscal and policy shifts, assessing near- and medium-term risks and improving legislative readiness for potential disruptions. Early meetings established a baseline understanding of the role federal funds play in state budget and operations.

Health care, public benefits and education were recurring areas of analysis throughout the interim. The subcommittee reviewed pressures on Medicaid administration and financing and the outlook for health insurance coverage, hospital operations and rural access to health care. The subcommittee also examined federal funding for public schools, higher education and research, including how changes to grants and federal policy could affect institutions statewide. The subcommittee considered broader fiscal and tax implications of federal budget reconciliation actions, including potential effects on state revenue, tax administration and long-term budget stability, alongside updates on consensus revenue forecasts and the state's medium-term outlook.

The subcommittee also examined intergovernmental and regional dimensions of federal funding changes. Tribal leaders and state agencies discussed impacts on tribal governments and service delivery, while local government representatives described fiscal and operational challenges tied to federal uncertainty. Meetings in southern New Mexico focused on border-region dynamics, including commerce, transportation, agriculture and the effects of federal actions on cross-border supply chains. The subcommittee also heard from nonprofit and community-based organizations on service demand, operational strain and opportunities to strengthen coordination with state and local governments. The interim concluded with a review of findings, a discussion of emergency response and shutdown preparedness and the identification of priority areas for continued monitoring as federal fiscal conditions evolve.

WORK PLAN AND MEETING SCHEDULE

2025 APPROVED
WORK PLAN AND MEETING SCHEDULE
for the
FEDERAL FUNDING STABILIZATION SUBCOMMITTEE

Members

| | |
|--------------------------------------|------------------------|
| Rep. Patricia A. Lundstrom, Co-Chair | Rep. Raymundo Lara |
| Sen. William P. Soules, Co-Chair | Sen. George K. Muñoz |
| Rep. Cathrynn N. Brown | Sen. James G. Townsend |
| Rep. Mark Duncan | Sen. Linda M. Trujillo |
| Rep. Susan K. Herrera | Sen. Pat Woods |

Advisory Members

| | |
|------------------------|------------------------|
| Rep. Meredith A. Dixon | Sen. Shannon D. Pinto |
| Sen. Linda M. López | Rep. Reena Szczepanski |
| Sen. Cindy Nava | |

Work Plan

The New Mexico Legislative Council created the Federal Funding Stabilization Subcommittee on April 28, 2025 to "create an inventory of federal funds flowing into New Mexico and provide recommendations with regard to recurring and non-recurring funds".

During the 2025 interim, the subcommittee will review and discuss the following topics, as time permits:

- A. review how federal funds have historically fit into New Mexico's budget and how those funds are currently appropriated;
- B. identify the amounts, timing and structure of major recurring federal funding streams, such as Medicaid and Title 1 education grants;
- C. assess the impact of and risk to large one-time appropriations such as those in the federal American Rescue Plan Act of 2021; Infrastructure Investment and Jobs Act, also known as the Bipartisan Infrastructure Law; Inflation Reduction Act of 2022; and CHIPS and Science Act of 2022;
- D. monitor federal actions, including executive orders, rulemaking and grant allocations, that could impact the distribution of previously approved or budgeted federal funding;
- E. receive updates on state-federal litigation with implications for New Mexico's federal funding;
- F. follow the progress of federal budget bills currently moving through the United States House of Representatives, United States Senate, congressional conference committee and signing process; and

G. drill down on special high-impact areas such as ports of entry and Borderplex region projects, research funding from the National Institutes of Health and National Science Foundation and the Federal Highway Administration apportionment formula and discretionary grants for transportation infrastructure.

Federal Funding Stabilization Subcommittee
2025 Approved Meeting Schedule

| <u>Date</u> | <u>Location</u> |
|------------------|-----------------|
| May 28 | Santa Fe |
| July 1-2 | Santa Fe |
| July 31-August 1 | Taos Ski Valley |
| August 28 | Santa Ana |
| October 20-22 | Las Cruces |
| November 6 | Santa Fe |

AGENDAS AND MINUTES

**TENTATIVE AGENDA
for the
FIRST MEETING
of the
FEDERAL FUNDING STABILIZATION SUBCOMMITTEE**

**May 28, 2025
State Capitol, Room 307
Santa Fe**

Wednesday, May 28

| | |
|------------|--|
| 9:00 a.m. | Call to Order and Introductions —Representative Patricia A. Lundstrom, Co-Chair —Senator William P. Soules, Co-Chair |
| 9:15 a.m. | (1) <u>Federal Funds in New Mexico's State Budget and Public Schools</u> —Wayne Propst, Secretary, Department of Finance and Administration —Charles Sallee, Director, Legislative Finance Committee (LFC) —John Sena, Director, Legislative Education Study Committee |
| 11:00 a.m. | (2) <u>Medicaid and Federal Supplemental Nutrition Assistance Program Financing 101</u> —Eric Chenier, Principal Analyst, LFC —Charles Sallee, Director, LFC |
| 12:00 noon | Lunch |
| 1:00 p.m. | (3) <u>Overview of Federal Budget and Reconciliation Status</u> —Charles Sallee, Director, LFC |
| 2:00 p.m. | (4) <u>Proposed Interim Work Plan and Meeting Schedule</u> —Federal Funding Stabilization Subcommittee Members and Staff |
| 3:00 p.m. | Adjourn |

**MINUTES
of the
FIRST MEETING
of the
FEDERAL FUNDING STABILIZATION SUBCOMMITTEE**

**May 28, 2025
State Capitol, Room 307
Santa Fe**

The first meeting of the Federal Funding Stabilization Subcommittee was called to order by Representative Patricia A. Lundstrom, co-chair, on May 28, 2025 at 9:03 a.m. in Room 307 of the State Capitol in Santa Fe.

Present

Rep. Patricia A. Lundstrom, Co-Chair
Sen. William P. Soules, Co-Chair
Rep. Cathrynn N. Brown
Rep. Mark Duncan
Rep. Raymundo Lara
Sen. George K. Muñoz
Sen. James G. Townsend
Sen. Pat Woods

Absent

Rep. Susan K. Herrera
Sen. Linda M. Trujillo

Advisory Members

Sen. Linda M. López
Sen. Cindy Nava

Staff

Clinton Turner, Fiscal Policy Analyst, Legislative Council Service (LCS)
Sabina Gaynor, Staff Attorney, LCS
Nicole Waguespack, Researcher, LCS

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file and posted on the legislature's website.

References to Webcast

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the subcommittee meeting, which can be found at www.nmlegis.gov, under the "Webcast" tab. The presentations made and subcommittee discussions for agenda items can be found on the recorded webcast for this meeting.

Wednesday, May 28

Welcome and Introductions (9:03 a.m.)

Representative Lundstrom welcomed everyone and subcommittee members introduced themselves.

Federal Funds in New Mexico's State Budget and Public Schools (9:10 a.m.)

Wayne Propst, secretary, Department of Finance and Administration; Charles Sallee, director, Legislative Finance Committee (LFC); and John Sena, director, Legislative Education Study Committee, participated in a panel on the impact of the changes in federal funds on the state's budget and public schools. Mr. Propst discussed the amount of federal dollars that went toward the state's budget and considered the state's reliance on federal dollars in the provision of services to New Mexico residents. He highlighted the numerous state employment positions funded by federal funds. Mr. Propst then briefly discussed the impacts of the 2025 federal budget reconciliation on public benefits programs, focusing on significant cuts in the federal Supplemental Nutrition Assistance Program and on Medicaid. He mentioned the importance of strengthening information sharing in state government and focusing on gaps in funding. Representative Lundstrom asked Mr. Propst to inform the subcommittee throughout the interim of any litigation to which the state is a party that develops in light of changes in federal funding.

Mr. Sallee focused on federal funding revenue in state agencies and the need for the subcommittee to focus on the cancellation of federally funded grants and programs. He encouraged the subcommittee to prioritize funding with General Fund dollars to the programs that provide the most output to the state. Mr. Sallee then asked Eric Chenier, principal analyst, LFC, to briefly inform the subcommittee of where federal dollars can be seen in the state's budget. Following this, Mr. Sena focused his discussion on federal funding reduction impacts on K-12 education and how the LFC is tracking the changes in those funds. Mr. Sallee highlighted the impact in the changes in administration of federal funds and considered strategies for the state to fill in gaps in federal funding. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=5/28/2025&ItemNumber=1>.

Medicaid and Federal Supplemental Nutrition Assistance Program Financing 101 (11:03 a.m.)

Mr. Chenier and Allegra Hernandez, senior fiscal analyst, LFC, provided a presentation on funding for Medicaid and the federal Supplemental Nutrition Assistance Program. Mr. Chenier provided a broad overview of Medicaid and the number of enrollees in the state and state expenditures on Medicaid. He highlighted that about 80% of Medicaid spending is funded by federal funds and also highlighted the growth in state Medicaid spending. Ms. Hernandez focused on the Health Care Delivery and Access Act, which will infuse \$1.3 billion into state hospitals. Mr. Chenier then spoke about the proposed federal changes to the federal Supplemental Nutrition Assistance Program, specifically the requirement for states to match payments. Currently, the federal government pays 100% of Supplemental Nutrition Assistance

Program benefits and 50% of the administration costs. A full list of the changes can be found in the slides linked below. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=5/28/2025&ItemNumber=2>

Overview of Federal Budget and Reconciliation Status (1:01 p.m.)

Mr. Sallee provided a presentation regarding the federal budget generally and the 2025 federal budget reconciliation and what it means for New Mexico's budget. Mr. Sallee highlighted the \$1.9 billion federal budget deficit for fiscal year 2024 and the difficult task of balancing that budget. Mr. Sallee then discussed the budget reconciliation process, which allows the federal government to align spending, revenue and the debt limit with agreed upon targets, and the federal congressional instructions for increasing federal debts for the 2025 federal budget reconciliation. Finally, Mr. Sallee emphasized that the 2025 federal budget reconciliation would greatly impact New Mexico's finances, with the largest risk being cost-shifting of federal Supplemental Nutrition Assistance Program benefits and administrative costs to the state. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=5/28/2025&ItemNumber=3>

Proposed Interim Work Plan and Meeting Schedule (1:47 p.m.)

Mr. Turner presented the subcommittee's proposed 2025 interim work plan and meeting schedule to the members, and members provided feedback on topics that they would like addressed during the interim. On a motion duly made and seconded, the 2025 proposed work plan was approved.

Adjournment

There being no further business before the subcommittee, the meeting adjourned at 2:06 p.m.

Revised: July 1, 2025

**TENTATIVE AGENDA
for the
SECOND MEETING
of the
FEDERAL FUNDING STABILIZATION SUBCOMMITTEE**

**July 1-2, 2025
State Capitol, Room 307
Santa Fe**

Tuesday, July 1

| | |
|------------|--|
| 9:00 a.m. | Call to Order, Introductions and Approval of Minutes —Representative Patricia A. Lundstrom, Co-Chair —Senator William P. Soules, Co-Chair |
| 9:15 a.m. | (1) <u>Health Care Authority (HCA) Program and Administration Impacts from Federal Actions and Proposals</u> —Kari Armijo, Secretary, HCA |
| 11:00 a.m. | (2) <u>Overview of BeWell New Mexico and Impacts of Federal Policy Proposals on Coverage and Access</u> —Sara Fitzgerald, Director of Policy and Compliance, BeWell New Mexico |
| 12:00 noon | Lunch |
| 1:00 p.m. | (3) <u>Impact of Congressional Budget Reconciliation on Medicaid, the Federal Supplemental Nutrition Assistance Program and State Fiscal Policy</u> —Brian Wanko, Senior Legislative Director, Budgets and Revenue, State-Federal Relations, National Conference of State Legislatures |
| 2:00 p.m. | (4) <u>Federal Action and Proposal Impacts on New Mexico Hospitals</u> —Troy Clark, President and Chief Executive Officer, New Mexico Hospital Association (NMHA) —Julia Ruetten, Senior Director, Government Affairs, NMHA |
| 3:00 p.m. | (5) <u>Presbyterian Healthcare Services (PHS) Outlook on Federal Changes</u> —Holly Muller, Senior Vice President and System Chief Nursing Officer, PHS —Todd Oberheu, F.A.C.H.E., Chief Executive, Lincoln County Medical Center |
| 3:45 p.m. | Recess |

Wednesday, July 2

8:30 a.m. (6) **Federal Funds Update**
—Charles Sallee, Director, Legislative Finance Committee

10:00 a.m. (7) **Developments in Federal Grants, Distributions and Transfers**
—Mark Melhoff, Acting State Controller; Acting Director, Administrative Services Division, Department of Finance and Administration

10:30 a.m. (8) **Federal Education Issues Update**
—John Sena, Director, Legislative Education Study Committee

11:00 a.m. **Adjourn**

**MINUTES
of the
SECOND MEETING
of the
FEDERAL FUNDING STABILIZATION SUBCOMMITTEE**

**July 1-2, 2025
State Capitol, Room 307
Santa Fe**

The second meeting of the Federal Funding Stabilization Subcommittee was called to order by Senator William P. Soules, co-chair, on July 1, 2025 at 9:00 a.m. in Room 307 of the State Capitol in Santa Fe.

Present

Rep. Patricia A. Lundstrom, Co-Chair
Sen. William P. Soules, Co-Chair
Rep. Cathrynn N. Brown
Rep. Mark Duncan
Rep. Susan K. Herrera
Rep. Raymundo Lara
Sen. James G. Townsend
Sen. Linda M. Trujillo
Sen. Pat Woods

Absent

Sen. George K. Muñoz

Advisory Members

Sen. Linda M. López
Sen. Cindy Nava
Rep. Reena Szczepanski

Rep. Meredith A. Dixon
Sen. Shannon D. Pinto

Staff

Clinton Turner, Fiscal Policy Analyst, Legislative Council Service (LCS)
Sabina Gaynor, Staff Attorney, LCS
Nicole Waguestack, Researcher, LCS

Handouts

Handouts and other written testimony are in the meeting file and posted on the legislature's website.

References to Webcast

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Tuesday, July 1

Welcome and Introductions (9:00 a.m.)

Senator Soules welcomed everyone and subcommittee members introduced themselves.

Health Care Authority (HCA) Program and Administration Impacts from Federal Actions and Proposals (9:05 a.m.)

Kari Armijo, secretary, HCA, provided an overview of the mission of the HCA and discussed the potential impact of the 2025 federal budget reconciliation on the agency's operations, particularly with regards to Medicaid. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=7/1/2025&ItemNumber=1>.

Overview of BeWell New Mexico and Impacts of Federal Policy Proposals on Coverage and Access (11:04 a.m.)

Sara Fitzgerald, director of policy and compliance, BeWell New Mexico, provided a presentation on BeWell New Mexico and the potential impact of the 2025 federal budget reconciliation on its operations. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=7/1/2025&ItemNumber=2>.

Impact of Congressional Budget Reconciliation on Medicaid, the Federal Supplemental Nutrition Assistance Program and State Fiscal Policy (1:00 p.m.)

Brian Wanko, senior legislative director, Budgets and Revenue, State-Federal Relations, National Conference of State Legislatures, provided a presentation on the 2025 federal budget reconciliation's anticipated impacts on Medicaid, the federal Supplemental Nutrition Assistance Program and state fiscal policy. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=7/1/2025&ItemNumber=3>.

Federal Action and Proposal Impacts on New Mexico Hospitals (1:52 p.m.)

Troy Clark, president and chief executive officer, New Mexico Hospital Association (NMHA), and Julia Ruetten, senior director, Government Affairs, NMHA, provided a presentation on funding for state hospitals and potential changes to that funding stemming from the proposed 2025 federal budget reconciliation. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=7/1/2025&ItemNumber=4>.

Approval of Minutes (3:16 p.m.)

Members of the committee unanimously approved the minutes of the May 28, 2025 meeting.

Presbyterian Healthcare Services (PHS) Outlook on Federal Changes (3:16 p.m.)

Holly Muller, senior vice president and system chief nursing officer, PHS, and Todd Oberheu, F.A.C.H.E., chief executive, Lincoln County Medical Center, provided a presentation on PHS generally, the impact of Medicaid rate increases on PHS, the investment of PHS in its workforce and access to care and the potential impacts of federal funding cuts to Medicaid on hospitals in rural New Mexico.

Recess

The meeting recessed at 4:13 p.m.

Wednesday, July 2

Reconvene

The meeting reconvened at 8:34 a.m.

Federal Funds Update (8:35 a.m.)

Charles Sallee, director, Legislative Finance Committee, provided a presentation on the federal budget, revenue and spending generally, budget reconciliation versus the annual budget process and the impact of the 2025 federal budget reconciliation on state fiscal policy. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=7/1/2025&ItemNumber=6>.

Developments in Federal Grants, Distributions and Transfers (10:08 a.m.)

Mark Melhoff, acting state controller and acting director, Administrative Services Division, Department of Finance and Administration, provided a presentation on recent developments relating to federal grants, distributions and transfers. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=7/1/2025&ItemNumber=7>.

Federal Education Issues Update (10:25 a.m.)

John Sena, director, Legislative Education Study Committee, provided a presentation on developments in federal funding for education. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=7/1/2025&ItemNumber=8>.

Adjournment

There being no further business before the subcommittee, the meeting adjourned at 10:58 a.m.

Revised: July 31, 2025

**TENTATIVE AGENDA
for the
THIRD MEETING
of the
FEDERAL FUNDING STABILIZATION SUBCOMMITTEE**

**July 31-August 1, 2025
Tenderfoot Katie's Meeting Room
7 Thunderbird Road
Taos Ski Valley**

Thursday, July 31

9:00 a.m. **Call to Order, Introductions and Approval of Minutes**
—Representative Patricia A. Lundstrom, Co-Chair
—Senator William P. Soules, Co-Chair

9:15 a.m. (1) **Welcoming Remarks**
—Chris Stagg, Councilor and Former Mayor, Village of Taos Ski Valley

9:30 a.m. (2) **State Tax Impacts of H.R.1 — The Federal One Big Beautiful Bill Act (OBBA)**
—Helen Hecht, Uniformity Counsel, Multistate Tax Commission
—Richard Anklam, President and Executive Director, New Mexico Tax Research Institute

12:00 noon **Lunch**

1:30 p.m. (3) **Overview of OBBA Items Impacting New Mexico Taxes**
—Stephanie Schardin Clarke, Secretary, Taxation and Revenue Department (Tax & Rev)
—Lucinda Sydow, Chief Economist, Tax & Rev

3:00 p.m. (4) **Review of State-Federal Litigation**
—Anjana Samant, Deputy Counsel for Impact Litigation, State Department of Justice

4:00 p.m. **Recess**

Friday, August 1

7:30 a.m. (5) **Medicaid Overview**
—Eric Chenier, Principal Analyst, Legislative Finance Committee (LFC)

8:30 a.m. (6) **Federal Budget Reconciliation and LFC Framework for Response**
—Eric Chenier, Principal Analyst, LFC

9:30 a.m. (7) **Update on Educational Issues and the Federal Funding Freeze**
—Daniel Estupiñan, Senior Fiscal Analyst II, Legislative Education Study Committee
—Geoffrey Tager, General Counsel, Public Education Department (PED)
—Kenneth Stowe, Director of Strategic Initiatives, PED

11:00 a.m. **Adjourn**

**MINUTES
of the
THIRD MEETING
of the
FEDERAL FUNDING STABILIZATION SUBCOMMITTEE**

**July 31-August 1, 2025
Tenderfoot Katie's Meeting Room
7 Thunderbird Road
Taos Ski Valley**

The third meeting of the Federal Funding Stabilization Subcommittee was called to order by Representative Patricia A. Lundstrom, co-chair, on July 31, 2025 at 9:02 a.m. at Tenderfoot Katie's Meeting Room in Taos Ski Valley.

Present

Rep. Patricia A. Lundstrom, Co-Chair
Sen. William P. Soules, Co-Chair
Rep. Cathrynn N. Brown
Rep. Mark Duncan
Rep. Susan K. Herrera
Rep. Raymundo Lara

Absent

Sen. George K. Muñoz
Sen. James G. Townsend
Sen. Linda M. Trujillo
Sen. Pat Woods

Advisory Members

Sen. Linda M. López (7/31)
Sen. Cindy Nava
Sen. Shannon D. Pinto
Rep. Dayan Hochman-Vigil

Rep. Meredith A. Dixon
Rep. Reena Szczepanski

Guest Legislators

Sen. Roberto "Bobby" J. Gonzales
Rep. D. Wonda Johnson (8/1)

(Attendance dates are noted for members not present for the entire meeting.)

Staff

Clinton Turner, Fiscal Policy Analyst, Legislative Council Service (LCS)
Sabina Gaynor, Staff Attorney, LCS
Nicole Waguespack, Researcher, LCS

Handouts

Handouts and other written testimony are in the meeting file and posted on the legislature's website.

References to Webcast

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Thursday, July 31

Welcome and Introductions (9:02 a.m.)

Representative Lundstrom welcomed everyone, and subcommittee members introduced themselves.

Welcoming Remarks (9:15 a.m.)

Chris Stagg, councilor and former mayor, Village of Taos Ski Valley, provided welcoming remarks to the subcommittee.

State Tax Impacts of H.R.1 — The Federal One Big Beautiful Bill Act (OBBA) (9:32 a.m.)

Helen Hecht, uniformity counsel, Multistate Tax Commission, and Richard Anklam, president and executive director, New Mexico Tax Research Institute, provided a presentation on the tax implications that may result from the 2025 federal budget reconciliation. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=7/31/2025&ItemNumber=2>.

Approval of Minutes (11:47 a.m.)

Members of the subcommittee unanimously approved the minutes of the July 1-2, 2025 meeting.

Overview of OBBA Items Impacting New Mexico Taxes (1:32 p.m.)

Stephanie Schardin Clarke, secretary, Taxation and Revenue Department (Tax & Rev), and Lucinda Sydow, chief economist, Tax & Rev, provided a presentation on the elements of the 2025 federal budget reconciliation that will impact New Mexico taxes. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=7/31/2025&ItemNumber=3>.

Review of State-Federal Litigation (2:59 p.m.)

Anjana Samant, deputy counsel for impact litigation, State Department of Justice, provided a presentation on state and federal litigation stemming from recent federal funding changes.

Recess

The meeting recessed at 3:41 p.m.

Friday, August 1**Reconvene**

The meeting reconvened at 7:34 a.m.

Medicaid Overview (7:34 a.m.)

Eric Chenier, principal analyst, Legislative Finance Committee (LFC), provided a presentation consisting of an overview of Medicaid, including state Medicaid enrollment and spending. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=7/31/2025&ItemNumber=5>.

Federal Budget Reconciliation and LFC Framework for Response (8:26 a.m.)

Mr. Chenier provided a presentation on the 2025 federal budget reconciliation and the LFC's proposed framework for legislative recommendations to address federal funding reductions. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=7/31/2025&ItemNumber=6>.

Update on Educational Issues and the Federal Funding Freeze (9:32 a.m.)

Daniel Estupiñan, senior fiscal analyst, Legislative Education Study Committee; Geoffrey Tager, general counsel, Public Education Department (PED); and Kenneth Stowe, director of strategic initiatives, PED, provided updates on federal educational funding. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=7/31/2025&ItemNumber=7>.

Adjournment

There being no further business before the subcommittee, the meeting adjourned at 11:00 a.m.

**TENTATIVE AGENDA
for the
FOURTH MEETING
of the
FEDERAL FUNDING STABILIZATION SUBCOMMITTEE**

**August 28, 2025
Santa Ana Star Casino Hotel
Quezadas Comedy Club and Cantina
54 Jemez Canyon Dam Road
Pueblo of Santa Ana**

Thursday, August 28

| | |
|------------|--|
| 9:00 a.m. | Call to Order, Introductions and Approval of Minutes —Representative Patricia A. Lundstrom, Co-Chair —Senator William P. Soules, Co-Chair |
| 9:15 a.m. | (1) <u>Welcoming Remarks</u> —Myron Armijo, Governor, Pueblo of Santa Ana —Kevin C. Montoya, Lieutenant Governor, Pueblo of Santa Ana |
| 9:45 a.m. | (2) <u>Indian Affairs Department Status Update on Federal Funding</u> —Josett Monette, Secretary, Indian Affairs Department (IAD) —Amanda Nezzie, Director, Government Relations and Policy, Program Services Division, IAD —Adelina Gomez, General Counsel, IAD |
| 10:30 a.m. | (3) <u>Navajo Nation Status Update on Federal Funding</u> —Richelle Montoya, Vice President, Navajo Nation |
| 11:15 a.m. | (4) <u>All Pueblo Council of Governors Status Update on Federal Funding</u> —James R. Mountain, Chairman, All Pueblo Council of Governors; Former Governor, Pueblo of San Ildefonso |
| 12:00 noon | Lunch |
| 1:30 p.m. | (5) <u>General Fund Consensus Revenue Update</u> —Pedro Clavijo, Senior Economist, Taxation and Revenue Department —Ismael Torres, Chief Economist, Legislative Finance Committee (LFC) —Leonardo Delgado, Chief Economist, Department of Finance and Administration |
| 2:15 p.m. | (6) <u>Medium-Term Budget Outlook and Time Line of Federal One Big Beautiful Bill Act Impacts</u> —Charles Sallee, Director, LFC |
| 3:30 p.m. | Adjourn |

**MINUTES
of the
FOURTH MEETING
of the
FEDERAL FUNDING STABILIZATION SUBCOMMITTEE**

**August 28, 2025
Santa Ana Star Casino Hotel
Quezadas Comedy Club and Cantina
54 Jemez Canyon Dam Road
Pueblo of Santa Ana**

The fourth meeting of the Federal Funding Stabilization Subcommittee was called to order by Representative Patricia A. Lundstrom, co-chair, at 9:01 a.m. on August 28, 2025 at the Santa Ana Star Casino Hotel in the Pueblo of Santa Ana.

Present

Rep. Patricia A. Lundstrom, Co-Chair
Sen. William P. Soules, Co-Chair
Rep. Cathrynn N. Brown
Rep. Mark Duncan
Rep. Susan K. Herrera
Rep. Raymundo Lara
Sen. George K. Muñoz
Sen. James G. Townsend
Sen. Linda M. Trujillo
Sen. Pat Woods

Absent

Rep. Meredith A. Dixon
Rep. Dayan Hochman-Vigil

Advisory Members

Sen. Linda M. López
Sen. Cindy Nava
Sen. Shannon D. Pinto
Rep. Reena Szczepanski

Staff

Clinton Turner, Fiscal Policy Analyst, Legislative Council Service (LCS)
Sabina Gaynor, Staff Attorney, LCS
Nicole Waguestack, Researcher, LCS
Joanne Montague, Senior Legislative Librarian, LCS

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file and posted on the legislature's website.

References to Webcast

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Thursday, August 28

Welcome and Introductions (9:01 a.m.)

Representative Lundstrom welcomed everyone, and members of the subcommittee introduced themselves.

Welcoming Remarks (9:06 a.m.)

Myron Armijo, governor, Pueblo of Santa Ana, and Kevin C. Montoya, lieutenant governor, Pueblo of Santa Ana, provided welcoming remarks.

Indian Affairs Department (IAD) Status Update on Federal Funding (9:38 a.m.)

Josett Monette, secretary, IAD; Amanda Nezzie, director, Government Relations and Policy, Program Services Division, IAD; and Adelina Gomez, general counsel, IAD, provided a presentation on the federal government's obligation to tribes, challenges faced by tribes due to changes to federal funding following the passage of the 2025 federal budget reconciliation bill and how state government can assist in addressing those challenges. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=8/28/2025&ItemNumber=2>.

Navajo Nation Status Update on Federal Funding (10:57 a.m.)

Richelle Montoya, vice president, Navajo Nation, provided a presentation on challenges faced by the Navajo Nation due to changes to federal funding following the passage of the 2025 federal budget reconciliation bill.

All Pueblo Council of Governors Status Update on Federal Funding (11:07 a.m.)

James R. Mountain, chairman, All Pueblo Council of Governors, and former governor, Pueblo of San Ildefonso, provided a presentation on challenges faced by tribes due to changes to federal funding following the passage of the 2025 federal budget reconciliation bill. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=8/28/2025&ItemNumber=4>.

Approval of Minutes (12:02 p.m.)

Members of the subcommittee unanimously approved the minutes of the July 31-August 1, 2025 meeting.

General Fund Consensus Revenue Update (1:04 p.m.)

Pedro Clavijo, senior economist, Taxation and Revenue Department; Ismael Torres, chief economist, Legislative Finance Committee (LFC); and Leonardo Delgado, chief economist, Department of Finance and Administration, provided a presentation on state revenue and the General Fund and an economic forecast for the state. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=8/28/2025&ItemNumber=5>.

Medium-Term Budget Outlook and Time Line of Federal One Big Beautiful Bill Act Impacts (2:33 p.m.)

Charles Sallee, director, LFC, provided a presentation on the time line of implementation of the 2025 federal budget reconciliation bill, the bill's impacts on administration of programs, including Medicaid, and anticipated impacts of changes to federal funding on the state. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=8/28/2025&ItemNumber=6>.

Adjournment

There being no further business before the subcommittee, the meeting adjourned at 3:56 p.m.

Revised: October 17, 2025

**TENTATIVE AGENDA
for the
FIFTH MEETING
of the
FEDERAL FUNDING STABILIZATION SUBCOMMITTEE**

**October 20, 2025
New Mexico State University
Golf Course, Banquet Room
3000 Herb Wimberly Drive
Las Cruces**

**October 21, 2025
Sunland Park Multigenerational Center
4700 McNutt Road
Santa Teresa**

**October 22, 2025
New Mexico State University
Golf Course, Banquet Room
3000 Herb Wimberly Drive
Las Cruces**

Monday, October 20 — Las Cruces

9:00 a.m. **Call to Order, Introductions and Approval of Minutes**
 —Representative Patricia A. Lundstrom, Co-Chair
 —Senator William P. Soules, Co-Chair

9:15 a.m. (1) **Welcoming Remarks and New Mexico State University (NMSU) System Update**
 —Monica Torres, Chancellor, Dona Ana Community College

9:45 a.m. (2) **2025 1st Special Session Review and Federal Funds Update**
 —Harry Rommel, Legislative Health and Human Services Committee Fiscal Analyst, Legislative Finance Committee

10:45 a.m. (3) **Federal Funding in New Mexico Higher Education Institutions**
 —James Johnston, Chair, Council of University Presidents; President, Eastern New Mexico University
 —Carol Linder, President, Luna Community College

11:45 a.m. **Lunch**

1:00 p.m. (4) **Higher Education Research Funding Impacts**
—Lique Coolen, Vice President of Research, New Mexico Institute of Mining and Technology
—Patricia Sullivan, Ph.D., Interim Vice President for Research, NMSU
—Ellen Fisher, Vice President for Research, University of New Mexico (UNM)
—Hengameh Raissy, Vice President for Research, and Professor of Pediatrics, UNM Health Sciences Center

2:00 p.m. (5) **Impact of Federal Instability on New Mexico's Research Ecosystem**
—Ganesh Balakrishnan, Director, New Mexico Established Program to Stimulate Competitive Research (NM EPSCoR)
—Selena Connealy, Associate Director, NM EPSCoR

2:45 p.m. (6) **Overview of Impacts Across New Mexico Higher Education Institutions**
—Gerald Hoehne, Chief of Staff, Higher Education Department (HED)
—Brittany Shaughnessy, Data Analyst, HED

3:30 p.m. **Recess**

Tuesday, October 21 — Santa Teresa

9:00 a.m. (7) **Overview of Projects and Progress in Santa Teresa**
—Jerry Pacheco, President, The Border Industrial Association

9:30 a.m. (8) **Shutdown of Cattle Crossings**
—Daniel Manzanares, Executive Director, Union Ganadera (Santa Teresa Cattle Crossing)

10:00 a.m. (9) **Current and Anticipated Tariff Impacts**
—Nate Duhl, Plant Manager, Monti, Incorporated
—Alex Sierra, Former Manager, Acme Mills
—Guillermo Lopez, Managing Director, Monarch Litho Inc.

11:00 a.m. (10) **Update on and Review of Border-Area Logistics and Transportation**
—Kacy Robinson, Vice President of Operations, MVT Logistics
—Dennis Melonas, Account Executive, Aries Worldwide Logistics

12:00 noon **Lunch**

12:30 p.m. **Tour of Santa Teresa Industrial Base***

1:30 p.m. **Recess**

Wednesday, October 22 — Las Cruces

9:00 a.m. (11) **Impacts and Responses to New Mexicans' Housing, Food and Health**
—Nicole Martinez, Executive Director, Mesilla Valley Community of Hope
—Lorenzo Alba, Jr., Executive Director, Casa de Peregrinos
—Katy Anderson, Vice President, Roadrunner Food Bank, Inc.
—Jill Dixon, Executive Director, The Food Depot
—Virgil Medina, Chief Executive Officer, La Clinica de Familia
—John Andazola, M.D., Chief Medical Officer, La Clinica de Familia

10:00 a.m. (12) **Underlying Community and Family Issues, Collaborating and Serving Rural and Frontier Communities**
—Kassandra A. Gandara, Founder, Dona Ana County Resilience Leaders
—Brian Kavanaugh, Chief Executive Officer, Families and Youth Innovations Plus
—Joseph Hill, Public Health and Health Council Specialist, New Mexico Alliance of Health Councils

11:00 a.m. (13) **Nonprofit Overview: Economic Impact and Funder Capacity; Support for Families; and Nonprofit-Government Collaboration**
—Terra V. Winter, Ph.D., President, Community Foundation of Southern New Mexico
—Dawn Hommer, Chief Executive Officer, Community Action Agency of Southern New Mexico
—Tsiporah Nephesh, Executive Director, New Mexico Thrives

12:00 noon **Adjourn**

*Committee members and committee staff only.

**MINUTES
of the
FIFTH MEETING
of the
FEDERAL FUNDING STABILIZATION SUBCOMMITTEE**

**October 20, 2025
New Mexico State University
Golf Course, Banquet Room
3000 Herb Wimberly Drive
Las Cruces**

**October 21, 2025
Sunland Park Multigenerational Center
4700 McNutt Road
Santa Teresa**

**October 22, 2025
New Mexico State University
Golf Course, Banquet Room
3000 Herb Wimberly Drive
Las Cruces**

The fifth meeting of the Federal Funding Stabilization Subcommittee was called to order by Senator William P. Soules, co-chair, on October 20, 2025 at 9:10 a.m. at the New Mexico State University (NMSU) Golf Course in Las Cruces.

Present

Rep. Patricia A. Lundstrom, Co-Chair
(10/20, 10/21)
Sen. William P. Soules, Co-Chair
Rep. Cathrynn N. Brown
Rep. Mark Duncan
Rep. Raymundo Lara
Sen. James G. Townsend
Sen. Linda M. Trujillo

Absent

Rep. Susan K. Herrera
Sen. George K. Muñoz
Sen. Pat Woods

Advisory Members

Sen. Linda M. López (10/20, 10/21)
Sen. Shannon D. Pinto (10/20, 10/21)
Rep. Meredith A. Dixon
Rep. Dayan Hochman-Vigil
Sen. Cindy Nava
Rep. Reena Szczepanski

Staff

Clinton Turner, Fiscal Policy Analyst, Legislative Council Service (LCS)
Sean Dolan, Staff Attorney, LCS
Sabina Gaynor, Staff Attorney, LCS

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file and posted on the legislature's website.

References to Webcast

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the subcommittee meeting, which can be found at www.nmlegis.gov, under the "Webcast" tab. The presentations made and subcommittee discussions for agenda items can be found on the recorded webcast for this meeting.

Monday, October 20 — Las Cruces

Welcome and Introductions (9:10 a.m.)

Senator Soules welcomed everyone, and subcommittee members introduced themselves.

Approval of Minutes (9:14 a.m.)

On a motion duly made and seconded, the minutes from the August 28, 2025 meeting were approved.

Welcoming Remarks and NMSU System Update (9:16 a.m.)

Monica Torres, chancellor, Dona Ana Community College, provided welcoming remarks and discussed the NMSU system update.

2025 1st Special Session Review and Federal Funds Update (9:54 a.m.)

Harry Rommel, Legislative Health and Human Services Committee fiscal analyst, Legislative Finance Committee, provided a presentation on the federal budget, spending and shutdown and an update on state finances following the 2025 first special session. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=10/20/2025&ItemNumber=2>.

Federal Funding in New Mexico Higher Education Institutions (11:01 a.m.)

James Johnston, chair, Council of University Presidents, and president, Eastern New Mexico University, and Carol Linder, president, Luna Community College, provided a presentation on changes in federal funding for state higher education institutions. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=10/20/2025&ItemNumber=3>.

Higher Education Research Funding Impacts (1:04 p.m.)

Lique Coolen, vice president of research, New Mexico Institute of Mining and Technology; Patricia Sullivan, Ph.D., interim vice president for research, NMSU; Ellen Fisher, vice president for research, University of New Mexico (UNM); and Hengameh Raissy, vice president for research and professor of pediatrics, UNM Health Sciences Center, provided a presentation on the impact of shifting federal funding on research at state higher education institutions. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=10/20/2025&ItemNumber=4>.

Impact of Federal Instability on New Mexico's Research Ecosystem (2:41 p.m.)

Ganesh Balakrishnan, director, New Mexico Established Program to Stimulate Competitive Research (NM EPSCoR), and Selena Connealy, associate director, NM EPSCoR, provided a presentation on efforts to provide financial support for state researchers in light of federal funding instability. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=10/20/2025&ItemNumber=5>.

Overview of Impacts Across New Mexico Higher Education Institutions (3:17 p.m.)

Gerald Hoehne, chief of staff, Higher Education Department (HED), and Brittany Shaughnessy, data analyst, HED, provided a presentation on the impacts of changing federal funding on state higher education. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=10/20/2025&ItemNumber=6>.

Recess

The meeting recessed at 3:59 p.m.

Tuesday, October 21 — Santa Teresa

Reconvene

The meeting reconvened at 9:18 a.m.

Overview of Projects and Progress in Santa Teresa (9:18 a.m.)

Jerry Pacheco, president, The Border Industrial Association, provided a presentation on economic development projects occurring in Santa Teresa. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=10/20/2025&ItemNumber=7>.

Shutdown of Cattle Crossings (10:30 a.m.)

Daniel Manzanares, executive director, Union Ganadera (Santa Teresa Cattle Crossing), provided a presentation on the impacts of the shutdown of the Santa Teresa Cattle Crossing. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=10/20/2025&ItemNumber=8>.

Current and Anticipated Tariff Impacts (11:28 a.m.)

Nate Duhl, plant manager, Monti, Incorporated; Alex Sierra, former manager, Acme Mills; and Guillermo Lopez, managing director, Monarch Litho Inc., provided a presentation on the current and anticipated impacts of tariff changes.

Update on and Review of Border-Area Logistics and Transportation (12:05 p.m.)

Kacy Robinson, vice president of operations, MVT Logistics, and Dennis Melonas, account executive, Aries Worldwide Logistics, provided a presentation on logistics and transportation changes along New Mexico's border with Mexico. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=10/20/2025&ItemNumber=10>.

Tour of Santa Teresa Industrial Base (12:38 p.m.)

Members of the subcommittee and staff toured the Santa Teresa Industrial Base.

Recess

The meeting recessed at 2:00 p.m.

Wednesday, October 22 — Las Cruces**Reconvene**

The meeting reconvened at 9:12 a.m.

Public Comment (9:13 a.m.)

A list of individuals who made public comment is available in the meeting file.

Impacts and Responses to New Mexicans' Housing, Food and Health (9:17 a.m.)

Nicole Martinez, executive director, Mesilla Valley Community of Hope; Lorenzo Alba, Jr., executive director, Casa de Peregrinos; Katy Anderson, vice president, Roadrunner Food Bank, Inc.; Jill Dixon, executive director, The Food Depot; Virgil Medina, chief executive officer, La Clinica de Familia; and John Andazola, M.D., chief medical officer, La Clinica de

Familia, provided presentations on their organizations' impacts and responses to the state's housing, food and health needs. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=10/20/2025&ItemNumber=11>.

Underlying Community and Family Issues, Collaborating and Serving Rural and Frontier Communities (10:32 a.m.)

Kassandra A. Gandara, founder, Dona Ana County Resilience Leaders; Brian Kavanaugh, chief executive officer, Families and Youth Innovations Plus; and Joseph Hill, public health and health council specialist, New Mexico Alliance of Health Councils, provided presentations on issues faced by their organizations in providing services to rural communities. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=10/20/2025&ItemNumber=12>.

Nonprofit Overview: Economic Impact and Funder Capacity; Support for Families; and Nonprofit-Government Collaboration (11:14 a.m.)

Terra V. Winter, Ph.D., president, Community Foundation of Southern New Mexico; Dawn Hommer, chief executive officer, Community Action Agency of Southern New Mexico; and Tsiporah Nephesh, executive director, New Mexico Thrives, provided presentations on the general work of nonprofit entities and how the legislature can aid collaborations between nonprofit entities and the government. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=10/20/2025&ItemNumber=13>.

Adjournment

There being no further business before the subcommittee, the meeting adjourned at 12:01 p.m.

Revised: November 4, 2025

**TENTATIVE AGENDA
for the
SIXTH MEETING
of the
FEDERAL FUNDING STABILIZATION SUBCOMMITTEE**

**November 6-7, 2025
State Capitol, Room 317
Santa Fe**

Thursday, November 6

10:00 a.m. **Call to Order, Introductions and Approval of Minutes**
—Representative Patricia A. Lundstrom, Co-Chair
—Senator William P. Soules, Co-Chair

10:15 a.m. (1) **Review of Federal Changes, State Responses and Best Practices**
—Rebecca Thiess, Manager, Managing Fiscal Risks Program, The Pew Charitable Trusts

11:00 a.m. (2) **Federal Funding Changes Impact on Local Governments**
—Joy Esparsen, Executive Director, New Mexico Association of Counties

11:30 a.m. **Lunch**

1:00 p.m. (3) **Federal Agricultural and Nutrition Program Impacts on Producers, Communities and Consumers**
—Pam Roy, Farm to Table Executive Director and Coordinator, New Mexico Food and Agriculture Policy Council
—Ivy Jean Reynolds, Founder and Principal Consultant, Agrarian Policy Center
—Debbie Hughes, Executive Director, New Mexico Association of Conservation Districts
—Manny Encinas, Rancher; Executive Director, Santa Fe Farmers' Market Institute

2:30 p.m. (4) **New Mexico Forest and Watershed Restoration Institute Impact**
—Alan Barton, Ph.D., Director, New Mexico Forest and Watershed Restoration Institute
—Edward Martinez, Ph.D., Deputy Director, Operations and Development, New Mexico Forest and Watershed Restoration Institute
—Gilbert "Buddy" Rivera, Deputy Director and Chief of Staff, New Mexico Forest and Watershed Restoration Institute

3:00 p.m. **Recess**

Friday, November 7

9:00 a.m. (5) **Shutdown Emergency Response and Federal Funding Outlook**
—Charles Sallee, Director, Legislative Finance Committee

10:00 a.m. (6) **Committee Discussion**
—Representative Patricia A. Lundstrom, Co-Chair
—Senator William P. Soules, Co-Chair

11:00 a.m. **Adjourn**

**MINUTES
of the
SIXTH MEETING
of the
FEDERAL FUNDING STABILIZATION SUBCOMMITTEE**

**November 6-7, 2025
State Capitol, Room 317
Santa Fe**

The sixth meeting of the Federal Funding Stabilization Subcommittee was called to order by Representative Patricia A. Lundstrom, co-chair, at 10:15 a.m. on November 6, 2025 in Room 317 of the State Capitol in Santa Fe.

Present

Rep. Patricia A. Lundstrom, Co-Chair
Sen. William P. Soules, Co-Chair
Rep. Cathrynn N. Brown
Rep. Susan K. Herrera
Sen. Linda M. Trujillo
Sen. Pat Woods

Absent

Rep. Mark Duncan
Rep. Raymundo Lara
Sen. George K. Muñoz
Sen. James G. Townsend

Advisory Members

Rep. Dayan Hochman-Vigil
Sen. Shannon D. Pinto (11/6)
Rep. Reena Szczepanski (11/6)

Rep. Meredith A. Dixon
Sen. Linda M. López
Sen. Cindy Nava

(Attendance dates are noted for those members not present for the entire meeting.)

Staff

Clinton Turner, Fiscal Policy Analyst, Legislative Council Service (LCS)
Sabina Gaynor, Staff Attorney, LCS
Nicole Waguespack, Researcher, LCS

Minutes Approval

Because the subcommittee will not meet again this year, the minutes for this meeting have not been officially approved by the subcommittee.

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file and posted on the legislature's website.

References to Webcast

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the subcommittee meeting, which can be found at www.nmlegis.gov, under the "Webcast" tab. The presentations made and subcommittee discussions for agenda items can be found on the recorded webcast for this meeting.

Thursday, November 6

Welcome and Introductions (10:15 a.m.)

Senator Soules welcomed everyone to the meeting, and members of the subcommittee introduced themselves.

Review of Federal Changes, State Responses and Best Practices (10:17 a.m.)

Rebecca Thiess, manager, Managing Fiscal Risks Program, The Pew Charitable Trusts, provided a presentation on federal funding changes, state responses to those changes and best practices in light of the changes. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=11/6/2025&ItemNumber=1>.

Federal Funding Changes Impact on Local Governments (10:59 a.m.)

Joy Esparsen, executive director, New Mexico Association of Counties, provided a presentation on the impacts of changing federal funding on local governments. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=11/6/2025&ItemNumber=2>.

Federal Agricultural and Nutrition Program Impacts on Producers, Communities and Consumers (1:05 p.m.)

Pam Roy, farm to table executive director and coordinator, New Mexico Food and Agriculture Policy Council; Ivy Jean Reynolds, founder and principal consultant, Agrarian Policy Center; Debbie Hughes, executive director, New Mexico Association of Conservation Districts; and Manny Encinas, rancher, and executive director, Santa Fe Farmers' Market Institute, provided presentations on the impacts of federal funding changes on nutrition and agriculture programs in New Mexico. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=11/6/2025&ItemNumber=3>.

New Mexico Forest and Watershed Restoration Institute Impact (2:28 p.m.)

Alan Barton, Ph.D., director, New Mexico Forest and Watershed Restoration Institute; Edward Martinez, Ph.D., deputy director, Operations and Development, New Mexico Forest and Watershed Restoration Institute; and Gilbert "Buddy" Rivera, deputy director and chief of staff,

New Mexico Forest and Watershed Restoration Institute, provided a presentation on the New Mexico Forest and Watershed Restoration Institute and the impacts of changing federal funding on the operations of its programs. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=11/6/2025&ItemNumber=4>.

Recess

The meeting recessed at 3:16 p.m.

Friday, November 7

Reconvene

The meeting reconvened at 9:01 a.m.

Shutdown Emergency Response and Federal Funding Outlook (9:02 a.m.)

Charles Sallee, director, Legislative Finance Committee, provided a presentation on the state of the federal budget. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=11/6/2025&ItemNumber=5>.

Committee Discussion (9:47 a.m.)

Representative Lundstrom and Senator Soules led a discussion on legislative recommendations arising from the subcommittee's work during the interim.

Adjournment

There being no further business before the subcommittee, the meeting adjourned at 10:28 a.m.



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