

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

**August 18-19, 2026
McKinley County Courthouse
207 West Hill Avenue
Gallup**

The fourth meeting of the Federal Funding Stabilization and Affordability Subcommittee, held jointly with the Legislative Health and Human Services Committee (LHHS), was called to order by Representative Elizabeth "Liz" Thomson, chair, LHHS, on Tuesday, August 18, 2026, at 10:02 a.m. at the McKinley County Courthouse in Gallup.

Present

Rep. Patricia A. Lundstrom, Co-Chair
Sen. Cindy Nava, Co-Chair
Rep. Mark Duncan
Rep. Raymundo Lara
Sen. George K. Muñoz
Sen. Linda M. Trujillo
Sen. Pat Woods

Absent

Rep. Cathrynn N. Brown
Sen. James G. Townsend

Advisory Members

Sen. Shannon D. Pinto

Rep. Meredith A. Dixon
Rep. Dayan Hochman-Vigil
Sen. Linda M. López
Rep. Reena Szczepanski

Guest Legislators

Rep. Michelle Paulene Abeyta

Staff

Nicole Waguespack, Researcher, Legislative Council Service

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.

Tuesday, August 18 — Joint Meeting with the LHHS

Welcome and Introductions (10:02 a.m.)

Representative Thomson welcomed everyone to the meeting. Committee members and subcommittee members introduced themselves.

Government Results and Opportunity Fund Evaluation Process (10:11 a.m.)

Sarah Dinces, program evaluator III, Legislative Finance Committee (LFC), and Simon Miller, performance analyst, Department of Finance and Administration (DFA), provided an update on the implementation of evaluations to be conducted by the LFC and DFA of certain state agency programs funded by the Government Results and Opportunity Program Fund (GRO) pursuant to House Bill 158 (2026). They explained evaluation criteria and considerations for state agencies administering programs that will be evaluated. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=8/18/2026&ItemNumber=1>.

Temporary Assistance for Needy Families (TANF) Workforce Outcomes (11:14 a.m.)

Allegra Hernandez, senior fiscal analyst, LFC, and Lily Earnest, intern, LFC, provided a presentation about workforce outcomes of recipients of TANF funding in New Mexico. They reviewed the state's spending on the TANF program and participation rates and work requirements of TANF funding recipients. They highlighted challenges faced by participants leaving the TANF program, such as finding sustainable employment. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=8/18/2026&ItemNumber=2>.

Public Comment (12:26 p.m.)

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

Status Update on the LFC Progress Report for the New Mexico Health Exchange (BeWell New Mexico) (1:50 p.m.)

Elizabeth Dodson, program evaluator, LFC, and Danielle Ceballes, program evaluator, LFC, discussed an LFC progress report on the New Mexico health insurance exchange that showcases trends in exchange premiums, exchange subsidies and exchange enrollment. The report indicates that since state subsidy assistance has increased, purchasing insurance through the exchange has become more affordable. Report recommendations include expanding cost containment measures to maintain long-term Health Care Affordability Fund sustainability. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=8/18/2026&ItemNumber=3>.

Approval of Minutes (2:31 p.m.)

Upon a motion made, and without any objections, the subcommittee approved the minutes of the August 3-4, 2026 meeting.

Recess

The meeting recessed at 2:33 p.m.

Wednesday, August 19 — Joint Meeting with the LHHS

Reconvene

The meeting reconvened at 9:32 a.m.

Health Care Authority (HCA) Updates on the 2025 Federal Budget Reconciliation Bill, the Health Care Affordability Fund and the Rural Health Transition (9:33 a.m.)

Alanna Dancis, acting Medicaid director, HCA, and DeAnna Stock, director, Health Care Innovations, HCA, provided an update on the upcoming effects of the 2025 federal budget reconciliation bill on the state's Medicaid program, including stricter eligibility requirements, decreases in provider payments and the phasedown of state-directed payments. They discussed the HCA's plans for trying to keep coverage affordable and reviewed the time line of the rural health transformation program. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=LHHS&Date=8/18/2026&ItemNumber=4>.

Food Insecurity Update (10:58 a.m.)

RubyAnn Esquibel, principal analyst, LFC, discussed state funding on food security initiatives, including GRO funding for food banks, and the growth of food insecurity in the state. Jill Dixon, executive director, The Food Depot, and Katy Anderson, vice president of strategy, partnerships and advocacy, Roadrunner Food Bank, described the expansion of food pantries'

and food banks' roles in deterring food insecurity and nutrition insecurity amid federal cuts to the federal Supplemental Nutrition Assistance Program and the rising cost of living. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=LHHS&Date=8/18/2026&ItemNumber=5>.

Revenue Maximization Opportunities for New Mexico (1:00 p.m.)

Alissa Narode, associate manager, Public Consulting Group, and Matt Reidy, senior project manager, Public Consulting Group, offered potential strategies for the state to mitigate financial effects of decreases in federal funding to the state resulting from the 2025 federal budget reconciliation bill. They noted strategies for expanding federal grants, protecting Medicaid coverage and supporting health care providers. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=ZFFSS&Date=8/18/2026&ItemNumber=6>.

2030 Census: Opportunities and Impacts (1:30 p.m.)

Robert Rhatigan, director, Geospatial and Population Studies Center, University of New Mexico (UNM), explained how the state could prepare for the 2030 census since New Mexico has the highest rate of hard-to-count populations in the country. He provided information about the United States Census Bureau's Local Update of Census Addresses program, which helps to develop the list of addresses for the census, highlighting the program's role in increasing census participation of residents of tribal lands and rural areas. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=LHHS&Date=8/18/2026&ItemNumber=7>.

Public Comment (2:24 p.m.)

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

Adjournment

There being no further business before the subcommittee, the meeting adjourned at 2:40 p.m.