

1 SENATE HEALTH AND PUBLIC AFFAIRS COMMITTEE SUBSTITUTE FOR
2 SENATE BILL 267

3 **56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

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10 AN ACT

11 RELATING TO PUBLIC ASSISTANCE; CHANGING PROVISIONS OF THE NEW
12 MEXICO WORKS ACT; ALLOWING HOMELESSNESS TO BE A WORK
13 REQUIREMENT EXEMPTION; EXEMPTING ONE HUNDRED PERCENT OF CHILD
14 SUPPORT FROM INCOME SOURCES; LIMITING SANCTIONS TO ADULT
15 MEMBERS OF A BENEFIT GROUP; SPECIFYING PRO RATA SHARES FOR
16 DIFFERENT BENEFIT GROUPS; CLARIFYING THE SANCTIONS CONCILIATION
17 PROCESS; REMOVING THE PROGRESSIVE SANCTIONS POLICY; ADDING TO
18 THE ELIGIBILITY PROVISIONS TO RECEIVE EDUCATION WORKS PROGRAM
19 SERVICES; MAKING AN APPROPRIATION; REPEALING SECTION 27-2B-9
20 NMSA 1978 (BEING LAWS 1998, CHAPTER 8, SECTION 9 AND LAWS 1998,
21 CHAPTER 9, SECTION 9).

22
23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

24 SECTION 1. Section 27-2B-3 NMSA 1978 (being Laws 1998,
25 Chapter 8, Section 3 and Laws 1998, Chapter 9, Section 3, as
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underscoring material = new
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1 amended) is amended to read:

2 "27-2B-3. DEFINITIONS.--As used in the New Mexico Works
3 Act:

4 A. "applicant" means a person applying for cash
5 assistance on behalf of a benefit group;

6 B. "benefit group" means a pregnant woman or a
7 group of people that includes a dependent child, all of that
8 dependent child's full, half or adopted siblings or
9 stepsiblings living with the dependent child's parent or
10 relative within the fifth degree of consanguinity and the
11 parent with whom the children live;

12 C. "cash assistance" means cash payments funded by
13 the temporary assistance for needy families block grant
14 pursuant to the federal act and by state funds;

15 D. "department" means the human services
16 department;

17 E. "dependent child" means a natural child, adopted
18 child, stepchild or ward who is:

- 19 (1) seventeen years of age or younger;
20 (2) eighteen years of age and is enrolled in
21 high school; or
22 (3) between eighteen and twenty-two years of
23 age and is receiving special education services regulated by
24 the public education department;

25 F. "director" means the director of the income

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1 support division of the department;

2 G. "earned income" means cash or payment in kind
 3 that is received as wages from employment or payment in lieu of
 4 wages; and earnings from self-employment or earnings acquired
 5 from the direct provision of services, goods or property,
 6 production of goods, management of property or supervision of
 7 services;

8 H. "federal act" means the federal Social Security
 9 Act and rules promulgated pursuant to the Social Security Act;

10 I. "federal poverty guidelines" means the level of
 11 income defining poverty by family size published annually in
 12 the federal register by the United States department of health
 13 and human services;

14 J. "homelessness" means members of a benefit group
 15 that lack a fixed, regular and adequate nighttime residence,
 16 including:

17 (1) children and youth who are sharing the
 18 housing of other persons due to loss of housing, economic
 19 hardship or a similar reason; are living in motels, hotels,
 20 trailer parks or camping grounds due to the lack of alternative
 21 adequate accommodations; are living in emergency or
 22 transitional shelters; or are abandoned in hospitals;

23 (2) children and youth who have a primary
 24 nighttime residence that is a public or private place not
 25 designed for or ordinarily used as a regular sleeping

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1 accommodation for human beings;

2 (3) children and youth who are living in cars,
3 parks, public spaces, abandoned buildings, substandard housing,
4 bus or train stations or similar settings;

5 (4) migratory children who qualify as homeless
6 because the children are living in circumstances described in
7 this subsection; and

8 (5) a family that is receiving a supportive
9 housing or rapid rehousing voucher pursuant to federal law;

10 [~~J.~~] K. "immigrant" means alien as defined in the
11 federal act;

12 [~~K.~~] L. "parent" means natural parent, adoptive
13 parent or stepparent;

14 [~~L.~~] M. "participant" means a recipient of cash
15 assistance or services or a member of a benefit group who has
16 reached the age of majority;

17 [~~M.~~] N. "person" means an individual;

18 O. "pro rata share" means the amount of the cash
19 assistance divided among the benefit group;

20 [~~N.~~] P. "secretary" means the secretary of the
21 department;

22 [~~O.~~] Q. "services" means child care assistance;
23 payment for employment-related transportation costs; job search
24 assistance; employment counseling; employment, education and
25 job training placement; one-time payment for necessary

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1 employment-related costs; case management; or other activities
 2 whose purpose is to assist transition into employment;

3 [P-] R. "unearned income" means old age, survivors
 4 and disability insurance; railroad retirement benefits;
 5 veterans administration compensation or pension; military
 6 retirement; pensions, annuities and retirement benefits; lodge
 7 or fraternal benefits; shared shelter payments; settlement
 8 payments; individual Indian money; child support; unemployment
 9 compensation benefits; union benefits paid in cash; gifts and
 10 contributions; and real property income;

11 [Q-] S. "vehicle" means a conveyance for the
 12 transporting of individuals to or from employment, for the
 13 activities of daily living or for the transportation of goods;
 14 "vehicle" does not include any boat, trailer or mobile home
 15 used as a principal place of residence; and

16 [R-] T. "vocational education" means an organized
 17 educational program that is directly related to the preparation
 18 of a person for employment in a current or emerging occupation
 19 requiring training other than a baccalaureate or advanced
 20 degree. Vocational education must be provided by an
 21 educational or a training organization, such as a vocational-
 22 technical school, community college, post-secondary educational
 23 institution or proprietary school."

24 SECTION 2. Section 27-2B-4 NMSA 1978 (being Laws 1998,
 25 Chapter 8, Section 4 and Laws 1998, Chapter 9, Section 4, as
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1 amended) is amended to read:

2 "27-2B-4. APPLICATION--RESOURCE PLANNING SESSION--
3 INDIVIDUAL RESPONSIBILITY PLANS--PARTICIPATION AGREEMENT--
4 REVIEW PERIODS.--

5 A. Application for cash assistance or services
6 shall be made to the department. The application shall be in
7 writing or reduced to writing in the manner and on the form
8 prescribed by the department. The application shall be made
9 under oath by an applicant having custody of or residing with a
10 dependent child who is a benefit group member and shall contain
11 a statement of the age of the child, residence, a complete
12 statement of the amount of property in which the applicant has
13 an interest, a statement of all income that the applicant and
14 other benefit group members have at the time of the filing of
15 the application and other information required by the
16 department.

17 B. The department shall assist an applicant in
18 completing the application for cash assistance or services and
19 shall evaluate an applicant to determine eligibility for all
20 department programs for which the applicant is eligible. The
21 department shall process all expedited [~~food stamp~~]
22 supplemental nutrition assistance program benefits applications
23 within two business days of submission, and the department
24 shall deliver expedited [~~food stamps~~] supplemental nutrition
25 assistance program benefits to an eligible applicant within

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1 seven days of the application.

2 C. At the time of application for cash assistance
 3 and services, an applicant and the department shall identify
 4 everyone who is to be counted in the benefit group. Once an
 5 application is approved, the participant shall advise the
 6 department if there are any changes in the membership of the
 7 benefit group.

8 D. No later than thirty days after an application
 9 is filed, the department shall provide to an applicant a
 10 resource planning session to ascertain the applicant's
 11 immediate needs, assess financial and nonfinancial options,
 12 make referrals and act on the application.

13 E. No later than five days after an application is
 14 approved, the department shall provide reimbursement for child
 15 care.

16 F. Whenever the department receives an application
 17 for assistance, a verification and record of the applicant's
 18 circumstances shall promptly be made to ascertain the facts
 19 supporting the application and to obtain other information
 20 required by the department. The verification may include a
 21 visit to the home of the applicant, as long as the department
 22 gives adequate prior notice of the visit to the applicant.

23 G. No later than fifteen days after an application
 24 is approved, the department shall assess the education, skills,
 25 prior work experience and employability of the participant and

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1 discuss with the participant work requirement exemption factors
2 listed in Subsection H of Section 27-2B-5 NMSA 1978.

3 H. After the initial identification of goals and
4 assessment of skills, the department shall work with the
5 participant to develop an individual responsibility plan that:

6 (1) sets forth an employment goal for the
7 participant and a plan for moving the participant into
8 employment;

9 (2) sets forth obligations of the participant
10 that may include a requirement that the participant attend
11 school, maintain certain grades and attendance, keep the
12 participant's school-age children in school, immunize the
13 participant's children or engage in other activities that will
14 help the participant become and remain employed;

15 (3) is designed to the greatest extent
16 possible to move the participant into ~~[whatever employment the~~
17 ~~participant is capable of handling]~~ employment that will help
18 the participant achieve the participant's goals and to provide
19 additional services as necessary to increase the responsibility
20 and amount of work the participant will handle over time;

21 (4) describes the services the department may
22 provide so that the participant may obtain and keep employment;
23 and

24 (5) may ~~[require the participant to~~
25 ~~participate]~~ include participation in appropriate services,

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1 such as substance abuse, domestic violence or mental health
 2 services.

3 I. The participant and the department shall sign
 4 the participant's individual responsibility plan. [~~The~~
 5 ~~department shall not allow a participant to decline to~~
 6 ~~participate in developing an individual responsibility plan.~~]
 7 The department shall not waive the requirement that a
 8 participant develop an individual responsibility plan. The
 9 department shall emphasize the importance of the individual
 10 responsibility plan to the participant.

11 [~~J. If a participant does not develop an individual~~
 12 ~~responsibility plan, refuses to sign an individual~~
 13 ~~responsibility plan or refuses to attend semiannual reviews of~~
 14 ~~an individual responsibility plan, the participant shall be~~
 15 ~~required to enter into a conciliation process pursuant to~~
 16 ~~Subsection C of Section 27-2B-14 NMSA 1978. If the participant~~
 17 ~~persists in noncompliance with the individual responsibility~~
 18 ~~plan process after the conciliation process, the participant~~
 19 ~~shall be subject to sanctions pursuant to Section 27-2B-14 NMSA~~
 20 ~~1978.~~

21 ~~K.]~~ J. The participant shall also sign a
 22 participation agreement that designates the number of hours
 23 that the participant must participate in work activities to
 24 meet participation standards.

25 [~~L.]~~ K. The department shall review the current

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1 financial eligibility of a benefit group when the department
2 reviews [~~food stamp~~] supplemental nutrition assistance program
3 benefits eligibility.

4 [M.] L. The department shall meet semiannually with
5 a participant to review and revise the participant's individual
6 responsibility plan.

7 [N.] M. The department shall develop a complaint
8 procedure to address issues pertinent to the delivery of
9 services and other issues relating to a participant's
10 individual responsibility plan."

11 **SECTION 3.** Section 27-2B-5 NMSA 1978 (being Laws 1998,
12 Chapter 8, Section 5 and Laws 1998, Chapter 9, Section 5, as
13 amended) is amended to read:

14 "27-2B-5. WORK REQUIREMENTS--WORK PARTICIPATION RATES.--

15 A. The following qualify as work activities:

16 (1) unsubsidized employment, including self-
17 employment;

18 (2) subsidized private sector employment,
19 including self-employment;

20 (3) subsidized public sector employment;

21 (4) work experience;

22 (5) on-the-job training;

23 (6) job search and job readiness;

24 (7) community service programs;

25 (8) vocational education;

1 (9) job skills training activities directly
2 related to employment;

3 (10) education directly related to employment;

4 (11) satisfactory attendance at a secondary
5 school or course of study leading to a high school equivalency
6 credential in the case of a participant who has not completed
7 secondary school or received such a certificate; ~~and~~

8 (12) the provision of child care services to a
9 participant who is participating in a community service
10 program; and

11 (13) other activities approved by the
12 department that will help the participant achieve the
13 participant's goals.

14 B. The department shall recognize community service
15 programs and job training programs that are operated by an
16 Indian nation, tribe or pueblo.

17 C. The department may not require a participant to
18 work more than four hours per week over the work requirement
19 rate set pursuant to the federal act.

20 D. The department shall require a parent, caretaker
21 or other adult who is a member of a benefit group to engage in
22 a work activity.

23 E. Where best suited [~~for the participant to~~
24 ~~address barriers, the department may require the following work~~
25 ~~activities]~~ to help the participant eliminate barriers or

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1 achieve the participant's goals, the participant may
2 participate in the following activities:

3 (1) participating in parenting classes, money
4 management classes or life skills training;

5 (2) participating in a certified alcohol or
6 drug addiction program;

7 (3) in the case of a homeless benefit group,
8 [~~finding~~] searching for a home;

9 (4) in the case of a participant who is a
10 victim of domestic violence, residing in a domestic violence
11 shelter or receiving counseling or treatment or participating
12 in criminal justice activities directed at prosecuting the
13 domestic violence perpetrator for no longer than twenty-four
14 weeks; and

15 (5) in the case of a participant who does not
16 speak English, participating in a course in English as a second
17 language.

18 F. Subject to the availability of funds, the
19 department in cooperation with the workforce solutions
20 department, Indian affairs department and other appropriate
21 state agencies may develop projects to provide for the
22 placement of participants in work activities, including the
23 following:

24 (1) participating in unpaid internships with
25 private and government entities;

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- 1 (2) refurbishing publicly assisted housing;
- 2 (3) volunteering at a head start program or a
- 3 school;
- 4 (4) weatherizing low-income housing; and
- 5 (5) restoring public sites and buildings,
- 6 including monuments, parks, fire stations, police buildings,
- 7 jails, libraries, museums, auditoriums, convention halls,
- 8 hospitals, buildings for administrative offices and city halls.

9 ~~[G. If a participant is engaged in full-time~~
 10 ~~vocational education studies or an activity set out in~~
 11 ~~Paragraphs (9) through (11) of Subsection A of this section,~~
 12 ~~the participant shall engage in another work activity at the~~
 13 ~~same time. Additionally, for two-parent families that receive~~
 14 ~~federally funded child-care assistance, the participant's~~
 15 ~~spouse shall engage in a work activity set out in Paragraphs~~
 16 ~~(1) through (5) or (7) of Subsection A of this section unless~~
 17 ~~the participant suffers from a temporary or complete disability~~
 18 ~~that bars the participant from engaging in a work activity or~~
 19 ~~the participant is barred from engaging in a work activity~~
 20 ~~because the participant provides sole care for a person with a~~
 21 ~~disability.~~

22 H.] G. A participant engaged in vocational
 23 education studies shall make reasonable efforts to obtain a
 24 loan, scholarship, grant or other assistance to pay for costs
 25 and tuition, and the department shall disregard those amounts

1 in the eligibility determination.

2 ~~[F.]~~ H. A participant is exempt from the work
3 requirement if the participant is determined by the department
4 to meet an exemption listed in this subsection. For as long as
5 the described conditions exist, the following are exempt from
6 the work requirement:

7 (1) a participant who is barred from engaging
8 in a work activity because the participant has a temporary or
9 permanent disability;

10 (2) a participant who is over age sixty;

11 (3) a participant who is barred from engaging
12 in a work activity because the participant provides the sole
13 care for a person with a disability;

14 (4) a single custodial parent who is caring
15 for a child less than twelve months old [~~for a lifetime total~~
16 ~~of twelve months~~];

17 (5) a single custodial parent who is caring
18 for a child under six years of age if the parent is unable to
19 obtain child care for one or more of the following reasons:

20 (a) unavailability of appropriate child
21 care within a reasonable distance from the parent's home or
22 work as defined by the [~~children, youth and families~~] early
23 childhood education and care department;

24 (b) unavailability or unsuitability of
25 informal child care by a relative under other arrangements as

1 defined by the [~~children, youth and families~~] early childhood
 2 education and care department; or

3 (c) unavailability of appropriate and
 4 affordable formal [~~child-care~~] child care arrangements as
 5 defined by the [~~children, youth and families~~] early childhood
 6 education and care department;

7 (6) a pregnant woman [~~during~~] who is in her
 8 last trimester of pregnancy;

9 (7) a participant who is prevented from
 10 working by a temporary emergency or a situation that precludes
 11 work participation for thirty days or less;

12 (8) a participant who demonstrates by
 13 [~~reliable~~] medical, psychological or mental reports, counselor
 14 or social worker written or oral verifications, court orders or
 15 police reports that family violence or threat of family
 16 violence effectively bars the participant from employment;
 17 [~~and~~]

18 (9) a participant who is experiencing family
 19 homelessness; and

20 [~~(9)~~] (10) a participant who demonstrates good
 21 cause of the need for the exemption.

22 [~~J. As a condition of the exemptions identified in~~
 23 ~~Subsection I of this section, the department may establish~~
 24 ~~participation requirements specific to the participant's~~
 25 ~~condition or circumstances, such as substance abuse services,~~

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1 ~~mental health services, domestic violence services, pursuit of~~
2 ~~disability benefits, job readiness or education directly~~
3 ~~related to employment. The activities are established to~~
4 ~~improve the participant's capacity to improve income and~~
5 ~~strengthen family support.]"~~

6 SECTION 4. Section 27-2B-7 NMSA 1978 (being Laws 1998,
7 Chapter 8, Section 7 and Laws 1998, Chapter 9, Section 7, as
8 amended) is amended to read:

9 "27-2B-7. FINANCIAL STANDARD OF NEED.--

10 A. The secretary shall adopt a financial standard
11 of need based upon the availability of federal and state funds
12 and based upon appropriations by the legislature of the
13 available federal temporary assistance for needy families grant
14 made pursuant to the federal act in the following categories:

- 15 (1) cash assistance;
- 16 (2) child care services;
- 17 (3) other services; and
- 18 (4) administrative costs.

19 The legislature shall determine the actual percentage of
20 each category to be used annually of the federal temporary
21 assistance for needy families grant made pursuant to the
22 federal act. Within the New Mexico works program, the
23 department may provide cash assistance or services to specific
24 categories of benefit groups from general funds appropriated to
25 cash assistance or services. The department may exclude these

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1 funds from temporary assistance for needy families maintenance
 2 of effort. The department shall identify alternative state
 3 spending to claim as maintenance of effort and make necessary
 4 arrangements to allow reporting of that spending.

5 B. The following income sources are exempt from the
 6 gross income test, the net income test and the cash payment
 7 calculation:

- 8 (1) medicaid;
- 9 (2) ~~[food stamps]~~ supplemental nutrition
 10 assistance program benefits;
- 11 (3) government-subsidized foster care payments
 12 if the child for whom the payment is received is also excluded
 13 from the benefit group;
- 14 (4) supplemental security income;
- 15 (5) government-subsidized housing or housing
 16 payments;
- 17 (6) federally excluded income;
- 18 (7) educational payments made directly to an
 19 educational institution;
- 20 (8) government-subsidized child care;
- 21 (9) earned income that belongs to a person
 22 seventeen years of age or younger who is not the head of
 23 household;
- 24 (10) one hundred percent of child support
 25 passed through, subject to available funding or approval of a

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1 waiver from the federal office of child support enforcement, to
2 the participant by the child support enforcement division of
3 the department [~~in the following amounts:~~

4 (a) ~~fifty dollars (\$50.00) per month~~
5 ~~through December 31, 2008; and~~

6 (b) ~~no later than January 1, 2009, a~~
7 ~~minimum of one hundred dollars (\$100) for one child and two~~
8 ~~hundred dollars (\$200) for two or more children as based on the~~
9 ~~availability of state or federal funds];~~

10 (11) earned income deposited in an individual
11 development account by a member of the benefit group or money
12 received as matching funds for allowable uses by the owner of
13 the individual development account pursuant to the Individual
14 Development Account Act; and

15 (12) other income sources as determined by the
16 department.

17 C. The total countable gross earned and unearned
18 income of the benefit group cannot exceed eighty-five percent
19 of the federal poverty guidelines for the size of the benefit
20 group.

21 D. For a benefit group to be eligible to
22 participate:

23 (1) gross countable income that belongs to the
24 benefit group must not exceed eighty-five percent of the
25 federal poverty guidelines for the size of the benefit group;

1 and

2 (2) net countable income that belongs to the
 3 benefit group must not equal or exceed the financial standard
 4 of need after applying the disregards set out in Paragraphs (1)
 5 through (4) of Subsection E of this section.

6 E. Subject to the availability of state and federal
 7 funds, the department shall determine the cash payment of the
 8 benefit group by applying the following disregards to the
 9 benefit group's earned income and then subtracting that amount
 10 from the benefit group's financial standard of need:

11 (1) one hundred twenty-five dollars (\$125) of
 12 monthly earned income and one-half of the remainder, or for a
 13 two-parent family, two hundred twenty-five dollars (\$225) of
 14 monthly earned income and one-half of the remainder for each
 15 parent;

16 (2) monthly payments made for child care at a
 17 maximum of two hundred dollars (\$200) for a child under two
 18 years of age and at a maximum of one hundred seventy-five
 19 dollars (\$175) for a child two years of age or older;

20 (3) costs of self-employment income; and

21 (4) business expenses.

22 F. In addition to the disregards specified in
 23 Subsection E of this section, and between June 28, 2007 and
 24 June 30, 2008, or until implementation of the employment
 25 retention and advancement bonus program described in Subsection

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1 G of this section, the department shall apply the following
2 income disregards to the benefit group's earned income and then
3 subtract that amount from the benefit group's financial
4 standard of need:

5 (1) for the first two years of receiving cash
6 assistance or services, if a participant works over the work
7 requirement rate set by the department pursuant to the New
8 Mexico Works Act, one hundred percent of the income earned by
9 the participant beyond that rate; and

10 (2) for the first two years of receiving cash
11 assistance or services, for a two-parent benefit group in which
12 one parent works more than thirty-five hours per week and the
13 other works more than twenty-four hours per week, one hundred
14 percent of income earned by each participant beyond the work
15 requirement rate set by the department.

16 G. No later than July 1, 2008, New Mexico
17 employment incentives shall be as follows:

18 (1) the department shall implement an
19 employment retention and advancement bonus program based on
20 availability of state or federal funds that includes financial
21 incentives to encourage a participant to:

22 (a) leave the New Mexico works program
23 and move into an employment retention and advancement bonus
24 incentive program;

25 (b) maintain a minimum of thirty hours

1 per week employment; and

2 (c) leave the employment retention and
3 advancement bonus incentive program due to increased earnings
4 above the income eligibility standard and continue employment;

5 (2) the employment retention and advancement
6 bonus incentive program shall provide a cash bonus and
7 employment services to a former participant who, upon
8 application:

9 (a) is currently engaged in paid work
10 for a minimum of thirty hours per week;

11 (b) has received cash assistance for at
12 least three months and one of the last three months;

13 (c) has had a gross income of less than
14 one hundred fifty percent of the federal poverty guidelines;
15 and

16 (d) has participated in the employment
17 retention and advancement bonus incentive program for no longer
18 than eighteen months;

19 (3) for continued eligibility in the
20 employment retention and advancement bonus incentive program, a
21 participant shall:

22 (a) be engaged in paid work for thirty
23 hours per week for at least one of the past three months;

24 (b) be engaged in paid work for thirty
25 hours per week for at least four of the past six months;

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1 (c) have had gross income less than one
2 hundred fifty percent of the federal poverty guidelines; and

3 (d) have participated in the program no
4 more than eighteen months;

5 (4) the department shall provide employment
6 services to assist participants in gaining access to available
7 work supports, maintain employment and advance to higher-paying
8 employment; and

9 (5) the department shall:

10 (a) establish the amount of bonus to be
11 paid to participants in the employment retention and
12 advancement bonus program based on availability of state and
13 federal funds;

14 (b) propose rules to implement the
15 employment retention and advancement bonus incentive program of
16 this subsection no later than January 1, 2008; and

17 (c) begin implementation of the
18 employment retention and advancement bonus incentive program of
19 this subsection no later than July 1, 2008.

20 H. The department may recover overpayments of cash
21 assistance on a monthly basis not to exceed fifteen percent of
22 the financial standard of need applicable to the benefit group.

23 I. Based upon the availability of funds and in
24 accordance with the federal act, the secretary may establish a
25 separate temporary assistance for needy families cash

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1 assistance program that may waive certain New Mexico Works Act
 2 requirements due to a specific situation.

3 J. Subject to the availability of state and federal
 4 funds, the department may limit the eligibility of benefit
 5 groups that are eligible because a legal guardian is not
 6 included in the benefit group."

7 SECTION 5. Section 27-2B-14 NMSA 1978 (being Laws 1998,
 8 Chapter 8, Section 14 and Laws 1998, Chapter 9, Section 14, as
 9 amended by Laws 2003, Chapter 311, Section 5 and Laws 2003,
 10 Chapter 432, Section 5) is amended to read:

11 "27-2B-14. SANCTIONS.--

12 A. The department shall sanction [a] an adult
 13 member of a benefit group for noncompliance with work
 14 requirements or child support requirements. Only the pro rata
 15 share for the adult members of a benefit group may be reduced
 16 or terminated.

17 B. For benefit groups that are entirely adults, the
 18 group has one hundred percent pro rata share of the cash
 19 assistance.

20 C. For a benefit group that includes adults and
 21 children or minor parents and children, the pro rata share for
 22 the amount of cash assistance shall be designated as follows:

23 (1) fifty percent for the child or children in
 24 the benefit group unit; and

25 (2) fifty percent for the adult member or

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1 members, or minor parent or parents of the benefit group unit.

2 D. For a participant that is a benefit group that
3 includes only adults or a participant who is a pregnant person,
4 one hundred percent of the amount of assistance shall be
5 designated for the adult member or members or the pregnant
6 person.

7 E. The pro rata share of the grant amount
8 designated for children in the benefit group may not be reduced
9 or terminated for noncompliance with the New Mexico works
10 program work requirement or child support requirements for
11 twelve continuous months, with the opportunity to regain
12 compliance at any time. If the adult member regains compliance
13 in the twelve-month period, the full cash assistance benefit
14 shall be restored.

15 ~~[B.]~~ F. The sanction shall be applied [at the
16 following levels:

17 ~~(1) twenty-five percent reduction of cash~~
18 ~~assistance for the first occurrence of noncompliance;~~

19 ~~(2) fifty percent reduction of cash assistance~~
20 ~~for the second occurrence of noncompliance; and~~

21 ~~(3) termination of cash assistance and~~
22 ~~ineligibility to reapply for six months for the third~~
23 ~~occurrence of noncompliance] by reducing the pro rata share of~~
24 cash assistance for an adult household member for twelve
25 continuous months for noncompliance; provided that the adult

1 member may regain compliance at any time within that twelve-
 2 month period or the case will be closed at the end of that
 3 period. If the adult member regains compliance, the full
 4 benefit shall be restored.

5 ~~[G.] G. Prior to imposing the [first] sanction, if~~
 6 ~~the department determines that a participant is not complying~~
 7 ~~with the work participation requirement or child support~~
 8 ~~requirements, the participant shall be required to enter into a~~
 9 ~~conciliation process established by the department to address~~
 10 ~~the noncompliance and to identify good cause for noncompliance~~
 11 ~~or barriers to compliance. [The conciliation process shall~~
 12 ~~occur only once prior to the imposition of the sanction. The~~
 13 ~~participant shall have ten working days from the date a~~
 14 ~~conciliation notice is mailed to contact the department to~~
 15 ~~initiate the conciliation process. A participant who fails to~~
 16 ~~initiate the conciliation process shall have a notice of~~
 17 ~~adverse action mailed to him after the tenth working day~~
 18 ~~following the date on which the conciliation notice is mailed.~~
 19 ~~Participants who begin but do not complete the conciliation~~
 20 ~~process shall be mailed a notice of adverse action thirty days~~
 21 ~~from the date the original conciliation notice was mailed.~~

22 ~~D. Reestablishing compliance shall allow full~~
 23 ~~payment to resume.~~

24 ~~E. Noncompliance with reporting requirements may~~
 25 ~~subject a participant to other sanctions, except that an adult~~

underscored material = new
 [bracketed material] = delete

1 ~~member of the benefit group shall not be sanctioned for the~~
2 ~~failure of a dependent child to attend school.] The department~~
3 ~~shall provide a thirty-day conciliation period for each~~
4 ~~instance of noncompliance.~~

5 H. During the thirty-day conciliation periods, the
6 department shall notify the participant of the noncompliance
7 and help the participant by:

8 (1) determining the reasons for noncompliance
9 by personally the participant;

10 (2) evaluating and preparing a written
11 determination of whether the participant qualifies for an
12 exemption from the work requirement pursuant to Section 27-2B-5
13 NMSA 1978 or has good cause for noncompliance pursuant to that
14 section; and

15 (3) sending the participant a letter offering
16 a conciliation conference and assistance in identifying and
17 resolving barriers to compliance.

18 I. The department shall not reduce or terminate
19 cash assistance to a participant until at least thirty days
20 after the day on which the first written notice of
21 noncompliance is sent to the participant.

22 J. When the department determines that a
23 participant is noncompliant with a reporting requirement, the
24 work requirement or child support requirements, the full amount
25 of cash assistance shall resume as soon as the requirements are

1 met.

2 K. An adult member of a benefit group shall not be
3 sanctioned for:

4 (1) the failure of a dependent child to attend
5 school; or

6 (2) voluntarily participating in limited work
7 participation.

8 ~~[F.]~~ L. Effective October 1, 2001, the department
9 shall not terminate the medicaid benefits of any member of a
10 benefit group due to imposition of a sanction pursuant to the
11 provisions of this section."

12 **SECTION 6.** Section 27-2D-4 NMSA 1978 (being Laws 2003,
13 Chapter 317, Section 4, as amended) is amended to read:

14 "27-2D-4. EDUCATION WORKS PROGRAM--ELIGIBILITY--
15 RESTRICTIONS--REQUIREMENTS.--

16 A. A person is eligible to receive education works
17 services or cash assistance if the person demonstrates that:

18 (1) the person is pursuing a high school
19 equivalency credential or a vocational education certificate or
20 has been accepted or has been determined to be eligible to
21 enroll in a two- or four-year post-secondary or graduate or
22 post-graduate degree program; and

23 (2) the credential, certificate or degree the
24 person will receive will increase the person's ability to
25 engage in full-time paid employment.

.224806.5

1 B. A recipient shall not receive cash assistance
2 funded by the temporary assistance for needy families block
3 grant during the period in which the recipient is receiving
4 cash assistance pursuant to the Education Works Act.

5 C. A recipient shall apply for all financial aid
6 available from the post-secondary, graduate or post-graduate
7 educational institution that the recipient attends.

8 D. During the twenty-four months of participation
9 in the education works program, a recipient shall engage in at
10 least twenty hours per week of class time, studying, work,
11 work-study or volunteering. The department shall assume that a
12 recipient spends one and one-half hours studying for every hour
13 of class time.

14 E. A recipient may participate in the education
15 works program for no more than twenty-four months, except that
16 a recipient may participate in the education works program for
17 one additional academic term following the twenty-four-month
18 participation limit, or for two additional academic terms
19 following the twenty-four-month participation limit at the
20 discretion of the director, if doing so will result in the
21 recipient earning a degree.

22 F. The number of recipients enrolled in the
23 education works program is limited to the number of recipients
24 who can be served by the funds available.

25 G. For purposes of this section, "work" means work-

1 study, training-related practicums, internships, paid
2 employment, volunteering or any other activity approved by the
3 department."

4 SECTION 7. REPEAL.--Section 27-2B-9 NMSA 1978 (being Laws
5 1998, Chapter 8, Section 9 and Laws 1998, Chapter 9, Section 9)
6 is repealed.

7 SECTION 8. EFFECTIVE DATE.--The effective date of the
8 provisions of this act is January 1, 2024.

underscoring = new
~~[bracketed material]~~ = delete