

LFC Requester:	Carli Malone
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AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov
(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 1/21/26 **Bill Number:** HJR4 **Original** ☒ **Amendment** ☐ **Substitute** ☐
Short Title: TRANSFERS CYFD POLICY CONTROL FROM GOVERNOR TO A CYFD COMMISSION

Sponsor: Rep. Chavez

Name and Code Number: HCA 630

Person Writing: Rosalind Smith – BHSD

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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
\$0.0	\$0.0	NA	NA

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
\$0.0	\$0.0	\$0.0	NA	NA

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(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0.0	\$0.0	\$0.0	\$0.0	NA	NA

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: House Joint Resolution 4 (HJR 4) proposes to amend Article 5 of the constitution of New Mexico by adding a new section that creates a new “children, youth, and families commission” to oversee policy development and direct the operations of CYFD. This new commission tasks the Governor, the speaker of the house of representatives, and the president pro tempore of the senate to each select a member to sit on the commission with a six-year term limit.

FISCAL IMPLICATIONS

None

SIGNIFICANT ISSUES

The newly formed commission would need time to familiarize themselves with CYFD and the work that it collaborates on with HCA. For example, HCA Behavioral Health Services Division (BHSD) and Medical Assistance Division (MAD) currently supports projects and deliverables related to the *Kevin S.* settlement agreement and other behavioral health service delivery activities (e.g. crisis services, treatment support, etc.). It is unclear how the reorganization will impact the workgroups and the ongoing collaboration with CYFD staff. This may hinder HCA's ability to smoothly continue certain deliverables if there are changes to the CYFD structure and staff. The reorganization could lead to possible disruptions in services and loss of staff as the implementation of the reorganization and commission appointments take place. This could further hinder existing work.

MAD also supports projects and deliverables related to the *Kevin S.* settlement agreement and oversees PHP's role in providing Medicaid services for children in state custody. Changing the structure of CYFD could hinder current forward momentum on some metrics, such as well child visits within 30 days of custody, while the new commission becomes familiar with the program.

Additionally, HCA and CYFD are required to collaborate and coordinate services for children in state custody pursuant to the *Kevin S.* agreement. Should CYFD become an independent entity with a Superintendent under the supervision of a Board of Regents rather than a Cabinet Secretary in the Executive Branch that answers to the Governor; collaboration may be hindered.

It could become more difficult to hold the agencies accountable when they do not answer to the same executive. It is unclear how potential future conflicts between the two agencies will be resolved. Kevin S., et al. v. Blalock, et al., No. 1:18-cv-00896.

<https://www.cyfd.nm.gov/legal/kevin-s-settlement/>

PERFORMANCE IMPLICATIONS

Performance may be hindered by changes to CYFD's organizational structure and staff. The reorganization could lead to possible disruptions in HCA-funded services and loss of staff as the implementation of the reorganization takes place. This could further hinder existing work. MAD also supports projects and deliverables related to the Kevin S settlement agreement and oversees PHP's role in providing Medicaid services for children in state custody. It is unclear how the new commission would work administratively with the MCOs and the MCO contracts. ITD may need to make system changes to support any changes in the BHSD and MAD processes noted above. The complexity of these changes will depend on the precise nature of the changes to those items.

ADMINISTRATIVE IMPLICATIONS

The HCA would need to work with CYFD and the new commission to collaborate on changes which affect MAD, including out-of-state placement of children in state custody, engaging in common contracting procedures, and shared responsibility for children's mental health and substance use treatment. Presently the HCA and CYFD are required to collaborate and coordinate services for children in state custody pursuant to the *Kevin S.* agreement.

The newly formed commission would need time to become onboarded, and familiarize themselves with CYFD and the work that it collaborates on with BHSD and MAD. During the transition period, it is unclear whether the reorganization would lead to any disruptions in the existing interagency work that BHSD and MAD collaborates on with CYFD.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relationship to HB86: MAJOR REORGANIZATION OF CHILDREN, YOUTH AND FAMILIES DEPARTMENT

TECHNICAL ISSUES

None

OTHER SUBSTANTIVE ISSUES

None

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo

AMENDMENTS

None