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**AGENCY BILL ANALYSIS
2026 REGULAR SESSION**

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{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

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

Click all that apply:

Original **Amendment**
Correction **Substitute**

Date Prepared: 2026-02-02
Bill No: HM36

Sponsor: Cates, Kathleen
NURSING SHORTAGE
Short Title: TASK FORCE

Agency Name and Code NMHED
Number: _____
Person Writing: Gallegos, Brittany
brittany.
Phone: 5056706478 **Email:** gallegos@hed.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue	Recurring	Fund Affected

FY26	FY27	FY28	or Nonrecurring	
N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

BILL SUMMARY

House Memorial 36 (HM36) requests that the New Mexico Board of Nursing convene a task force to examine the state’s nursing shortage and identify barriers to increasing nursing program graduation rates and workforce retention. The task force would include representatives from nursing professional organizations, hospitals, nursing education leaders, postsecondary institutions, and high school licensed practical nursing (LPN) programs. It would report findings and recommendations to relevant interim legislative committees and the New Mexico Legislative Finance Committee (NMLFC), focusing on education capacity, enrollment and retention challenges, and workforce retention.

The New Mexico Higher Education Department’s (NMHED’s) analysis of this bill focuses on the higher education implications of the proposed legislation. Additional insight may be obtained from other agencies’ analyses.

FISCAL IMPLICATIONS

HM36 does not include an appropriation. However, the requested task force would require staff time and administrative support from the Board of Nursing and participating organizations, including higher education institutions and health care stakeholders. Any costs associated with participation, coordination, and report preparation would need to be absorbed within existing resources.

SIGNIFICANT ISSUES

The Legislature has appropriated funding through Research and Public Service Projects (RPSPs) to support nursing programs statewide. Starting in Fiscal Year 2027 (FY27), nursing RPSPs have been rolled into the higher education institutions' instructional and general (I&G) base funding. However, the

long-term impact of sustained RPSP investments on nursing program capacity and graduate output remains unclear.

HM36 requests that the Board of Nursing convene and manage a broad, multi-sector task force focused on nursing education capacity, workforce retention, and expansion of higher education programs. While the Board of Nursing plays an important role in licensure and regulation, many of the issues identified in the memorial, including faculty compensation, program capacity, and academic credentialing, pathways fall primarily within the purview of higher education institutions, state higher education agencies, and institutional governing boards. Clear delineation of roles and coordination mechanisms may be necessary to ensure recommendations are actionable.

The memorial also states that, despite recent appropriations to expand nursing education capacity, enrollment and degree completion in nursing programs are not increasing at the rate needed to meet workforce demand. However, recent findings from NMHED's New Mexico Endowment Funding for Education and Health Workforce Programs: Institutional Survey Report suggest a more nuanced picture. Institutions reported that endowment funding for nursing faculty support was relatively successful, but persistent challenges remain in recruiting and retaining qualified faculty.

Institutions consistently cite salary disparities between clinical nursing roles and academic faculty positions as a major barrier, particularly in rural areas. Many nurses can earn higher wages in clinical practice than in teaching roles, and institutions report difficulty finding nurses with the required graduate credentials and pedagogical preparation to serve as faculty. In addition, nursing programs must comply with strict instructor-to-student ratios, meaning enrollment growth is directly tied to faculty availability. Even where student demand is strong, limited faculty capacity constrains the number of program slots that can be offered.

At the same time, enrollment trends are not uniform across institutions. Some programs report recent growth in admissions and enrollment, indicating that student demand for nursing education remains strong and that expansion is possible where faculty and resources are available. These findings suggest that the primary constraint may be faculty workforce capacity and instructional requirements, rather than a lack of student interest.

Even where nursing programs are producing graduates, workforce retention patterns may affect how many remain in New Mexico's health care system. Some licensed nurses may choose higher-paying travel nursing or out-of-state positions, which can reduce the in-state workforce impact of graduation gains. At the same time, institutions face difficult tradeoffs in addressing faculty shortages: whether to hire more instructors at lower salaries to increase student capacity or hire fewer instructors at higher salaries to improve recruitment and retention. Institutions have also noted a need for stronger pedagogical training and academic pathways to support experienced nurses transitioning from clinical roles into teaching. These factors highlight that, while the drivers of the nursing shortage are relatively well understood, identifying effective and sustainable policy and funding strategies to address them is complex. A task force could help shift the discussion from diagnosing the problem to developing coordinated, actionable approaches for improving both faculty capacity and workforce outcomes.

PERFORMANCE IMPLICATIONS

The memorial requests that the task force report findings and recommendations to the appropriate interim legislative committee that addresses health and human services and to the NMLFC. The report is requested to include:

- Barriers to nursing workforce employment retention

- Barriers to expanding nursing education program capacity
- Barriers to nursing school enrollment and student retention
- Recommendations to address gaps in nursing education needed to meet workforce demand

ADMINISTRATIVE IMPLICATIONS

The memorial would require administrative time and coordination from the Board of Nursing and representatives of participating organizations, including higher education institutions, health care associations, and professional nursing organizations. Staff from these entities would need to support task force participation, meeting coordination, information gathering, and development of the final report and recommendations. These responsibilities would be carried out within existing resources.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

No conflict, duplication, or companion legislation has been identified.

TECHNICAL ISSUES

To ensure a comprehensive report, the requirements could be listed in greater detail.

OTHER SUBSTANTIVE ISSUES

Nursing workforce shortages are immediate, but nursing education is a multi-year pipeline. Even with the successful expansion of program capacity, increases in the number of licensed nurses would not be realized for several years. Policymakers may wish to consider how task force recommendations align with both short-term workforce needs and long-term pipeline development.

Further, HM36 focuses on statewide supply, but workforce shortages are often most acute in rural and frontier areas. Even if overall graduate numbers increase, geographic maldistribution may persist without targeted incentives, clinical partnerships, or rural training pathways. Addressing where nurses practice, in addition to how many graduate, may be an important component of long-term workforce planning.

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If HM36 is not adopted, the Board of Nursing would not be formally requested to convene a task force to examine barriers to nursing education capacity and workforce retention. While existing efforts to address the nursing shortage would continue through current initiatives and investments, there would be no coordinated, multi-stakeholder review or formal set of recommendations delivered to the Legislature specifically under this memorial.

AMENDMENTS

N/A