



LFC Requester: Hilla

**PUBLIC EDUCATION DEPARTMENT
BILL ANALYSIS
2026 REGULAR SESSION**

SECTION I: GENERAL INFORMATION

Check all that apply:

Original Amendment
Correction Substitute

Date Prepared: January 23 2026

Bill No: SB70

Committee Referrals: SHPAC/SFC

Agency Name and Code: PED - 924

Sponsor: Soules

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Short Title: UNIVERSAL BASIC INCOME PILOT PROJECT

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SECTION II: FISCAL IMPACT

(Parenthesis () Indicate Expenditure Decreases)

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY27	FY28		
\$80,000.0	\$80,000.0	N/A	GF

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY27	FY28	FY29		
None	None	None	N/A	NFA

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY27	FY28	FY29	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	None	None	None	None	N/A	NFA

Duplicates/Relates to Appropriation in the General Appropriation Act: N/A

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: The bill would create a two-year pilot program, the “universal basic income pilot program,” to evaluate the financial impact on a pregnant person of providing a universal basic income (UBI) from pregnancy through the first year of life of an infant. The program would consist of a control group of participants and a test group of participants.

Participants in the program would be required to:

- 1) be pregnant at the time of applying to participate in the program; and
- 2) have an income at or below 150 percent of the federal poverty level.

If enacted, the program would begin July 1, 2026, and end on June 30, 2028.

FISCAL IMPLICATIONS

The bill would appropriate \$80 million from the General Fund to the Department of Health (DOH) for expenditure in FY27 and FY28 to conduct a UBI pilot program. Any unexpended or unencumbered balance remaining at the end of FY28 shall revert to the General Fund.

SIGNIFICANT ISSUES

Program requirements. The program would be required to proceed with the following limitations; provided that the control group shall not be subject to these limitations:

- (1) DOH shall distribute to participants a UBI of \$1,500 per month through the duration of the program;
- (2) participants shall receive home visitation from employees of the Early Childhood Education and Care Department or an entity approved by that department;
- (3) participants shall complete surveys and research forms throughout the duration of the program;
- (4) participants shall attend prenatal care appointments with a health care provider as defined pursuant to the [Public Health Act](#) in a frequency recommended by the health care provider; and
- (5) if a participant fails to comply with provisions (2) through (4) of this program requirements list, that participant shall be placed in the control group for the remainder of the program.

DOH would be required to:

- develop an application process for participants to voluntarily enroll in the program; and
- Report the findings of the program to the Legislative Education Study Committee no later than December 1, 2028.

Below are the [monthly and annual incomes at or below 150 percent of the federal poverty level for 2026](#) by family unit size.

150 Percent of the HHS Poverty Guidelines for 2026* — Monthly Basis

Persons in Family Unit	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$ 1,995.00	\$ 2,493.75	\$ 2,295.00
2	\$ 2,705.00	\$ 3,381.25	\$ 3,111.25
3	\$ 3,415.00	\$ 4,268.75	\$ 3,927.50
4	\$ 4,125.00	\$ 5,156.25	\$ 4,743.75
5	\$ 4,835.00	\$ 6,043.75	\$ 5,560.00
6	\$ 5,545.00	\$ 6,931.25	\$ 6,376.25
7	\$ 6,255.00	\$ 7,818.75	\$ 7,192.50
8	\$ 6,965.00	\$ 8,706.25	\$ 8,008.75
For each additional person add:	\$ 710.00	\$ 887.50	\$ 816.25

** As required by section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (Pub. L. 97-35 - reauthorized by Pub. L. 105-285, Section 201 (1988)).*

150 Percent of the HHS Poverty Guidelines for 2026* — Annual Basis

Persons in Family Unit	48 Contiguous States and D.C.	Alaska	Hawaii
1	\$ 23,940.00	\$ 29,925.00	\$ 27,540.00
2	\$ 32,460.00	\$ 40,575.00	\$ 37,335.00
3	\$ 40,980.00	\$ 51,225.00	\$ 47,130.00
4	\$ 49,500.00	\$ 61,875.00	\$ 56,925.00
5	\$ 58,020.00	\$ 72,525.00	\$ 66,720.00
6	\$ 66,540.00	\$ 83,175.00	\$ 76,515.00
7	\$ 75,060.00	\$ 93,825.00	\$ 86,310.00
8	\$ 83,580.00	\$ 104,475.00	\$ 96,105.00
For each additional person add:	\$ 8,520.00	\$ 10,650.00	\$ 9,795.00

** As required by section 673(2) of the Omnibus Budget Reconciliation Act of 1981 (Pub. L. 97-35 - reauthorized by Pub. L. 105-285, Section 201 (1988)).*

Research consistently shows that early life conditions and socioeconomic status are associated with later academic outcomes in K-12 settings. For example, a 2021 [study from the Academic Pediatrics Journal](#) found that low socioeconomic status throughout childhood is associated with lower reading and mathematics outcomes by middle school. This research underscores the importance of early interventions that address economic disadvantage to support long term K-12 education outcomes.

Several states and municipalities [have implemented basic income pilots](#), including communities in Alabama, Virginia, Rhode Island, New Jersey, Mississippi, Louisiana, Indiana, Florida, North Carolina, South Carolina, Washington, and Oklahoma. Research on income supplementation programs suggests that increases in household income are associated with improved capacity to meet children’s basic needs and greater stability in housing and caregiving environments. In addition, a 2024 [review of U.S. based cash transfer programs](#) found that income support provided during early childhood has been linked to positive indicators of child development and academic outcomes in later childhood and early adulthood.

The pilot structure of the program would allow the state to assess whether income supports provided prior to school entry are associated with measurable improvements to parent and child wellbeing. Findings from the pilot could inform future policies regarding the role of cross sector investments in supporting student success across K-12 education.

PERFORMANCE IMPLICATIONS

The monthly basic income of \$1,500 may lead to better prenatal care, nutrition, and early childhood education, which would better prepare students for entering school. The pilot program would include a treatment and control group as part of an experimental study that has the potential to inform future policy regarding the benefits that receiving a universal basic income may have on educational outcomes.

Home visits, which the bill would require, can offer many benefits to families. According to the [Health Services and Resource Administration](#), maternal, infant, and early childhood home visits have the potential to “improve the overall health of mothers and children, improve families’ economic well-being, connect families to other community resources, and prevent crime, injuries, abuse, and neglect.”

ADMINISTRATIVE IMPLICATIONS

None for PED.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

Universal basic income (UBI) is an intervention that could reduce poverty and improve educational outcomes for students. Many variants of UBI have been piloted [with evidence](#) that UBI positively affects educational outcomes. UBI also improves health and wellbeing and reduces the societal costs of poverty. Implementing UBI could reduce the state’s costs for education, public safety, and health care in the long term.

Reducing poverty reduces the number of adverse childhood events which cause toxic stress, affect brain development and learning, and can lead to other health problems including depression, asthma, heart disease, and obesity. The [New Mexico Children’s Cabinet](#) reports that 27.3 percent of students in the state have experienced more than two adverse childhood events compared to 17.4 percent of children nationwide.

The Public School Code includes several provisions designed to assist pregnant or parenting students:

- In the [Attendance for Success Act](#):

- [Section 22-12A-6 NMSA 1978](#) requires a student or their parent who intends to claim an excused absence due to pregnancy or parenting status to inform their status, with appropriate documentation, to the appropriate school authorities.
- [Section 22-12A-9 NMSA 1978](#) requires school districts to maintain attendance policies that provide four days of excused absences for students claiming pregnant or parenting status, and to give the student time to make up their missed schoolwork. That section also requires alternative schools for pregnant or parenting students to not count such a student as absent as long as they are online with the school or other appropriate virtual course, and they complete their assignments.
- [Section 22-13-3.1 NMSA 1978](#) creates the Even Start Family Literacy Program to provide funding for preschool readiness and parenting education.
- [Section 22-10A-2 NMSA 1978](#), the definitions section of the School Personnel Act, defines "ethical misconduct" to include discriminatory conduct based on pregnancy status.

According to the [Congressional Research Service](#), UBI is sometimes considered an “efficiency-improving replacement for the current body of social insurance and welfare programs in the United States,” also stating that UBI “could potentially reduce administrative costs and application burden for recipients, give more freedom to households over how they allocate funds, and encourage households to establish stronger community ties or otherwise establish nongovernmental support systems.”

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

None.

AMENDMENTS

None.