

LFC Requester:

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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:	January 23, 2026	<i>Check all that apply:</i>			
Bill Number:	SB 81	Original	<input checked="" type="checkbox"/>	Correction	<input type="checkbox"/>
		Amendment	<input type="checkbox"/>	Substitute	<input type="checkbox"/>

Sponsor:	Sen. Michael Padilla	Agency Name and Code Number:	New Mexico Finance Authority 385		
Short	Primary Care Capital Funding Act	Person Writing	John Brooks		
		Phone	505-984-1454	Email:	jbrooks@nmfa.net

SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
	25,000	Nonrecurring	Primary Care Capital Fund

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
0	0	0		

(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						

(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

Synopsis:

Senate Bill 81 (SB 81) makes non-recurring appropriations from the state general fund to carry out the purposes of the Primary Care Capital Funding Act. SB 81 appropriates \$25,000,000 to the Primary Care Capital Fund ("PCCF"). The appropriations are non-reverting.

FISCAL IMPLICATIONS

NMFA does not anticipate additional FTEs or increased budgetary needs to implement SB 81.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

SB 81 funds an established program at NMFA created by the Primary Care Act (in 1994). This program provides low-cost financing to eligible providers of primary care throughout the state. PCCF has successfully improved access to critical services by financing construction, renovation, equipment and expansion of facilities. Since the Act's inception in 1994, PCCF has financed twenty (20) projects in nine counties throughout New Mexico. Primary care centers utilizing these programs have treated over 350,000 patients over the course of 1.4 million visits. Approximately 80% of services rendered were in rural areas of the state.

Despite the success of this program, it has lacked funding to carry out it the momentum it gains when there a funds available.

PCCF received an initial general fund appropriation of \$5 million in 1995 and a subsequent appropriation of \$4 million in 2020; however, a total of \$9.7 million has been reverted to the general fund for solvency for net funding of (\$700,000).

SB 81 creates a significant opportunity for NMFA, together with the Department of Health ("DOH"), to meet immediate demand for affordable financing to expand access to needed services. Despite having no available funding, NMFA has received inquiries from eligible primary care for twelve projects with capital needs totaling \$48 million. Should SB 81 be enacted, NMFA and its partner expect to fund these projects and generate more demand once we are able to actively market the programs to potential borrowers.

SB 81 will provide funds in PCCF for the ability to make low-cost loans for working capital and facility projects to eligible non-profit and public providers. Primary care providers may be non-profit or public primary care clinics, hospices, school-based health centers, or telehealth sites operating in rural or healthcare underserved areas.

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB 81 does not conflict or duplicate any other primary care funded programs.

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

In recent years, the PCCF has been used increasingly by non-profit providers to purchase and improve facilities as part of a cost-containment strategy. The favorable terms offered by the PCCF have allowed providers to lower their facility costs and direct the savings to the expansion of services. Other state funding does not serve this purpose.

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Primary Care will continue to lack access to affordable financing to expand critical services to rural and disadvantaged communities throughout the state. As a result, they cannot proceed with projects and expand their services.

AMENDMENTS