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**AGENCY BILL ANALYSIS
2026 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{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: 2026-01-24
Bill No: SB127

Sponsor: Pope, Harold
HOMELESSNESS
Short Title: REDUCTION DIVISION

Agency Name and Code NMHED
Number: _____
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
N/A	\$1,000	Nonrecurring	General Fund

(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

Senate Bill 127 (SB127) amends the Health Care Authority Act, Section 9-8-4 NMSA 1978, to create the homelessness reduction division, the inter-agency homelessness reduction task force, and the homelessness reduction advisory council, located in or administratively attached to the New Mexico Health Care Authority (NMHCA). This new division, task force, and advisory council will coordinate and oversee statewide efforts to address homelessness and the associated effects of homelessness in New Mexico, with the advisory council advising the task force and division, and the task force providing information and recommendations to the division. The New Mexico Higher Education Department (NMHED) Cabinet Secretary or designee will serve on the interagency homelessness reduction task force.

SB127 makes an appropriation of one million dollars (\$1,000,000) from the General Fund for expenditure in FY27 to fund the operation of the homelessness reduction division, homelessness reduction task force, and homelessness reduction advisory council. Any unexpended balance remaining at the end of FY27 shall revert to the General Fund.

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

SB127 appropriates one million dollars (\$1,000,000) from the General Fund for expenditure in FY27 to fund the operation of the homelessness reduction division, homelessness reduction task force, and homelessness reduction advisory council. Any unexpended balance remaining at the end of FY27 shall revert to the General Fund.

SIGNIFICANT ISSUES

SB127's primary overlap with higher education is through students, staff, and faculty at New Mexico public higher education institutions (HEIs), particularly students. Students experiencing homelessness may face more challenging educational experiences and outcomes. NMHED conducted the 2023–2024 Student Basic Needs Survey and found that nearly two-thirds of students at HEIs experience some form of housing or food insecurity (<https://hed.nm.gov/news/higher-education-department-taking-aim-at-helping-n.m-college-students-meet-basic-needs>). In the year surveyed, 14% of students at HEIs reported being homeless during their academic year. As a result, NMHED has worked to provide funding to HEIs to address student basic needs. NMHED's basic needs efforts relate to the issues identified in SB127. Additionally, this work has highlighted other areas of need, such as food insecurity, that are not specifically addressed in SB127 but that affect students' ability to fully engage in higher education.

SB127 establishes a new data system at NMHCA related to homelessness. However, the Fiscal Impact Report for 2024 Senate Bill 166 indicates that a data system incorporating homelessness-related information may already exist. Regardless, NMHED and HEIs may need to expand the collection and sharing of student and institutional data related to homelessness to support a centralized database. Establishing these data collection processes at HEIs would require time and effort, and it may take multiple years to gather sufficient data to analyze trends over time.

Because SB127 addresses homelessness across New Mexico, it may also apply to HEI staff and faculty experiencing homelessness, not only students. NMHED may be asked to broaden its data collection efforts to include information on staff and faculty, although this information could also be gathered through other state agencies.

HEIs may also offer temporary relief from homelessness through the availability of on-campus residential housing for students and access to emergency housing. NMHED and HEIs may wish to examine how students transition into and out of institutional housing to help inform SB127-related efforts aimed at supporting stable housing and preventing homelessness.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

NMHED and HEIs may need to increase data collection, sharing, and reporting related to homelessness. This could require increased staffing. Implementation of initiatives recommended by the entities created under SB127 may require NMHED and HEIs to facilitate them, possibly requiring increased staffing and funding.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

2024 Senate Bill 166 is similar to SB127 but did not pass into law.

TECHNICAL ISSUES

The FIR for 2024 Senate Bill 166 speaks to technical issues that appear to remain in SB127, but other state agencies are better positioned to speak to those technical issues.

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

NMHED could continue or expand its basic needs work to address issues of concern in SB127, especially if increased funding or state agency participation is added to the current basic needs work.

Other state agencies already working to address homelessness in New Mexico could expand that work to include more input from and engagement with NMHED.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If SB127 were not enacted, then the three new entities at or administratively attached to NMHCA would not be created, and an appropriation to facilitate these entities would not be provided.

AMENDMENTS

N/A