

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 29, 2026 Check all that apply:
Bill Number: SB 159 Original Correction
 Amendment Substitute

Sponsor: Sen. Steinborn **Agency Name and Code** University of New Mexico-952
Short Title: GRADUATE MEDICAL EDUCATION ENTITY COSTS **Number:** _____
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SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
	\$27,000.00	Nonrecurring	SGF

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		

(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: SB 5

Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

SB 159 requires the Board of Regents of the University of New Mexico to provide supplemental payments to certain health care entities that sponsor or participate in accredited graduate medical education (GME) residency programs in New Mexico. Eligible entities include federally qualified health centers, rural health clinics, independent psychiatric facilities, and critical access hospitals. The payments are intended to offset direct and indirect residency costs that are not otherwise reimbursed, including resident salaries and benefits, supervising physician and faculty costs, accreditation and instructional expenses, and program administration.

FISCAL IMPLICATIONS

SB 159 appropriates \$27 million from the general fund for expenditure in FY27 through FY29, prioritizes New Mexico residents, and requires any unexpended balance at the end of FY29 to revert to the general fund.

SIGNIFICANT ISSUES

Most, but not all, New Mexico residency programs are affiliated with UNM. This legislation, as drafted, directs the UNM regents to “provide payments to eligible entities to supplement direct and indirect costs for medical residents associated with graduate medical education” for programs that are not affiliated with UNM. UNM is well positioned and honored to do this, but will incur administrative costs. Adding the HSC as an eligible entity would enable the regents to offset these and other unreimbursed costs associated with rural residencies and rotations.

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP: SB 5 appropriates \$3M to UNM to support rural residencies and rotations.

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS: Add UNM HSC to the list of “eligible entities”.