

HOUSE APPROPRIATIONS AND FINANCE COMMITTEE SUBSTITUTE FOR
HOUSE BILL 4

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO HEALTH CARE AFFORDABILITY; ADJUSTING THE
DISTRIBUTIONS TO THE HEALTH CARE AFFORDABILITY FUND ~~SFC~~→**AND**
THE BEHAVIORAL HEALTH PROGRAM FUND; REQUIRING UNEXPENDED MONEY
IN THE BEHAVIORAL HEALTH PROGRAM FUND TO REVERT TO THE HEALTH
CARE AFFORDABILITY FUND AT THE END OF A FISCAL YEAR.←SFC .

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 7-1-6.69 NMSA 1978 (being Laws 2021,
Chapter 136, Section 1, as amended) is amended to read:

"7-1-6.69. DISTRIBUTION--HEALTH INSURANCE PREMIUM

.233954.1AIC February 17, 2026 (5:14pm)

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SURTAX--HEALTH CARE AFFORDABILITY FUND SFC→--BEHAVIORAL HEALTH PROGRAM FUND←SFC .--

SFC→A.←SFC A distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the health care affordability fund in an amount equal to the following amounts of the net receipts attributable to the health insurance premium surtax; provided that if the rate of the health insurance premium surtax is reduced pursuant to Subsection F of Section 7-40-3 NMSA 1978, no distribution pursuant to this section shall be made:

[A. prior to July 1, 2024, fifty-five percent;

B. beginning July 1, 2024 and prior to September 1, 2025, thirty percent; and

C.] SFC→A.←SFC SFC→(1)←SFC beginning September 1, 2025 and prior to September 1, 2027, fifty-five percent;

SFC→B.←SFC SFC→(2)←SFC beginning September 1, 2027 and prior to September 1, 2028, eighty percent; and

SFC→C.←SFC SFC→(3)←SFC beginning September 1, 2028, SFC→one hundred←SFC SFC→ninety-five←SFC percent.

SFC→"←SFC

SFC→B. Beginning September 1, 2028, a distribution pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the behavioral health program fund in an amount equal to five percent of the net receipts attributable to the health

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insurance premium surtax; provided that if the rate of the health insurance premium surtax is reduced pursuant to Subsection F of Section 7-40-3 NMSA 1978, no distribution pursuant to this section shall be made."

SECTION 2. Section 24A-3-6 NMSA 1978 (being Laws 2025, Chapter 2, Section 2) is amended to read:

"24A-3-6. BEHAVIORAL HEALTH PROGRAM FUND.--

A. The "behavioral health program fund" is created in the state treasury. The fund consists of distributions, appropriations, gifts, grants, donations and income from investment of the fund. The health care authority shall administer the fund. Money in the fund is subject to appropriation by the legislature to provide money for services and programs related to behavioral health, including:

(1) mental health and substance misuse treatment, intervention and prevention;

(2) necessary infrastructure, technology and workforce supports that facilitate the delivery of behavioral health services and programs;

(3) matching funds for federal, local and private money and grants related to behavioral health services and programs;

(4) offsetting costs incurred to comply with federal requirements related to behavioral health services and programs; and

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(5) implementation of regional behavioral health plans throughout the state.

B. Expenditures from the fund shall be by warrant of the secretary of finance and administration pursuant to vouchers signed by the secretary of health care authority or the secretary's authorized representative. Any unexpended [~~or unencumbered~~] balance remaining at the end of a fiscal year shall revert to the [~~behavioral health trust~~] health care affordability fund."←SFC

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