

State of New Mexico
House of Representatives

FIFTY-SEVENTH LEGISLATURE
SECOND SESSION

February 4, 2026

HOUSE FLOOR AMENDMENT number _____ to HOUSE APPROPRIATIONS AND
FINANCE COMMITTEE SUBSTITUTE
FOR HOUSE BILLS 2 AND 3

Amendment sponsored by Representative

1. On page 27, between lines 23 and 24, insert:

"The department of finance and administration shall provide reimbursement to a public body in which a facility has closed due to the provisions of House Bill 9 or similar legislation of the second session of the fifty-seventh legislature and for which the public body has submitted a request for reimbursement to the department that reliably proves through supporting documentation of lost property taxes; lost income from no longer leasing the facility to the federal government or the federal government's appointed private contractor; additional social service spending related to the loss of jobs, both direct and indirect, related to the facility's closure; and the amount of loss of gross receipts tax revenues based on the five-year annual average of taxes received by the public body related to the closure of the facility. The department shall request from the legislature supplemental appropriations from the general fund to provide the necessary reimbursements requested by the negatively affected public body.".

2. On page 30, between lines 12 and 13, insert:

"The department of finance and administration shall use existing appropriations to implement tools, including forensic audits, data analytics-driven reviews, performance audits and compliance audits, on a regular and comprehensive basis. The audits shall be undertaken in fiscal year 2027 for any program that provides direct payments to individuals, contractors and service providers and shall focus on examining records and data for irregularities, assessing internal control effectiveness, identifying inefficiencies and

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detecting program failures that result in measurable waste, fraud and abuse within those audited programs. The department shall report to the governor and the legislative finance committee the findings of these targeted and risk-based audits; the amount of waste, fraud and abuse discovered; recommendations for improved internal controls; and the amount of improper or fraudulent payments received.".

3. On page 89, between lines 19 and 20, insert:

"The early childhood education and care department shall use existing appropriations to implement tools, including forensic audits, data analytics-driven reviews, performance audits and compliance audits on a regular and comprehensive basis. The audits shall be undertaken in fiscal year 2027 for any program that provides direct payments to individuals, contractors and service providers and shall focus on examining records and data for irregularities, assessing internal control effectiveness, identifying inefficiencies and detecting program failures that result in measurable waste, fraud and abuse within those audited programs. The department shall report to the governor and the legislative finance committee the findings of these targeted and risk-based audits; the amount of waste, fraud and abuse discovered; recommendations for improved internal controls; and the amount of improper or fraudulent payments received.".

4. On page 101, between lines 24 and 25, insert:

"The health care authority shall use existing appropriations to implement tools, including forensic audits, data analytics-driven reviews, performance audits and compliance audits on a regular and comprehensive basis. The audits shall be undertaken in fiscal year 2027 for any program that provides direct payments to individuals, contractors and service providers and shall focus on examining records and data for irregularities, assessing internal control effectiveness, identifying inefficiencies and detecting program

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failures that result in measurable waste, fraud and abuse within those audited programs. The authority shall report to the governor and the legislative finance committee the findings of these targeted and risk-based audits; the amount of waste, fraud and abuse discovered; recommendations for improved internal controls; and the amount of improper or fraudulent payments received.".

5. On page 115, between lines 5 and 6, insert:

"The department of health shall use existing appropriations to implement tools, including forensic audits, data analytics-driven reviews, performance audits and compliance audits on a regular and comprehensive basis. The audits shall be undertaken in fiscal year 2027 for any program that provides direct payments to individuals, contractors and service providers and shall focus on examining records and data for irregularities, assessing internal control effectiveness, identifying inefficiencies and detecting program failures that result in measurable waste, fraud and abuse within those audited programs. The department shall report to the governor and the legislative finance committee the findings of these targeted and risk-based audits; the amount of waste, fraud and abuse discovered; recommendations for improved internal controls; and the amount of improper or fraudulent payments received.".

6. On page 122, between lines 8 and 9, insert:

"The children, youth and families department shall use existing appropriations to implement tools, including forensic audits, data analytics-driven reviews, performance audits and compliance audits on a regular and comprehensive basis. The audits shall be undertaken in fiscal year 2027 for any program that provides direct payments to individuals, contractors and service providers and shall focus on examining records and data for irregularities, assessing internal control effectiveness, identifying inefficiencies and detecting program failures that result in measurable waste, fraud and abuse within those audited programs. The department shall

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report to the governor and the legislative finance committee the findings of these targeted and risk-based audits; the amount of waste, fraud and abuse discovered; recommendations for improved internal controls; and the amount of improper or fraudulent payments received.".

Adopted _____ Not Adopted _____
(Chief Clerk) (Chief Clerk)

Date _____