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SENATE BILL 208

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

INTRODUCED BY

Pete Campos

AN ACT

RELATING TO CHILDREN; ENACTING THE WELCOME CHILD ACT; PROVIDING WELCOME CHILD BENEFITS TO CERTAIN PARENTS AND GUARDIANS BEGINNING JANUARY 1, 2028; CREATING THE WELCOME CHILD BENEFIT FUND; ESTABLISHING ELIGIBILITY REQUIREMENTS FOR THE WELCOME CHILD BENEFIT; PROVIDING FOR THE SECRETARY OF EARLY CHILDHOOD EDUCATION AND CARE TO PROMULGATE RULES TO IMPLEMENT THE PROVISIONS OF THE WELCOME CHILD ACT; MAKING AN ANNUAL DISTRIBUTION FROM THE EARLY CHILDHOOD EDUCATION AND CARE FUND TO THE WELCOME CHILD BENEFIT FUND; MAKING AN APPROPRIATION.

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

SECTION 1. A new section of the Children's Code is enacted to read:

"[NEW MATERIAL] SHORT TITLE.--Sections 1 through 5 of this act may be cited as the "Welcome Child Act"."

underscored material = new
~~[bracketed material]~~ = delete

1 SECTION 2. A new section of the Children's Code is
2 enacted to read:

3 "[NEW MATERIAL] DEFINITIONS.--As used in the Welcome Child
4 Act:

5 A. "department" means the early childhood education
6 and care department, the secretary or an employee of the
7 department exercising authority lawfully delegated to that
8 employee by the secretary; and

9 B. "secretary" means the secretary of early
10 childhood education and care."

11 SECTION 3. A new section of the Children's Code is
12 enacted to read:

13 "[NEW MATERIAL] WELCOME CHILD BENEFIT FUND.--The "welcome
14 child benefit fund" is created as a nonreverting fund in the
15 state treasury. The fund consists of distributions,
16 appropriations, gifts, grants, donations and income from
17 investment of the fund. The department shall administer the
18 fund, and money in the fund is appropriated to the department
19 to provide welcome child benefits pursuant to the Welcome Child
20 Act. Expenditures from the fund shall be by warrant of the
21 secretary of finance and administration pursuant to vouchers
22 signed by the secretary of early childhood education and care
23 or the secretary's authorized representative."

24 SECTION 4. A new section of the Children's Code is
25 enacted to read:

.232158.3

1 "[NEW MATERIAL] WELCOME CHILD BENEFIT.--

2 A. Beginning January 1, 2028 and subject to the
3 availability of funds in the welcome child benefit fund, the
4 department shall provide a welcome child benefit to an
5 applicant who:

6 (1) is the parent or legal guardian of a
7 newborn or newly adopted child; and

8 (2) has resided in the state for at least six
9 months in the twelve-month period immediately prior to the
10 birth or adoption of the child.

11 B. Except as provided in Subsection D of this
12 section, the welcome child benefit shall consist of three
13 monthly payments of three thousand dollars (\$3,000) to be paid
14 to the child's parent or guardian for each of the three months
15 following the determination of the applicant's eligibility to
16 receive a welcome child benefit pursuant to Section 5 of the
17 Welcome Child Act; provided that if the determination is made
18 ninety days or more after the birth or adoption of a child or
19 after an applicant is appointed as a guardian of a child, the
20 benefit shall be paid in a lump sum of nine thousand dollars
21 (\$9,000).

22 C. If more than one custodial parent of a child
23 applies and is eligible to receive the welcome child benefit,
24 the monthly welcome child benefit may be divided evenly between
25 the parents.

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1 D. On January 1, 2030 and each January 1
2 thereafter, the total amount of the welcome child benefit shall
3 be adjusted to account for inflation. The department shall
4 make the adjustment by multiplying the total amount of the
5 benefit by a fraction, the numerator of which is the consumer
6 price index ending during the prior calendar year and the
7 denominator of which is the consumer price index in calendar
8 year 2028. The result of the multiplication shall be rounded
9 to the nearest dollar, except that if the result would be an
10 amount less than the amount of the benefit for the preceding
11 fiscal year, then no adjustment shall be made.

12 E. For purposes of this section, "consumer price
13 index" means the consumer price index or its successor index
14 for all urban consumers for all items, published by the bureau
15 of labor statistics of the United States department of labor or
16 its successor agency."

17 SECTION 5. A new section of the Children's Code is
18 enacted to read:

19 "[NEW MATERIAL] WELCOME CHILD BENEFIT--APPLICATION AND
20 DOCUMENTATION REQUIRED--NOTICE OF DETERMINATION.--

21 A. The department shall require an applicant for
22 the welcome child benefit to provide, within one month of the
23 child's birth or adoption, documentation of:

24 (1) the date of the child's birth or the date
25 of adoption or guardianship, as applicable;

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- 1 (2) the applicant's relationship to the child;
- 2 (3) the applicant's in-state residency; and
- 3 (4) account information into which the welcome
- 4 child benefit should be deposited.

5 B. The department shall make a determination within
6 sixty days of receipt of a completed application. If the
7 application is approved, the department shall promptly make a
8 payment as provided in Section 4 of the Welcome Child Act.

9 C. If an application for a welcome child benefit is
10 denied, the department shall promptly notify the applicant of
11 the grounds for denial.

12 D. Only one welcome child benefit may be provided
13 per child.

14 E. An applicant for the welcome child benefit shall
15 not be eligible to receive the welcome child benefit if the
16 applicant has willfully or knowingly provided the department
17 with fraudulent documentation in support of an application."

18 SECTION 6. Section 9-29A-1 NMSA 1978 (being Laws 2020,
19 Chapter 3, Section 1, as amended) is amended to read:

20 "9-29A-1. EARLY CHILDHOOD EDUCATION AND CARE FUND--
21 DISTRIBUTIONS.--

22 A. The "early childhood education and care fund" is
23 created within the state treasury. The fund shall consist of
24 distributions, appropriations, gifts, grants and donations.
25 Income from investment of the fund shall be credited to the

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1 fund. Money in the fund shall be expended only as provided in
2 this section.

3 B. The state investment officer, subject to the
4 approval of the state investment council, shall invest money in
5 the early childhood education and care fund:

6 (1) in accordance with the prudent investor
7 rule set forth in the Uniform Prudent Investor Act; and

8 (2) in consultation with the ~~[state treasurer]~~
9 secretary of early childhood education and care.

10 C. The state investment officer shall report
11 quarterly to the legislative finance committee and the state
12 investment council on the investments made pursuant to this
13 section. Annually, a report shall be submitted no later than
14 October 1 each year to the legislative finance committee, the
15 revenue stabilization and tax policy committee and any other
16 appropriate interim committees.

17 D. On July 1 of each year, a distribution shall be
18 made from the early childhood education and care fund to:

19 (1) the early childhood education and care
20 program fund in an amount equal to the greater of five percent
21 of the average of the year-end market values of the early
22 childhood education and care fund for the immediately preceding
23 three calendar years or five hundred million dollars
24 (\$500,000,000) or, if the balance of the early childhood
25 education and care fund is less than five hundred million

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1 dollars (\$500,000,000), the balance of the early childhood
2 education and care fund; and

3 (2) after the distribution pursuant to
4 Paragraph (1) of this subsection is made, the welcome child
5 benefit fund in an amount equal to one hundred eighty-nine
6 million dollars (\$189,000,000) or, if the balance of the early
7 childhood education and care fund is less than one hundred
8 eighty-nine million dollars (\$189,000,000), the balance of the
9 early childhood education and care fund.

10 E. In addition to the [~~distribution~~] distributions
11 pursuant to Subsection D of this section, money in the early
12 childhood education and care fund may be expended in the event
13 that general fund balances, including all authorized revenues
14 and transfers to the general fund and balances in the general
15 fund operating reserve, the appropriation contingency fund,
16 [~~the tobacco settlement permanent fund~~] the state-support
17 reserve fund and the tax stabilization reserve, will not meet
18 the level of appropriations authorized from the general fund
19 for a fiscal year. In that event, to avoid an unconstitutional
20 deficit, the legislature may appropriate from the early
21 childhood education and care fund to the general fund only in
22 the amount necessary to meet general fund appropriations for
23 that fiscal year and only if the legislature has authorized
24 transfers from the appropriation contingency fund, the general
25 fund operating reserve and the tax stabilization reserve [~~and~~

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1 ~~the tobacco settlement permanent fund]~~ that exhaust those fund
2 balances."

3 SECTION 7. TEMPORARY PROVISION--PROMULGATION OF
4 RULES.--By July 1, 2027, the secretary of early childhood
5 education and care shall adopt rules to implement the
6 provisions of the Welcome Child Act.

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