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FISCAL IMPACT REPORT

BILL NUMBER: Senate Bill 6

SHORT TITLE: UNM School of Medicine Appropriation

SPONSOR: Munoz/Stefanics

LAST ORIGINAL
UPDATE: _____ **DATE:** 1/20/2026 **ANALYST:** Carswell/Jorgensen

APPROPRIATION* (dollars in thousands)

FY26	FY27	Recurring or Nonrecurring	Fund Affected
	\$546,600.0	Nonrecurring	General Fund

*Amounts reflect most recent analysis of this legislation.

Duplicates an appropriation in the LFC recommendation for the General Appropriation Act

Sources of Information

LFC Files

SUMMARY

Synopsis of Senate Bill 6

Senate Bill 6 (SB6) appropriates \$546.6 million from the general fund to the University of New Mexico (UNM) for expenditures in fiscal years 2027 through 2030 to construct, equip, and furnish a new School of Medicine.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, which is May 20, 2026.

FISCAL IMPLICATIONS

The appropriation of \$546.6 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY30 shall revert to the general fund.

SIGNIFICANT ISSUES

The UNM Health Sciences Center requested \$540 million in capital outlay in 2026 to construct a new School of Medicine. The new school is intended to support UNM's goal of doubling enrollment in its health professions, undergraduate medical, and graduate medical education programs over a ten-year period. UNM has completed extensive planning for the capital project

and the programmatic goals it is intended to support, an effort supported in part by a \$30 million capital appropriation in 2025 for planning and design. The new building is in design and construction is expected to begin in 2027. The \$546.6 million appropriation in the bill would complete funding for the project. UNM has committed a \$60 million institutional match.

ADMINISTRATIVE IMPLICATIONS

UNM expects to grow its clinical faculty by more than 30 percent to support increased enrollment in the School of Medicine and expects overall staff growth of 5 percent to 10 percent. While clinical services and revenue will also grow significantly with this expansion, and largely cover the operational costs, some expansion of state I&G funding is likely to be needed to support the expansion. That additional cost to the state is expected to grow incrementally over time and total \$44.6 million in 10 years.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

The bill duplicates appropriations included in House Bill 2 and the capital outlay bills. Those bills include appropriations from severance tax bonds, general obligations, and the general fund totaling \$546.6 million to support construction of the medical school.

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