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FISCAL IMPACT REPORT

BILL NUMBER: Senate Bill 242/aSIRC

SHORT TITLE: Indian Family Protection Act Compliance

SPONSOR: Pinto

LAST ORIGINAL
UPDATE: 2/18/2026 **DATE:** 2/9/2026 **ANALYST:** Malone

APPROPRIATION* (dollars in thousands)

FY26	FY27	Recurring or Nonrecurring	Fund Affected
	\$3,000.0	Nonrecurring	General fund

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis
Children, Youth and Families Department
Administrative Office of the Courts
Indian Affair Department

SUMMARY

Synopsis of SIRC Amendment to Senate Bill 242

The Senate Indian, Rural, and Cultural Affairs Committee amendment to Senate Bill 242 revises “liaison” to “liaisons.” Functionally, the amendment permits the use of the appropriation contained in the bill to contract with multiple individuals or entities to ensure compliance with the New Mexico Indian Family Protection Act and the federal Indian Child Welfare Act.

Synopsis of Senate Bill 242

Senate Bill 242 (SB242) appropriates \$3 million from the general fund to the Children, Youth and Families Department (CYFD) for the Office of Tribal Affairs to contract for a field liaison to ensure compliance with the New Mexico Indian Family Protection Act (IFPA) and the federal Indian Child Welfare Act (ICWA).

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 \$3 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY27 shall revert to the general fund.

SIGNIFICANT ISSUES

In 1978, Congress adopted ICWA “to protect the best interests of Indian children and to promote the stability and security of Indian tribes and families by the establishment of minimum federal standards for the removal of Indian children from their families and the placement of such children in foster or adoptive homes which will reflect the unique values of Indian culture.” (25 U.S.C. Section 1902) Compliance with ICWA is mandatory, and key requirements of the federal legislation include providing notice to tribes regarding proceedings, making active efforts to prevent family separation, prioritizing placement with extended family or other tribal members, and requiring a higher standard of proof for removal or termination of parental rights. In 2022, New Mexico enacted IFPA to implement and strengthen ICWA. While IFPA largely mirrors ICWA, the state law provides agencies and courts with clear, enforceable provisions and requires early and ongoing inquiry into a child’s tribal affiliation, prompt and thorough notice to tribes, and more explicit active efforts to prevent family separation.

The Office of Tribal Affairs within CYFD acts as the agency lead for tribal engagement and indigenous child welfare compliance. The office’s primary role is to facilitate relationships with New Mexico’s nations, pueblos, and tribes and ensure CYFD is compliant with federal and state laws, including ICWA and IFPA. The office has about 10 FTE, including a director, staff, and consultants who provide coaching, training, and technical assistance statewide to Protective Services staff.

CYFD notes the office would benefit from additional support and resources but expresses concern the tribal liaison contractor funded by HB242 may create confusion and fail to provide ongoing support for compliance with state and federal law. The agency’s concerns include duplication of existing efforts, ramp-up time for the contractor, and confusion about the distribution of responsibilities between the contractor and the agency for various stakeholders, including tribal partners, protective services staff, local governments, and the courts.

The Indian Affairs Department (IAD) observes the State-Tribal Collaboration Act, Section 11-8-3(E) NMSA 1978, specifies each state agency designate a tribal liaison to maintain ongoing communication between the agency and affected nations, pueblos, and tribes. As required by law, CYFD has a tribal liaison currently, and IAD notes it is unclear what distinct responsibilities the field liaison funded by SB242 would have.

PERFORMANCE IMPLICATIONS

CYFD notes the agency has performance measures concerning the stability and appropriateness of child placements that could be impacted by the appropriation contained in SB242.

TECHNICAL ISSUES

SB242 does not define “field liaison” or the scope the contractor’s duties beyond ensuring

compliance with ICWA and IFPA.

OTHER SUBSTANTIVE ISSUES

In 2014, the National Council of Juvenile and Family Court Judges (NCJFCJ) created an ICWA compliance toolkit.¹ This toolkit provides a means for assessing a state court's performance related to compliance with ICWA and may be a resource for CYFD to internally assess and ensure compliance with federal law.

CEM/hg/sgs/dw/

¹ *Measuring Compliance with the Indian Child Welfare Act: An Assessment Toolkit*, available at <https://www.ncjfcj.org/publications/measuring-compliance-with-the-indian-child-welfare-act-an-assessment-toolkit/>