

LFC Requester:

Carlie Malone

AGENCY BILL ANALYSIS - 2026 REGULAR SESSION

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 1/22/2026

Check all that apply:

Bill Number: HB 76

Original Correction
Amendment Substitute

Sponsor: Reps. Rebecca Dow, Gail
Armstrong, and Randall T.
Pettigrew

Agency Name and Code Number: 305 – New Mexico
Department of Justice

Short Title: ALTERNATIVE
PLACEMENT OF YOUTH
IN CUSTODY

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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

This analysis is neither a formal Opinion nor an Advisory Letter issued by the New Mexico Department of Justice. This is a staff analysis in response to a committee or legislator's request. The analysis does not represent any official policy or legal position of the NM Department of Justice.

BILL SUMMARY

Synopsis: HB 76, Section 1, allocates \$10,000,000 from the general fund to the Health Care Authority for fiscal years 2027-2029 to contract experienced providers in developing alternative placements for youth in state custody. HB 76 makes clear that the \$10,000,000 should be used for looking for alternative living facilities other than congregate care settings, particularly for older youth and those with higher levels of need.

FISCAL IMPLICATIONS

None for the NMDOJ.

SIGNIFICANT ISSUES

Pursuant to NMSA 1978 §§ 9-1-2, 9-1-5, 9-1-8 and NMAC § 8.26.6.1 through 8.26.6.24, CYFD is charged with licensing foster homes and community homes that can serve as alternative living facilities for children. Any facility that the Health Care Authority contracts may need to be vetted by CYFD's licensing authority to comply with regulatory requirements.

PERFORMANCE IMPLICATIONS

None for the NMDOJ.

ADMINISTRATIVE IMPLICATIONS

None for the NMDOJ.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The continued use of congregate care facilities in New Mexico risks losing out on federal Title IV-E funding under the Families First Prevention Services Act, which seeks to discourage group home/congregate placements in favor of family-based settings.

AMENDMENTS

None.