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FISCAL IMPACT REPORT

BILL NUMBER: House Bill 68

SHORT TITLE: Health Care Recruitment Program Funding

SPONSOR: Anaya/Gonzales

LAST ORIGINAL
UPDATE: _____ **DATE:** 1/24/2026 **ANALYST:** Malone

APPROPRIATION* (dollars in thousands)

FY26	FY27	Recurring or Nonrecurring	Fund Affected
	\$2,000.0	Nonrecurring	General Fund

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

Workforce Solutions Department

Health Care Authority

New Mexico Medical Board

SUMMARY

Synopsis of House Bill 68

House Bill 68 (HB68) appropriates \$2 million dollars from the general fund to the Workforce Solutions Department (WSD) for a healthcare recruitment program. Funding is appropriated for expenditure in FY27 and any unspent funds will revert to the general fund at the end of the fiscal year.

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 \$2 million contained in HB68 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

New Mexico continues to face a critical, chronic shortage of health professionals across the disciplines, particularly in rural areas. Thirty-two of 33 New Mexico counties are designated as health professional shortage areas in primary care, behavioral health, and/or dental health. On average, New Mexico needs at least an additional 5,000 healthcare workers to address current shortages. In December 2025, according to WSD, 69 percent of online job postings were for health and personal care and 15 percent of those were postings for physicians. WSD also reports that 12 percent of New Mexico's current nursing workforce is comprised of traveling nurses whose per hour costs have more than doubled since before the pandemic.

WSD notes that HB68 fits within one of the high priority sectors of New Mexico's Workforce Innovation and Opportunity Act (WIOA) State Plan, healthcare (including behavioral health). Alignment with the WIOA State Plan means that all WIOA programs have committed promoting the priority sectors. WSD explains that although the U.S. Department of Labor mandates sector planning, the agency does not receive earmarked federal funding to engage in or execute sector plans. WSD intends to use the funding to further progress in the healthcare priority area, supplementing general use federal WIOA funding provided for programs. Finally, WSD asserts that there would be strong synergy between a specific health care recruitment program and other agency programs, including pre-apprenticeship, apprenticeship, and Be Pro Be Proud.

As the Health Care Authority (HCA) notes, the legislation does not provide guidance on the parameter for the program and does not direct WSD to work in collaboration with HCA.

Although WSD notes the inclusion of healthcare as a WIOA priority sector, the agency did not provide a specific plan for use of the funding or forecast how many healthcare workers could be expected to be recruited as a result of the appropriation.

PERFORMANCE IMPLICATIONS

While healthcare recruitment is not a General Appropriation Act performance measure for WSD, the agency notes that the funding would help the agency improve its performance with regard to recruitment of healthcare professionals.

CEM/sgs/cf/sgs