

THE DISABILITY COALITION
Advocating for People with Disabilities of All Types

DISABILITY ISSUES IN THE 2025 LEGISLATURE
FINAL REPORT
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*Past issues of the Legislative Status Report can be found at drnm.org.
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Governor acts on bills, scolds Legislature. Governor Lujan Grisham signed into law 160 of the 195 bills passed in this year’s session but vetoed another 35. Eighteen of those vetoes came with a message of explanation that in a few cases came in a scolding and derogatory tone. She chided the Legislature, both chambers of which are controlled by her own party, noting that the state needs “discipline and urgency” from these elected officials and what it got in this session, in her opinion, was “far too often the opposite”. The other 17 vetoes were “pocket vetoes”, killing the bills by doing nothing with them and giving no reason for rejecting them. (Note: A proposed amendment to the state constitution that would eliminate the pocket veto and require explanations for all vetoes will go before the voters in the November 2026 election.)

As usual, the governor vetoed portions of the state budget bill (HB 2), choosing to delete certain items or funding restrictions in that bill while signing the rest into law. Provisions requiring state agencies to report to the Legislative Finance Committee or specifying a particular geographic location for an item being financed were common targets of these line-item vetoes – as has often been the case with both this governor and her predecessors, reflecting their desire to retain as much control over spending as possible. The governor also chose to veto the entire tax package (HB 14), which included expanding the earned income tax credit to reach an additional 100,000 New Mexicans, claiming that the bill lacked both “strategic coherence and fiscal responsibility”.

How did disability-related bills fare? Two of the disability-related bills that we followed this year that passed in this session were vetoed. HB 120 would have established an Office of Accessibility to assist state agencies in complying with federal disability accessibility requirements. HB 269 would have allowed personal care providers to use an approved system of their choice to verify the provision of services. In rejecting these bills, the governor indicated that her administration was already taking steps to assure compliance with accessibility requirements and to offer flexibility for personal care providers. The dozen other bills we followed that made it all the way through the session this year were signed into law.

“When will I see you again?” The governor has made clear that she believes a special session of the Legislature will be needed to correct a “lack of action” in this year’s session on the issue of juvenile



crime. However, legislative leadership has also made it clear that there should be agreement on potential legislation before such a session to avoid a repeat of last year's special session, when no agreement was reached in advance and the Legislature ignored the governor's proposals and adjourned within hours of being called back to Santa Fe. It appears that a legislative interim committee will work on this in hopes of crafting legislation that might garner broad support in a special session – but so far, there's no agreement on the content of that legislation.

And with near universal concern about the impact on New Mexico of federal budget cuts, reductions in the federal workforce, and other actions being taken by the Trump administration and the Congress, a special session to respond to those is almost inevitable. That's not likely to happen until at least October, though, when these impacts are expected to be much clearer. It's therefore looking likely that there will be two special sessions this year, but don't expect either one to be called anytime soon.

Disability-Related Bills Vetoed by the Governor

HB 120 Accessibility Act. Rep. Tara Luján. Required all state agencies to comply with federal standards for accessibility of web content as well as physical accessibility of offices, and created a state Office of Accessibility in the Governor's Commission on Disability to assist state agencies in making their operations accessible to persons with disabilities. Individuals with disabilities were authorized to sue state agencies to compel compliance with accessibility standards and could recover attorney fees if successful.

HB 269 Open EVV system. Rep. Gail Armstrong. Required the Health Care Authority (HCA) to allow providers of personal care services to use any Electronic Visit Verification system that meets federal requirements to verify the provision of services, rather than having to use only one system mandated by the state for all providers and in all parts of the state.

Disability-Related Bills Signed Into Law by the Governor

HB 2 General Appropriation Act. Rep. Nathan Small. This is the state budget bill that establishes on-going funding levels for all state agencies. The bill sets recurring state spending at about \$10.8 billion, an increase of about 6% above the current year's budget. It provides an additional \$1.5 billion in "special" (one-time) funding for various services and projects and another \$300 million for services funded for the next two or three years through the Government Results and Opportunity (GRO) fund.

Disability-related highlights¹:

- Medicaid: Slightly *reduces* state general fund spending (by less than \$1 million), but increases other state funding so that *total* spending would go up to \$12.227 billion, an increase of about 24% over the current year budget.
- Behavioral health: \$174 million in special appropriations to the HCA to implement the regional behavioral health plans called for under SB 3 and to support a wide array of behavioral health services such as 24-hour crisis facilities, mobile crisis response services, homeless outreach, clinics and acute care facilities, assisted outpatient treatment, medication-assisted treatment, diversion and other interventions. *HB 2 also includes \$110 million to DFA to support housing that facilitates behavioral health treatment. The bill earmarked \$80 million of this funding to be spent in the Albuquerque area, and \$10 million of the total for the Las Cruces area, but those earmarks were vetoed by the governor.*

¹ For more detail on the contents of HB 2, see the Post-Session Report.

- DD waiver: \$26.2 million for provider rate increases.
- Public Education Department: \$4 million in one-time funding for various special education initiatives and another \$12 million for a statewide student information system that is expected to include implementation of a standard individual education plan (IEP) format.
- DD Council: A special appropriation of \$229,000 is provided to establish a supported decision-making program

HB 8 Crime package. Rep. Christine Chandler. This bill amends existing state law dealing with criminal defendants who are found not competent to stand trial, some of whom may be considered “dangerous”. The bill broadens the definition of “dangerous”, allowing a larger number of incompetent defendants to be detained for years at the Behavioral Health Institute (the state hospital) or another locked psychiatric facility. Those who are *not* considered dangerous can be committed to community-based programs (if such programs are created) to restore them to competence so they can be tried for the alleged crime. If criminal charges are dismissed based on incompetency, the courts can advise the district attorney to consider filing a petition for either inpatient or outpatient civil commitment. The bill does not create any new path allowing persons with mental illness who have allegedly committed minor crimes related to their illness to be diverted out of the criminal justice system and into treatment.

HB 47 Property tax exemptions for veterans. Rep. Art De La Cruz. Implements two recently adopted constitutional amendments expanding tax exemptions for veterans. One of these provides a property tax exemption for the principal residence of a disabled veteran at the same percentage as the veteran’s disability percentage determined by the military. The exemption was previously available only to veterans who were rated as 100% disabled.

HB 131 Caregiver criminal background checks amendments. Rep. Liz Thomson. Transfers responsibility for these background checks from the Department of Health to HCA, adds many additional crimes that would prohibit a convicted felon from serving as a caregiver, and allows HCA to disqualify a caregiver if that person poses an unreasonable risk to a care recipient.

HB 197 Expand definition of Silver Alert. Rep. Joseph Sanchez. Adds persons believed to have cognitive decline or impairment to the list of those who, if missing, could trigger a “Silver Alert” to assist in locating the missing person.

HB 357 No GRT in Mi Via budgets. Rep. Tara Luján. Establishes that the funding amount in an approved Mi Via budget is for the cost of the services to be provided, and that any gross receipts tax imposed by a provider would not be taken out of that budget but would be paid for through a separate payment mechanism.

SB 1 Behavioral health trust fund. Sen. George Muñoz. Establishes a trust fund to support behavioral health services. Five per cent of the fund’s assets at the end of each year will be transferred to a related program fund that the Legislature can use to fund behavioral health services. *HB 2 includes \$100 million as an initial deposit into the fund. For the next three years, under the provisions of a different bill, income to the fund will come from half of one of the two income streams now going to the Early Childhood trust fund.*

SB 3 BH reform and investment act. Sen. Peter Wirth. Establishes a new regional behavioral health planning process and gives a significant role in that process to the Health Care Authority. An executive committee will be in charge of the planning process; that committee will include representatives of HCA and the Administrative Office of the Courts (AOC) along with behavioral

health experts appointed by the AOC. Each region will develop a plan for continuing and expanding behavioral health services with a limited number of key priorities. The bill eliminates the state's Interagency Behavioral Health Purchasing Collaborative, which has been without a director and has not met for about two years.

SB 39 Access to treatment for rare diseases. Sen. Liz Stefanics. Prohibits prior authorization or “step therapy” requirements for FDA-approved drugs used off-label to treat rare medical conditions.

SB 53 Psychology Act amendments. Sen. Bill Soules. Allows experienced prescribing psychologists to supervise some of the training of other psychologists who seek to qualify for prescribing authority themselves.

SB 88 Medicaid trust fund. Sen. George Muñoz. Establishes a trust fund to help support the Medicaid program in future years. Income to the fund will come from excess reversions (money appropriated to state agencies but not spent and therefore returned to the state treasury) at the end of a fiscal year; when total reversions at the end of any year exceed \$110 million, the excess above \$110 million will go to the Medicaid fund until it reaches a balance of \$2 billion. *In addition, pursuant to a separate bill that passed (HB 71), for the next three years the fund will receive half of the income from one of the two income streams now going to the Early Childhood trust fund.* Once the balance in the Medicaid trust fund reaches \$500 million, five per cent of the fund's assets at the end of each year will be transferred to a related program fund that the Legislature can use to meet the state's share of Medicaid expenses.

SB 120 No BH copays. Sen. Martin Hickey. Current state law prohibits the imposition of insurance copays or cost-sharing for behavioral health services, but that was set to expire on January 1, 2027. This bill makes the prohibition permanent.

SB 535 Fees, funds and SDM. Sen. George Muñoz. This bill is a package that includes provisions authorizing supported decision-making (SDM), as originally proposed in HB 149, as well as provisions related to funding for both the deaf relay service operated by the New Mexico Commission for the Deaf and Hard-of-Hearing (CDHH) and the 988 behavioral health hotline and support program. Supported decision-making agreements allow individuals designated by a person with a disability (including elders) to assist that person in making decisions, but not to make decisions for or in place of the person with a disability. The bill authorizes SDM agreements and creates an SDM program within the DD Council. The bill also adds a new surcharge on a portion of telephone bills to fund the 988 system, and authority for CDHH to draw more money from a similar fund to support the relay service.

Bills and Memorials That Did Not Pass

For a list of bills and memorials that did NOT pass in this year's session, see the March 24 Post-Session Report.