

THE DISABILITY COALITION
Advocating for People with Disabilities of All Types

DISABILITY ISSUES IN THE 2026 LEGISLATURE
POST SESSION REPORT
February 23, 2026

By Jim Jackson and Ellen Pinnes

Short session, but some big results. The legislative session ended last Thursday, and while it was only a 30-day session, there were some major breakthroughs on issues that had defied resolution for years. A bill (HB 99) to change medical malpractice law passed after a dramatic vote on the Senate floor stripped away amendments that had been added in the Senate Judiciary Committee. Two interstate compacts (for physicians and social workers) passed quickly and easily, while compacts for eight other categories of healthcare professionals passed the House but died once again in the Senate. The governor’s goal of funding free universal child care, which initially was only partially approved in the House, was reached in the end. And New Mexico counties will now be prohibited from contracting with ICE to operate detention facilities.

Limited success with disability bills. Although many disability programs saw increased funding through the state budget bill, as noted below, only a few disability-related bills made it through to passage. Among these lucky few were **HB 38**, providing for insurance coverage for wheelchairs designed for athletic or similar uses; **SB 64**, creating the Office of Special Education in the PED; and **SB 20**, prohibiting prior authorization for drugs prescribed for serious mental illness. Considering the number of bills we followed in these reports, the success rate was relatively low.

SB 3, amending the definitions that set some of the criteria for involuntary mental health commitments – a bill that was not supported by The Disability Coalition – followed a rocky path but also passed. The bill ties “harm to self” to a lack of decision-making capacity. After the bill raced through the Senate at the urging of the governor, the House took more time to consider it, with the Judiciary Committee adopting a number of clarifying amendments. The Senate accepted most of those changes, but chose to reject two that required the determination of capacity to be made by a qualified mental health professional. This led to a motion on the House floor to recede from those two amendments, which generated significant debate. Although the ensuing voice vote appeared to clearly favor those voting No, the Speaker ruled that the motion carried, there was no roll call vote, and the bill now goes to the governor’s desk.

So close, and yet so far. HB 120, clarifying the limitations on the use of restraints and seclusion in public schools and the requirements for reporting incidents to parents and the PED, passed the House and two



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Senate committees but died on the Senate floor on the last day of the session when it was passed over in favor of other bills that were considered higher priority items by Senate leadership. The bill first got onto the agenda of the Senate Judiciary Committee (its final committee assignment) on Saturday (Feb. 14) but was postponed twice before finally receiving a hearing – and committee approval – late Wednesday afternoon. The session ended at noon on Thursday.

HB 295, establishing an Accessibility Office within the Department of Health, suffered the same fate. Passing out of the Senate Finance Committee on Monday, this bill didn't appear on the Senate floor calendar until Wednesday, and it too got passed over in the final hours of the session.

State budget adopted. The House went along with the changes to HB 2 made by the Senate, resulting in an \$11.1 billion budget for the coming fiscal year, an increase of about \$277 million (2.6%) above the current budget. However, through another bill (SB 151), the Senate added \$61 million to restore 1% raises for state and public school employees that had been deleted from the budget bill. The final version of HB 2 also includes the funding allocations made by each legislator for various programs through the Government Results and Opportunities (GRO) fund. Those amounts can be spent over the next two years. More details about HB 2 and its impact on disability programs are provided below.

Will legislators finally get paid? New Mexico is the only state in the country that does not pay any salary to legislators. Thanks to passage of HJR 5, New Mexico voters will decide in November whether to amend the state constitution to pay legislators a salary equal to the median family income in New Mexico. Other proposed amendments affecting the legislature – allowing legislators to introduce bills on any subject in 30-day sessions (and thereby ending the governor's current power to control the agenda in those short sessions) and changing the legislative schedule from alternating 30- and 60-day sessions to 45-day sessions every year – failed to pass.

One more bite at the apple. – The governor has until March 11 to approve or reject most of the bills passed in this year's legislative session. If you want to encourage the governor to sign or veto any of the legislation that has been passed on to her, here's how you can contact her:

- By phone – (505) 476-2200 or (833) 520-0020 toll-free
- By mail – 490 Old Santa Fe Trail – Room 400, Santa Fe NM 87501
- Through her website – governor.state.nm.us. Click on "Contact" at the upper right of the homepage, then on "Contact the Governor" in the drop-down menu. A form will appear for you to fill out and send an email to the governor.

Bills and Memorials That Passed in the 2026 Session

The State Budget

HB 2 General Appropriation Act. Rep. Nathan Small. This is the annual funding bill for the on-going operations of all state agencies, which also includes about \$1.8 billion in special (one-time) appropriations and \$170 million in funding through the Government Results and Opportunity program fund. Here are the highlights of how HB 2 treats state agencies serving persons with disabilities. (Information on the budget recommendations from the governor and the LFC was covered in previous reports.)

Health Care Authority (HCA)

Medicaid/Medicaid Behavioral Health: HB 2 reduces funding from the state general fund by \$104.9 million and reduces other sources of state matching funds as well. With the resulting decrease in federal matching dollars, total funding for Medicaid is reduced by \$1.044 billion. The Medicaid appropriation includes \$9 million for nursing home rate increases and \$10 million for increases to personal care provider rates.

Developmental Disabilities: HB 2 includes an increase in state funding of \$30.2 million, of which \$15 million is earmarked for increased utilization and \$6.3 million is for provider rate increases.

Behavioral Health Services Division: BHSD primarily serves individuals who are not eligible for Medicaid. HB 2 increases state funding by \$9.948 million and total funding by \$16.1 million.

Special appropriations: HB 2 includes the following “special” (one-time or short-term) expenditures in support of HCA programs:

- \$40 million for health care services for immigrants who are lawfully residing in the state but will be made ineligible for Medicaid by the federal budget reconciliation bill signed into law last summer,
- \$38.1 million for health care premium subsidies for those with incomes over 400% of the federal poverty level, to cover premium costs that exceed 8% of their total annual income,
- \$25 million for affordability programs to prevent coverage loss resulting from federal cuts
- \$7 million to support Screening, Brief Intervention and Referral to Treatment (SBIRT),
- \$2 million for evaluations of competency to stand trial in criminal cases and for the time needed for evaluators to provide court testimony on their findings,
- \$200,000 for innovative residential treatment services in Doña Ana County, which presumably is intended for the Soteria mental health program.

HB 2 also allows HCA to use previously appropriated but unspent funds to develop and submit a new Medicaid waiver to serve persons with serious behavioral health conditions.

Note: the \$24 million appropriated to HCA in an earlier version of HB 2 for medical residencies, rotations and graduate medical education in rural areas remains in the final version of HB 2 but is now appropriated directly to UNM.

Public Education Department (PED) and public school support

The “State Equalization Guarantee” is the total funding that supports public education services statewide, including special education, through a complex formula. It’s the largest single expenditure of state funds in the entire budget, with special education accounting for 19% of the total. HB 2 increases the SEG by about \$160 million (1.7%) for a total of just over \$4.57 billion.

HB 2 also includes the following special appropriations to the PED:

- \$6 million for support and operation of a new statewide student information system, which includes a consistent format for Individualized Education Plans,
- \$4 million for several special education initiatives, and
- \$2 million to implement the provisions of the Martinez-Yazzie Action Plan

Division of Vocational Rehabilitation

For the Rehabilitation Services Division, HB 2 provides no increase in state funding (consistent with the agency’s request) but an increase of \$1.3 million (3.7%) in federal funding. For Independent Living, there is no increase in either state or federal funds.

Commission for the Blind

HB 2 provides an increase in state funding of \$133,900 and an increase in total funds of \$327,000. *There is also a contingency appropriation to the Commission of \$131,900 to fund the Client Assistance program in the event that this funding responsibility is shifted from the federal government to the states. This change has been proposed but there is currently no indication that it will happen.*

Commission for Deaf and Hard of Hearing

HB 2 provides no increase in funding. *The LFC noted that the agency has a large fund balance and has spent less than what’s been budgeted in the last few years.*

Governor’s Commission on Disability

HB 2 provides a \$96,000 increase in state funds (6.0%) and a total budget increase of \$55,000 (2.3%).

Developmental Disabilities Council

For the Office of Guardianship, HB 2 increases state funding by \$380,000 and adds a special appropriation of \$200,000. Most of the increase is intended to cover the cost of the supported decision-making program as a recurring appropriation; the other components are \$100,000 to serve more clients and provide a small rate increase for providers and \$50,000 for miscellaneous other costs; the special appropriation is to serve some of the individuals on the waiting list.

For the Council's other programs, including the Special Education Ombud and the Center for Self-Advocacy, HB 2 provides a \$50,000 increase in state funding but a decrease in total funding of \$16,000. However, HB 2 also includes a one-time appropriation of \$250,000 to expand the services of the Ombud program.

Early Childhood Education and Care Department

HB 2 includes an increase of \$3 million in the Department's base budget for higher rates and increased utilization in the Family Infant Toddler program.

Aging and Long Term Services Department

The Long-Term Care Division houses several programs, including New Mexicare, a caregiver support program that provides an individualized allotment that can be used for home care, respite, adult day services, chores, transportation, and equipment for the benefit of individuals who do not qualify for similar assistance from Medicaid or other public programs. HB 2 provides an increase of only \$80,500 in state funding, but includes a special appropriation of \$2 million to expand the NewMexicare program.

Government Results and Opportunity program fund

HB 2 provides an opportunity for each legislator to designate a certain amount of money, which can be spent over the next two years, for programs they support. In previous years when there was enough money for this, the allocation was done through a separate bill, nicknamed "HB 2 Junior". Now, the process is included in a section of the actual HB 2 and the funds are routed through what's called the Government Results and Opportunity (GRO) program fund. Here are some highlights of disability-related allocations made in this year's GRO fund in HB 2:

- \$1.74 million for civil legal services,
- \$1.68 million for behavioral health services in San Juan County, including \$180,000 specifically in the city of Farmington,
- \$510,000 for programs promoting school friendships between students with and without disabilities,
- \$180,000 for suicide prevention and outreach for veterans and their families,
- \$180,000 for including special education students in culinary arts and food service programs in Las Cruces public schools,
- \$150,000 to a NM organization assisting those with ALS.

Other Substantive Legislation that passed this year

HB 4 Health Care Affordability Fund. Rep. Reena Szczepanski. Increases the percentage of revenues from the health insurance premium surtax that goes into the HCAF from 55% (with the rest going to the state general fund) to 100% beginning September 1, 2026. The Fund helps New Mexico residents pay for health insurance premiums and out-of-pocket costs, as well as reducing premiums for small businesses to provide insurance for their employees.

HB 38 Wheelchair insurance coverage. Rep. Kathleen Cates. Requires health insurance plans that are subject to state oversight and regulation to cover wheelchairs designed for participation in athletic activities such as racing or basketball.

HB 50 Social work compact. Rep. Pamela Herndon. *This bill has already been signed into law by the governor.*

HM 3 Honoring nurses and other health care workers. Rep. Kathleen Cates.

SB 1 Medical (physician) compact. Sen. Linda Trujillo. *This bill has already been signed into law by the governor.*

SB 3 Amending criteria for involuntary mental health commitments. Sen. Moe Maestas. Amends the current definitions of “harm to self” and “harm to others” that serve as criteria for involuntary commitment to mental health services. The result of these changes is that if the basis for involuntary commitment is the person’s failure to satisfy the need for nourishment, shelter, medical care or safety, that failure must be demonstrated by recent behavior, must be shown to be likely to result in physical “debilitation” in the near future and must be caused by a lack of capacity to make decisions due to the person’s mental disorder.

SB 20 No prior authorization for behavioral health medications. Sen. Martin Hickey. Amends current law to add medication prescribed for serious mental illness to the list of drugs for which prior authorization could not be required in most circumstances.

SB 64 Office of Special Education. Sen. Mimi Stewart. Puts the Office of Special Education into statute as a division in the PED organizational structure and spells out the duties and responsibilities of both the division and the department with regard to students with disabilities.

Bills and Memorials That Failed to Pass

Behavioral Health

HB 56 Veterans’ access to behavioral health services. Rep. Alan Martinez. Appropriated \$1 million to the Veterans’ Service Department to help veterans and their families identify and access behavioral health services. *HB 2 includes \$200,000 for suicide prevention and outreach plus another \$180,000 in GRO funding for this purpose.*

HB 87 Funding for Soteria program. Rep. Joanne Ferrary. Appropriated \$1 million to the Health Care Authority to fund a Soteria mental health treatment program in Dona Ana County. *HB 2 includes \$200,000 for “innovative residential treatment services in Doña Ana County”.*

HB 198 BH training for first responders. Rep. Alan Martinez. Appropriated \$2 million to the Department of Health to provide training for first responders who want to provide peer support to other first responders to help them cope with the various stresses associated with this work.

HB 302 Exemptions from prior authorizations. Rep. Doreen Gallegos. *This was a duplicate of the original version of SB 20, which passed as noted above.*

HB 334 Competency in juvenile delinquency cases. Rep. Andrea Reeb. For juveniles accused of delinquent acts who may not be competent to stand trial, this bill would have applied all the same procedures that apply to adults. That includes the possibility of being tried even if not competent and, if the court finds the child committed the crime charged, committed involuntarily to a secure treatment facility until age 25.

SB 8 BH Trust Fund. Sen. Antoinette Sedillo-Lopez. Appropriated \$650 million for the Behavioral Health Trust Fund. *HB 2 includes a transfer of \$50 million into the fund.*

SB 184 Move Children’s BH Division. Sen. Linda Lopez. Moved the Children’s Behavioral Health Services Division out of CYFD and transferred it to HCA.

SB 232 Evaluating competency of a child. Sen. Crystal Brantley. Provided that when a child’s competency is called into question in a court proceeding, the court could order a competency evaluation by a child

psychologist. The bill was unclear as to which court proceedings it would affect or what effect a finding of incompetency would have on the disposition of the case.

Community Living and Services

HB 36 Office of Accessibility. Rep. Kathleen Cates. Created an office within the Department of Health to assist state agencies in assessing and improving their accessibility to persons with disabilities. *This bill did not get a message from the governor and was “abandoned” in favor of HB 295, below.*

HB 83 Personal care payment requirements. Rep. Rebecca Dow. Required HCA to increase its reimbursement rate for Medicaid Personal Care Services to at least \$23.50 per hour for agency-directed services and \$19.78 for consumer-directed services, and mandated that at least 70% of the rate paid to agencies to provide this service be passed through as compensation to the individual workers who provide the service. The bill allowed some employer costs and expense items to be counted as part of the 70% so the amount paid as employee compensation (salary and benefits) would have been lower. Appropriated \$51.4 million to HCA to implement these requirements. Same as SB 140 and SB 220, below. *HB 2 includes \$10 million to increase provider rates for personal care services.*

HB 177 Temporary care of service animals. Rep. Alan Martinez. Appropriated \$150,000 to the Department of Health to provide temporary care and support for service animals and companion animals for military veterans who may be separated from their assistance animal due to the person’s presence in a homeless shelter, hospital, or similar situation.

HB 295 Accessibility Act. Rep. Kathleen Cates. Required state agencies to comply with existing standards for physical and digital accessibility for persons with disabilities, and created an office within the Department of Health to assist state agencies in assessing and improving their accessibility. *Although the governor did not give a message authorizing consideration of this bill in the 30-day session, HB 295 duplicated a bill that was vetoed last year, which made it germane and able to be considered by the Legislature in a 30-day session. The text of HB 295 was then revised to mirror HB 36, above.*

SB 140 Personal care payment requirements. Sen. Michael Padilla. Same as HB 83, above and SB 220, below. *HB 2 includes \$10 million to increase provider rates for Personal Care Services.*

SB 220 Personal care payment requirements. Sen. Shannon Pinto. Same as HB 83 and SB 140, above. *HB 2 includes \$10 million to increase provider rates for Personal Care Services.*

Education/Special Education

HB 120 Clarifying restrictions on seclusion and restraint. Rep. Yanira Gurrola. Revised the definitions of seclusion and restraint in state law to clarify what is permissible and what is prohibited in public schools, and which incidents must be reported by schools to parents and to the PED.

HB 159 K-12 access to mental health support. Rep. Tara Lujan. Appropriated \$1 million to PED to establish and contract for a pilot program to provide free access to an on-line platform offering mental health education, self-management resources and care navigation supports.

SB 105 School absences for medical reasons. Sen. Harold Pope, Jr. Amended the Attendance for Success Act so that absences from school for doctor visits, therapy, or other medical needs pursuant to an IEP, section 504 plan or other disability accommodation could not be interpreted to constitute “excessive absence” and could not be used as a reason to refer a child’s parents for investigation by CYFD or juvenile justice personnel.

SB 191 Seizure safe schools. Sen. Harold Pope, Jr. Called for annual training of school employees and bus drivers on management of students with seizure disorders, and training for school nurses and school employees who volunteer to be “seizure care personnel”. A parent or guardian of a student with seizure disorder could submit an action plan to the school, to be distributed to school employees and bus drivers responsible for supervision or care of the student.

Health Care – General

HB 24 Professional Recruitment and Retention Act. Rep. Kathleen Cates. Created a program to provide loans to a wide range of healthcare professionals to buy a house in return for a ten-year commitment to

provide healthcare services in New Mexico, and appropriated \$5 million to the Mortgage Finance Authority for the program.

HB 68 Healthcare recruitment. Rep. Marianna Anaya. Appropriated \$2 million to the Workforce Solutions Department for a program to recruit healthcare professionals.

HB 85 Medical provider recruitment trust fund. Appropriated \$1 million for a program to recruit and support certain healthcare professionals who would serve as primary care providers in underserved areas, and an additional \$5 million for a trust fund to support such efforts in future years.

HB 90 Health care preceptor income tax credit. Rep. Anita Gonzales. Provided a \$1,000 tax credit for a licensed HC professional who serves as preceptor supervising a healthcare professional in training, as a small incentive to take on this unpaid role that is essential to training additional providers in many healthcare professions. (A preceptorship is 120 hours/year so this comes to only \$8.33/hour.) *HB 2 includes \$3 million to the Department of Health for a preceptor support program.*

HB 142 Healthcare tax credits. Rep. Sarah Silva. This bill would allow healthcare practitioners who provide services in urban underserved areas to qualify for the tax credit that is currently limited to those who serve rural areas, and would increase the amount of the tax credit. *SB 151, which passed, includes a \$10,000 annual tax credit to physicians who practice in NM.*

HB 143 Health care reform. Rep. Jenifer Jones. This wide-ranging bill increased and expanded the rural healthcare provider tax credit, created a personal income tax credit for physicians, created a loan repayment program for medical residents, and amended laws related to medical malpractice. *SB 151, which passed, includes a \$10,000 annual tax credit to physicians who practice in NM, and HB 99, amending medical malpractice law, also passed.*

SB 9 Medicaid Trust Fund. Sen. Liz Stefanics. Appropriated \$1 billion to the Medicaid Trust Fund.

SB 11 Nurse loan repayment act. Sen. Linda Lopez. Created a nurse loan repayment fund and program to repay debt for nursing education owed by nurses who practice in underserved areas of New Mexico, or who serve as clinical nursing faculty or preceptor for nursing students. Appropriated \$5 million to the fund.

SB 12 Physician tax credit. Sen. Katy Duhigg. Provided a \$4,000 tax credit for physicians practicing in New Mexico, which could be claimed in addition to the existing rural practitioner credit. *SB 151, which passed, includes a \$10,000 annual tax credit for physicians who practice in NM.*

SB 33 Right to Try. Sen. Jeff Steinborn. Would have enacted the Right to Try Individualized Treatments Act, which provides that a patient with a life-threatening or severely debilitating illness may ask a drug or device manufacturer for access to a drug, biological product, or device that is produced exclusively for that individual based on the person's genetic profile. *Legislation is not needed to allow patients to make such a request, and the bill would not have established an actual right to obtain the treatment.*

Health Care - Interstate Compacts

HB 10 Physician assistant compact. Rep. Liz Thomson.

HB 11 Audiology and SLP compact. Rep. Liz Thomson.

HB 12 Physical therapy compact. Rep. Liz Thomson.

HB 13 Occupational therapy compact. Rep. Liz Thomson.

HB 14 Dentist & dental assistant compact. Rep. Liz Thomson.

HB 31 EMS compact. Rep. Marian Matthews.

HB 32 Counseling compact. Rep. Marian Matthews.

HB 33 Psychologist compact. Rep. Marian Matthews.

HB 44 Dental and dental assistant compact. Rep. Gail Armstrong.

HB 45 Physician assistant compact. Rep. Gail Armstrong.

Housing

HB 139 Housing Trust Fund. Rep. Janelle Anyanonu. Appropriated \$135 million to the Housing Trust Fund.

HB 140 Affordable Housing Oversight. Rep. Janelle Anyanonu. Appropriated \$500,000 to the Mortgage Finance Authority for oversight duties under the Affordable Housing Act.

Miscellaneous

SB 166 Income to various trust funds. Sen. Mimi Stewart. Created additional income mechanisms for the Medicaid Trust Fund, the Behavioral Health Trust Fund, the Kiki Saavedra fund, and a few other funds when state revenue exceeds authorized expenditures by a certain amount.

ABBREVIATIONS USED IN THIS REPORT

Legislature and Committees:

HB	House Bill
HM	House Memorial
LFC	Legislative Finance Committee
SB	Senate Bill
SM	Senate Memorial

State Agencies:

CYFD	Children, Youth & Families Department
HCA	Health Care Authority
PED	Public Education Department

Other:

ALS	Amyotrophic lateral sclerosis (Lou Gehrig's disease)
ICE	Immigration & Customs Enforcement
IEP	Individualized Education Plan
UNM	University of New Mexico