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FISCAL IMPACT REPORT

SPONSOR Herndon **LAST UPDATED** 01/30/2023
ORIGINAL DATE 01/29/2023
BILL
SHORT TITLE Public School Wellness Room Pilot Project **NUMBER** House Bill 112
ANALYST Chilton

APPROPRIATION* (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
	\$5,000.0	Nonrecurring/Recurring (See Fiscal Implications)	General Fund

Parentheses () indicate expenditure decreases.
 *Amounts reflect most recent analysis of this legislation.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
		\$220.0	\$220.0	\$440.0	Recurring for six years	General Fund
Total						

Parentheses () indicate expenditure decreases.
 *Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Responses Received From

Human Services Department (HSD)
 Public Education Department (PED)
 Department of Health (DOH)

No Response Received

Albuquerque Public Schools (APS)
 Regional Education Cooperatives (REC)

SUMMARY

Synopsis of House Bill 112

House Bill 112 appropriates \$5 million from the General fund to the Department of Finance and Administration, to be placed in the building student resiliency fund for the purpose of

establishing a six-year public school (and charter school) wellness room pilot project with up to 40 schools given grants to set up wellness rooms for their students.

Section 1 of the bill creates a new section of the Public School Code to implement the provisions of the pilot project. It defines a wellness room as a “room or an area that provides some privacy for students who need to release emotional, mental and behavioral stress by resting and relaxing.”

Section 1B states the purpose of the rooms and the pilot project as building student resiliency, allowing students in elementary, middle, and high schools to relax and self-regulate for a period of time when they are stressed. Results of the program would be measured in terms of truancy avoided, academic gains, more engagement in school learning and activities and improved overall behavioral health.

Section 1C indicates that individual schools will try differing approaches to the wellness room project, following suggestions made by school staff and students. Each school would apply separately for a wellness room grant, but there may be multiple schools applying from a given district.

Section 1D provides criteria for applications, to include specifying current use of wellness rooms in a given district, design of the wellness room, consultations held with students and staff, targeting to specific grades, requirement for school personnel referral of a child to the room versus self-referral availability, time and visit limitations on wellness room use, anticipated cost (including outfitting the wellness room and possible salary differential for those staffing the wellness room), and description of educational sessions regarding the room for school staff.

Section 1E regards evaluation by PED of applications, specifying that the department is to consider giving preference to schools with a high percentage of students at risk of failure. It is also to consider diversity in demographic and geographic representation among the accepted schools.

Section 1F requires PED to collect data on usage of the wellness rooms and outcomes of this form of intervention on student attendance, school morale, and student academic outcomes.

Section 1G requires PED and participating school districts to seek additional funding from federal or private sources.

Section 1H creates the “building resiliency fund” in the state treasury, with the fund to be administered by PED.

Section 1I specifies that PED should report to the Legislative Education Study Committee and the Legislative Finance Committee throughout the six-year project, and to the Legislature and the governor at the end of the project.

Section 2 provides the \$5 million appropriation to the building student resiliency fund.

This bill does not contain an effective date and, as a result, would go into effect June 16, 2023, (90 days after the Legislature adjourns) if signed into law.

FISCAL IMPLICATIONS

The appropriation of \$5 million contained in this bill is a nonrecurring expense to the general fund. Although this bill does not specify future appropriations, multiyear appropriations, particularly if used to fund services, create an expectation the program will continue in future fiscal years; therefore, this cost could become recurring after the funding period. LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds because earmarking reduces the ability of the Legislature to establish spending priorities. Any unexpended or unencumbered balance remaining at the end of FY29 shall revert to the general fund, but not before that time.

PED indicates that it would require two FTE positions to administer the fund, at an annual cost of \$220,000. As the fund is designated only for funding successful school wellness room applications, the fund could not be used to cover these expenses

SIGNIFICANT ISSUES

As noted by PED, “In 2022, the Legislature passed [HM43, School Mental Wellness Spaces](#), which requested that the Legislative Education Study Committee, in collaboration with the PED, convene a task force to develop a comprehensive plan for providing mental wellness spaces in public schools.

The final report from the HM43 task force cites New Mexico’s 2019 Youth Risk and Resilience Survey, which indicated that, compared with US high school students, New Mexico students:

- Had higher rates of most drug and tobacco use;
- Were more likely to be early initiators of cigarette smoking, alcohol use, and marijuana use; and
- Were more likely to feel sad or hopeless.

The task force recommended further study of wellness rooms in New Mexico.

According to a 2021 joint statement of the American Academy of Pediatrics, the American Academy of Child and Adolescent Psychiatry and the Children’s Hospital Association:

As health professionals dedicated to the care of children and adolescents, we have witnessed soaring rates of mental health challenges among children, adolescents, and their families over the course of the COVID-19 pandemic, exacerbating the situation that existed prior to the pandemic. Children and families across our country have experienced enormous adversity and disruption. The inequities that result from structural racism have contributed to disproportionate impacts on children from communities of color.

This worsening crisis in child and adolescent mental health is inextricably tied to the stress brought on by COVID-19 and the ongoing struggle for racial justice and represents an acceleration of trends observed prior to 2020. Rates of childhood mental health concerns and suicide rose steadily between 2010 and 2020 and by 2018 suicide was the second leading cause of death for youth ages 10-24. The pandemic has intensified this

crisis: across the country we have witnessed dramatic increases in Emergency Department visits for all mental health emergencies including suspected suicide attempts.

The pandemic has struck at the safety and stability of families. More than 140,000 children in the United States lost a primary and/or secondary caregiver, with youth of color disproportionately impacted. We are caring for young people with soaring rates of depression, anxiety, trauma, loneliness, and suicidality that will have lasting impacts on them, their families, and their communities. We must identify strategies to meet these challenges through innovation and action, using state, local and national approaches to improve the access to and quality of care across the continuum of mental health promotion, prevention, and treatment.

One preventive measure that has been increasingly trialed in recent years is the wellness space or calming room. According to a 2022 Los Angeles Times article, “A growing number of schools across the U.S. are trying to change that [classrooms aren’t conducive to relaxation, and students historically haven’t gotten much of a reprieve from the sterile institutional environment during the school day, apart from P.E.] by creating so-called wellness centers (alternately called calming rooms) that give students a place to take a break when they’re feeling overwhelmed. They’re often characterized by plush seating, water fixtures and soft lighting... The ultimate goal is that students will take these calming strategies and use them in the playground and at home, [the author was told]. But it also helps staff identify kids who need counseling and otherwise may have flown under the radar.

PED adds reference data from Utah, where “In 2021, Washington County School District in Utah implemented wellness rooms in 39 schools, “where students who are overwhelmed can check in, assess their feelings and take a few moments to calm themselves” ([St George News, 12/5/21](#)). District representatives indicated that when a students’ sympathetic nervous system is in overdrive, they become unable to perform higher functions like learning or making good behavior choices, and that early data on the program was promising. Some schools in the district implemented wellness rooms after experiencing several student suicides.”

According to DOH, “Calming spaces are a relatively new intervention with little peer reviewed research. This bill provides the opportunity to pilot and evaluate this intervention in the state of New Mexico.”

ADMINISTRATIVE IMPLICATIONS

PED notes that it would be required that it “administer the pilot project and provide funding for applicants to design and set up wellness rooms with input from students, school personnel, and other public schools that have wellness rooms.”

“PED, with the assistance of public schools that already have wellness rooms, would be required to design the data collection system for use by all building student resiliency schools.”

“PED would be required to determine application requirements and procedures and criteria for evaluating applications.”

TECHNICAL ISSUES

The bill directs funding to a newly created fund within the state treasury; it may be more appropriate for the funding to be directed to PED, which could then use part of the fund to cover

fund administrative expenses.

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