FISCAL IMPACT REPORT

SPONSOR Stefanics/Thomson **LAST UPDATED** 01/26/2023
ORIGINAL DATE 01/18/2023
SHORT TITLE Public Health and Climate Resiliency **BILL NUMBER** Senate Bill 5/aSHPAC
ANALYST Chilton

APPROPRIATION*
(dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
$1,100.0	$1,100.0	Recurring	General Fund
$5,000.0	$5,000.0	Nonrecurring	General Fund

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

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*
(dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	Indeterminate but likely minimal	Indeterminate but likely minimal	Indeterminate but likely minimal	Indeterminate but likely minimal	Recurring	General Fund
Total						

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

Duplicates House Bill 42, until amendment

Sources of Information

LFC Files

Responses Received From
Indian Affairs Department (IAD)
Energy, Minerals and Natural Resources Department (EMNRD)
Department of the Environment (NMED)
Department of Health (DOH)

No Response Received
Municipal League (ML)

SUMMARY

Synopsis of Senate Health and Public Affairs Committee Amendment

The SHPAC amendment gives DOH the power to issue rules relevant to the mission of the public health and climate resiliency program. It also makes clear that the $1.1 million appropriation for program administration in DOH is funded at that level for the next five fiscal years, 2024 to 2028, and that this appropriation is to revert to the general fund at the end of that time.

Synopsis of Original Senate Bill 5

Senate Bill 5, Public Health and Climate Resiliency, appropriates $1.1 million from the general fund to the Department of Health for the purpose of establishing a statewide public health and climate program and further appropriates an additional $5 million to create a public health and climate resiliency fund, which would be disbursed during the years 2024 to 2028 to local and tribal government entities for the purpose of adapting to climate change. Using this newly established fund, the new program within DOH would be charged with assessing applications for funding from "political subdivisions of the state" or Indian entities and then making grants of up to $250 thousand for the purposes of preparing for or responding to health threats related to extreme weather and other climate change effects. At least half of the grant funds would be required to be made to political subdivisions with total populations of less than 100 thousand.

In addition to disbursing funds, the new program within DOH would

- Emphasize equity in dealing with climate change,
- Provide for integrating related efforts with other public health and climate change work,
- Emphasize projects that would also benefit from available federal funds, and
- Involve local health councils in the planning process.

DOH has not yet indicated if the costs of setting up and staffing a public health and climate resiliency program can be encompassed within the $1.1 million annual appropriation.

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 $1.1 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY24 and subsequent years shall revert to the general fund.

The appropriation of $5 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY28 and subsequent years shall revert to the general fund. Although Senate Bill 5 does not specify future appropriations, establishing a new grant program could create an expectation the program will continue in future fiscal years; therefore, this cost could become recurring.

This bill creates a new fund, a public health and climate resiliency fund, and provides for continuing appropriations. 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.

DOH indicates the proposed budget amount would be sufficient for hiring the estimated 6.5 FTE employees required for the program but indicates continuing appropriations to cover the cost of these additional employees would be needed. It is unlikely other agencies would have large expenses relative to this initiative, and none of the agencies responding indicated expenses.

SIGNIFICANT ISSUES

According to the Centers for Disease Control[1]:

> Widespread scientific consensus exists that the world's climate is changing. Some of the effects are likely to include more variable weather, heat waves, heavy precipitation events, flooding, droughts, more intense storms such as hurricanes, sea level rise, and air pollution. Each of these changes has the potential to negatively affect health. While climate change is recognized as a global issue, the effects will vary across geographic regions and populations.
>
> Although scientific understanding of the effects of climate change is still emerging, there is a pressing need to prepare for potential health risks. This public health preparedness approach is applied to other threats in the absence of complete data, such as terrorism and pandemic influenza. A wide variety of organizations (federal, state, local, multilateral, private and nongovernmental) are addressing the implications of climate change globally. Despite this breadth of activity, the public health effects of climate change remain largely unaddressed.
>
> Climate change has the potential to impact health in many ways.

In a table, CDC enumerates types of climate change effects on public health, including heat waves causing heat stress, extreme weather events causing injuries and drowning, droughts and floods causing vector-borne and water-borne diseases, drought causing food and water shortages, increases in ozone and other ground-level pollutants causing increases in respiratory diseases, and climate change causing mental health effects.

Speaking globally, the World Health Organization notes:

> The climate crisis threatens to undo the last fifty years of progress in development, global health, and poverty reduction, and to further widen existing health inequalities between and within populations. It severely jeopardizes the realization of universal health coverage (UHC) in various ways—including by compounding the existing burden of disease and by exacerbating existing barriers to accessing health services, often at the times when they are most needed. Over 930 million people—around 12 percent of the world's population—spend at least 10 percent of their household budget to pay for health care. With the poorest people largely uninsured, health shocks and stresses already currently push around 100 million people into poverty every year, with the impacts of climate change worsening this trend.

[1] (https://www.cdc.gov/climateandhealth/policy.htm),

In the 2018 paper in the *American Journal of Public Health*, "Legal Authority and State Public Health Response to Climate Change," Anthony Moulton states, "Responding effectively to climate change health threats may prove to be one of the most demanding challenges public health departments have ever shouldered. There is an urgent need to ensure that our public health system has the operational capacity it needs to address this challenge. In the absence of federal leadership, public health leaders in states and other jurisdictions can take the initiative."[2]

The last few years have shown that New Mexico is already experiencing environmental changes and their effects on public health. According to EMNRD:

> "Increases in the frequency and severity of climate change impacts—droughts, wildfires, extreme heat, flooding, among others—are already creating adverse outcomes for the health of New Mexicans. For example, climate change impacts are expected to worsen asthma, chronic obstructive pulmonary disease, and mental health, especially amongst the elderly, tribal populations, and overly burdened communities. The program envisioned in SB5 would allow DOH to provide focused expertise, funding, and support to those New Mexicans whose health is most threatened by the impacts of climate change."

For its part, DOH continues the conversation:

> There are several impacts to health because of climate change. A New Mexico Epidemiology Report estimated that the number of hospitalizations and emergency department visits for heat related illnesses would double by 2030 https://www.nmhealth.org/data/view/report/2406/. Poor air quality due to smoke from wildfire or prescribed burns can worsen the health of people with existing breathing problems, such as asthma and chronic obstructive pulmonary disease and can contribute to heart disease Wildland fire smoke and human health - ScienceDirect. Other impacts include an increase in vector borne and infectious disease, such as Valley Fever https://www.cdc.gov/fungal/diseases/coccidioidomycosis/statistics.html, illnesses from drinking water, and mental health impacts https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7068211/.
>
> The role of public health in climate change is specifically to help communities adapt and build resilience:
>
> - Adaptation: Recognize the communities and populations that are at increased risk for health impacts of climate change - and implement strategies to reduce harm and prevent adverse health consequences.
> - Resilience: Find and spread solutions that support health and wellbeing in the context of climate change and conditions - current and future in New Mexico.
>
> The CDC has established funding through Climate-Ready States & Cities Initiative. Only 11 jurisdictions are currently funded, and New Mexico is not one of them. Individual states who have enacted state-funded public health climate resiliency programs include Washington https://doh.wa.gov/community-and-environment/climate-and-health and Michigan https://www.michigan.gov/mdhhs/safety-injury-prev/environmental-health/Topics/climate/overview. Both of these states have CDC funding for

[2] In the article, Moulton endorses the draft Comprehensive Climate Change Health Protection Act attached to this analysis.

Environmental Public Health Tracking programs, along with New Mexico. The proposed Public Health and Climate Resiliency Program would partner closely with the NM Environmental Public Health Tracking program for data and information dissemination.

By evaluating the CDC Social Vulnerability Index (SVI) and climate data, the New Mexico Department of Health identified 22 highly vulnerable NMDOH Small Areas of the state. Bernalillo County, 1) Central Penn; 2) Arenal Tapia; Chaves County, Roswell; N.W. Cibola County, Colfax/Union counties; Curry County, Clovis West; Doña Ana County, 1) Anthony, Berino, Chaparral, 2) Sunland Park, 3) South Las Cruces; 4)Hidalgo County/Grant County; Lea County, Hobbs So.; Luna County; McKinley County, 1) Gallup, 2) NW, 3) SW; San Miguel County, Las Vegas; Roosevelt County/Curry County; San Juan County, 1) South 2)West; Sandoval County Other West, and Socorro County (note – SVI data are not available for Rio Arriba).

And as noted by IAD:

American Indians and Alaska Natives continue to suffer significant disparities in health care status. Historically, there has been substantial under-investment in infrastructure in tribal communities, as evident in the breadth and severity of the existing need. Tribal communities without infrastructure or with aging and failing infrastructure are at a greater risk of poorer public health outcomes due to extreme weather-related events or pandemics.

NMED did not comment on this legislation.

PERFORMANCE IMPLICATIONS

EMNRD states that it, "as one of the chair agencies of the Climate Change Task Force, also recognizes that creating a well-funded program in DOH to address climate and public health would enable DOH to more fully support New Mexico's climate policies as set out in Executive Order 2019-003."

DUPLICATION

Duplicate of House Bill 42.

TECHNICAL ISSUES

- The definition of "political subdivisions of the state" is not included in the bill—that probably includes counties and cities, towns and villages, but does it also include, for example, school districts or acequia organizations?
- Section 3D indicates at least 50 percent of the funds disbursed be awarded to "political subdivisions" of less than 100 thousand population. It is not clear whether Indian entities would be included in that 50 percent, and if so, whether the Diné (Navajo) Nation, which includes some 174 thousand people in New Mexico, would be included in that 50 percent.

LAC/mg/hg/al/rl/ne