

LFC Requester:	Eric Chenier
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

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(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 01/22/2025 *Check all that apply:*
Bill Number: SB2 Original Correction
 Amendment Substitute

Sponsor: Benny Shendo, Jr, George Munoz, David Gallegos **Agency Name and Code Number:** 770-NMCD
Short Title: Appropriations: Public Health and Safety Initiatives **Person Writing:** Anisa Griego-Quintana
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
1,300.0	0	Nonrecurring	General

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
0	0	0	N/A	N/A

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total					Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: Senate Bill 2 would appropriate a total of \$92 million (GF, nonreverting) for 13 public health and safety initiatives throughout the state, as detailed below:

ADMINISTRATIVE OFFICE OF THE COURTS: \$1.7 million for use in FY2025 and subsequent years for regional planning and sequential intercept resource mapping statewide, including costs associated with monitoring, quality assurance and setting statewide standards related to relevant elements within regional plans.

ADMINISTRATIVE OFFICE OF THE COURTS: \$7 million for use in FY2025 and subsequent years for:

- (1) grants to judicial districts based on the submitted regional plans to enhance regional case management, behavioral health grant writing, peer-operated crisis response and recovery support services, behavioral health and homeless outreach and engagement; and
- (2) grants to judicial districts based on the submitted regional plans for specialty, diversion, problem-solving and treatment courts and associated programs and pretrial services.

HEALTH CARE AUTHORITY: \$10 million for use in FY2025 and subsequent years for grants to counties and municipalities and Indian nations, tribes and pueblos based on the submitted regional plans for assisted outpatient treatment, medication-assisted treatment, assertive community treatment, other best-practice and evidence-informed outpatient and diversion services, promising practices and community-based wraparound services and resources.

HEALTH CARE AUTHORITY: \$43 million for use in FY2025 and subsequent years for grants to counties and municipalities based on the submitted regional plans for regional transitional acute care facilities and certified community behavioral health clinics that are located in a municipality with a state institution of higher education and remain eligible for Medicaid. The Health Care Authority shall consult with the Department of Health when making grants to counties and municipalities. Funding may be used to cover service, transportation and lease costs, including community-based services and supports. Not more than \$8 million may be used to establish or expand behavioral health investment zones based on epidemiological data and other source data that identify the combined incidence of mortality related to alcohol use, drug overdose and suicide and on any other behavioral health data deemed necessary.

HEALTH CARE AUTHORITY: \$7.5 million for use in FY2025 and subsequent years for use by the Authority and for grants to federally qualified health centers, counties and municipalities and Indian nations, tribes and pueblos based on the submitted regional plans for twenty-four-hour crisis response facilities, associated services and technical assistance support. Funding may be used to cover service, logistic and lease costs not eligible for Medicaid funding on a multiyear basis.

CORRECTIONS DEPARTMENT: \$1.3 million for use in FY2025 and subsequent years for use by the Department and for grants to counties based on regional plans for discharge

planning from correctional facilities and to assist discharged persons to connect with recovery support services and treatment and community-based behavioral health supports that supplement or enhance transitional services covered by Medicaid. The Corrections Department shall consult with the Department of Health when making grants to counties.

DEPARTMENT OF PUBLIC SAFETY: \$5 million for use in FY2025 and subsequent years for the Department of Public Safety, in consultation with the Health Care Authority, for grants to counties and municipalities and Indian nations, tribes and pueblos based on the submitted regional plans to be used by law enforcement and behavioral health service providers to purchase regional mobile crisis response, recovery and outreach equipment and vehicles.

HEALTH CARE AUTHORITY: \$11.5 million for use in FY2025 and subsequent years for the Health Care Authority, in consultation with the Department of Public Safety, for grants to counties and municipalities and Indian nations, tribes and pueblos based on the submitted regional plans for regional mobile crisis and recovery response, intervention and outreach teams.

HEALTH CARE AUTHORITY: \$1 million for use in FY2025 and subsequent years for education and outreach within behavioral health regions on available behavioral health services based on behavioral health plans.

DEPARTMENT OF PUBLIC SAFETY: \$2 million for use in FY2025 and subsequent years for grants to state agencies, counties and municipalities and Indian nations, tribes and pueblos based on the submitted regional plans for diversion, crisis intervention, collaborative and embedded crisis response, mental health, social work, community and intercept resources training.

UNIVERSITY OF NEW MEXICO: \$1 million for use in FY2025 and subsequent years for UNM's Health Sciences Center for mobile health units, medication-assisted treatment and other health outreach to homeless persons, including telemedicine.

DEPARTMENT OF HEALTH: \$1 million for use in FY2025 and subsequent years for mobile health units, medication-assisted treatment and other health outreach to homeless persons, including telemedicine.

DEPARTMENT OF FINANCE AND ADMINISTRATION: \$48 million for use in FY2025 and subsequent years for the New Mexico Mortgage Finance Authority as the state housing authority to establish a program based on the submitted regional plans to support the expansion of housing services providers that facilitate behavioral health services and substance misuse recovery, homelessness assistance and prevention for persons with behavioral health needs and transitional housing.

FISCAL IMPLICATIONS

As outlined in the proposed bill, NMCD would retain flexibility to use the funding for community-based behavioral health and housing services, it would introduce a new process for receiving, reviewing, and approving or denying applications. This process would be an addition to the current contract process we have in place. Moreover, it might require our existing contracted providers to participate in this new procedure if they seek additional funding to support services through the next fiscal year.

The following provision is unclear, "the Corrections Department shall consult with the

Department of Health when making grants to counties.” This would add another layer of complexity, potentially delaying or complicating the process of distributing funding to community providers.

From a re-entry perspective, there would not be a problem creating the necessary application, review, and approval or denial processes, nor coordinating with the Department of Health. However, if this allocation were approved, it would significantly streamline and simplify the process if the funding were placed directly in our 300 budget. This would eliminate the added complexities, making the entire funding and service delivery process much more efficient.

SIGNIFICANT ISSUES

None for the Corrections Department.

PERFORMANCE IMPLICATIONS

None for the Corrections Department.

ADMINISTRATIVE IMPLICATIONS

None for the Corrections Department.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

The proposed appropriation in this bill is also listed as a Special Appropriation in House Bill 2, Section 5, line 122.

TECHNICAL ISSUES

None for the Corrections Department.

OTHER SUBSTANTIVE ISSUES

For the last two years NMCD has been working in collaboration with the Healthcare Authority on a housing/treatment program for those exiting prison and have contracted providers that were reviewed and approved and have been receiving funding through the HCA. If this 1.3 million dollar allocation is a transition of funding for the program to NMCD directly, that would not be an issue, and we can continue the program and collaboration with the HCA on this process.

ALTERNATIVES

None for the Corrections Department.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

None proposed by the Corrections Department.

