

1 HOUSE BILL 354

2 **57TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2025**

3 INTRODUCED BY

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10 AN ACT

11 RELATING TO MENTAL HEALTH; CREATING THE COMMUNITY CRIMINAL
12 JUSTICE DIVERSION PROJECT AS A SIX-YEAR PILOT PROJECT IN THE
13 BEHAVIORAL HEALTH SERVICES DIVISION OF THE HEALTH CARE
14 AUTHORITY; PROVIDING FOR PROJECT REQUIREMENTS; AUTHORIZING
15 FINANCIAL ASSISTANCE FOR PARTICIPANTS; ASSIGNING DUTIES;
16 CREATING THE COMMUNITY CRIMINAL JUSTICE DIVERSION PROJECT FUND.

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18 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

19 SECTION 1. [NEW MATERIAL] COMMUNITY CRIMINAL JUSTICE
20 DIVERSION PROJECT CREATED.--

21 A. As used in this section:

22 (1) "division" means the behavioral health
23 services division of the health care authority;

24 (2) "diversion" means an alternative procedure
25 in a criminal case through which the prosecution is interrupted

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1 pursuant to an agreement between the prosecution and a
2 defendant that provides for a declination to file charges or
3 dismissal of charges filed in consideration of the defendant's
4 commitment to participate in treatment or access services and
5 includes procedures to prevent the commission of a crime;

6 (3) "mobile crisis response team" means a team
7 of first responders, including a licensed mental health
8 professional, that responds to a person experiencing a
9 nonviolent mental health crisis and includes crisis
10 intervention services covered by the medical assistance
11 division of the health care authority;

12 (4) "participant" means an agency of the state
13 or a political subdivision of the state selected to participate
14 in the project; and

15 (5) "project" means the community criminal
16 justice diversion project.

17 B. The "community criminal justice diversion
18 project" is created as a six-year pilot project in the division
19 to demonstrate that diverting certain offenders from the
20 criminal justice system to community-based services and
21 treatment will reduce crime, homelessness and recidivism and
22 improve public health.

23 C. The project shall be located in at least five
24 counties in different judicial districts, including at least
25 one class A county, one class B county with an assessed

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1 intermediate valuation and one class B county with an assessed
2 high valuation.

3 D. A participant shall design and implement a
4 diversion program for persons in or at risk of entering the
5 criminal justice system that includes the following program
6 components:

7 (1) a community referral process;

8 (2) a mobile crisis response team;

9 (3) a pre-arrest diversion policy for at least
10 petty misdemeanor offenses or violations of municipal
11 ordinances;

12 (4) if approved by the local district
13 attorney, a post-arrest diversion policy for at least some full
14 misdemeanor offenses; and

15 (5) a continuum of community-based services
16 and treatment that shall include, at minimum, the provision of:

17 (a) immediate needs and stabilization
18 services, including emergency shelter services, transportation
19 and food;

20 (b) comprehensive health services,
21 including acute and preventive medical treatment, inpatient and
22 outpatient psychiatric treatment, treatment for addiction and
23 substance use disorder and addiction recovery support; and

24 (c) long-term social support services,
25 including a case manager, enrollment in social services,

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1 permanent supportive housing, employment supports and legal and
2 protective services.

3 E. In accordance with health care authority rules
4 and subject to the availability of funding, a participant may
5 be eligible for a grant award to establish a services continuum
6 and pay costs associated with implementing a diversion program.

7 F. Participants shall collect and analyze data
8 regarding the implementation of the participants' diversion
9 programs, and the division shall evaluate that data to
10 determine if the diversion programs reduced crime, homelessness
11 and recidivism and improved public health.

12 G. The division shall:

13 (1) establish a budget for the project that
14 leverages all available funding and prioritizes the expenditure
15 of federal medicaid funding for components of the diversion
16 programs covered by the medical assistance division of the
17 health care authority and submit that budget to the legislative
18 finance committee on or before September 1, 2025;

19 (2) begin accepting applications from
20 prospective participants on or before December 31, 2025;

21 (3) select participants on or before April 1,
22 2026;

23 (4) periodically submit reports regarding the
24 implementation of the project to the legislative health and
25 human services committee and the interim legislative committee

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1 concerned with courts and corrections; and

2 (5) submit a final report to the governor and
3 the legislature by November 1, 2031.

4 H. The "community criminal justice diversion
5 project fund" is created in the state treasury as a
6 nonreverting fund for the duration of the project. The fund
7 consists of appropriations, gifts, grants, donations and income
8 generated from investment of the fund. Money in the fund shall
9 be used to administer the project and provide financial
10 assistance to participants. Expenditures from the fund shall
11 be by warrant of the secretary of finance and administration
12 pursuant to vouchers signed by the secretary of health care
13 authority or the secretary's authorized representative. Any
14 unexpended or unencumbered balance remaining in the fund at the
15 end of fiscal year 2031 shall revert to the general fund.