

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

FISCAL IMPACT REPORT

SPONSOR Ferrary LAST UPDATED _____
ORIGINAL DATE 1/31/2025
BILL
SHORT TITLE Residential Treatment Services Funding NUMBER House Bill 115
ANALYST Chenier

APPROPRIATION* (dollars in thousands)

FY25	FY26	Recurring or Nonrecurring	Fund Affected
	\$859.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
Department of Health (DOH)

SUMMARY

Synopsis of House Bill 115

Senate Bill 115 appropriates \$859 thousand from the general fund to the Health Care Authority (HCA) to provide funding to an organization located in Doña Ana County that uses a Soteria model to provide long-term residential treatment services for people diagnosed with serious mental illness and psychosis.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

The appropriation of \$859 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY26 shall revert to the general fund.

SIGNIFICANT ISSUES

The Department of Health (DOH) provided the following:

The “Soteria model,” implemented in Soteria Houses, is based on a recovery model. The common elements of the Soteria approach include the use of primarily nonmedical staff, who do not prescribe or administer antipsychotic medication to patients, and the

preservation of residents' personal power, social networks, and communal responsibilities.

There is a need for residential level of care for people with behavioral health diagnoses in the state, but without knowing specifics about this program such as its capacity, revenue, average census, admission and discharge criteria, it is difficult to determine the broad impact of the model.

EC/hj/SR/rl