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## FISCAL IMPACT REPORT

LAST UPDATED \_\_\_\_\_

SPONSOR Rep. Herndon/Sen. Hickey ORIGINAL DATE 03/04/2025

BILL

SHORT TITLE Free Condoms for Certain Students NUMBER House Bill 517

ANALYST Chilton

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT\*

(dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Overall Medicaid budget		Indeterminate but minimal decrease in cost	Indeterminate but minimal decrease in cost	Indeterminate but minimal decrease in cost	Recurring	General Fund and Federal Funds
Uncertain provider(s) of condoms		\$94.5-\$945.0	\$94.5-\$945.0	\$94.5-\$945.0	\$189.0-\$1,890.0	Uncertain

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

### Sources of Information

LFC Files

#### Agency Analysis Received From

Regional Educational Cooperatives (REC)  
 Higher Education Department (HED)  
 Health Care Authority (HCA)  
 Department of Health (DOH)

#### Agency Analysis was Solicited but Not Received From

Public Education Department (PED)  
 Albuquerque Public Schools (APS)

## SUMMARY

### Synopsis of House Bill 517

House Bill 517 would provide free condoms to all secondary and higher education students. Section 1 of the bill would make condoms available at all postsecondary institutions, at locations to be determined by the institution's administrators, to include health centers and restrooms.

Section 2 charges all school boards and charter school administrators with making condoms available without charge at all high schools. They would be placed in locations to be determined by the school administrators, to include at least the bathrooms and the school nurse's office.

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

HED notes:

HB517 does not allocate funding to public postsecondary institutions or school districts for implementing the newly amended Chapter 21 NMSA 1978, which would mandate free condom distribution to students. Consequently, these institutions and districts must absorb the costs of providing condoms within their existing budgets, requiring internal reallocations of resources without additional state support.

HCA states, however, public high schools participating in Medicaid School-Based Services could use funding from the program to support these purchases.

Based on an estimate of the number of high school and postsecondary male students in the state (105 thousand) multiplied by a range of use for per-student (five to 50) and the cost per condom I bought in bulk (18 cents), the estimated statewide impact is \$94.5 thousand to \$945 thousand.

State insurance programs, including Medicaid, would benefit financially from pregnancies prevented and sexually transmitted diseases avoided. A statistics-based study from the United Kingdom found a reduction in the spread of HIV alone made condom distribution programs cost-effective.

## SIGNIFICANT ISSUES

DOH summarizes evidence of the effectiveness of condom availability programs (CAPs), noting the recent fall in New Mexico's teen birth rates, though New Mexico still exhibits one of the 10 top teen birth rates in the nation. Some of the evidence presented by DOH:

Condom availability programs (CAPs) in schools can play a role in preventing pregnancy and sexually transmitted infections. Research suggests that CAPs are most effective when they incorporate a three-pronged approach: providing condoms, offering education, and integrating these efforts with broader sexual health promotion strategies (National Library of Medicine, <https://pmc.ncbi.nlm.nih.gov/articles/PMC6540114/>). Studies indicate that CAPs do not typically increase sexual activity among teens but can contribute to increased condom use (<https://www.essentialaccess.org/about/pressroom/youth-health-bill-introduced-address-rising-sti-rates-and-require-free-condoms-all>).

The teen birth rate in New Mexico has been on a steady decline since 1991, when it was recorded at 78.5 per 1,000 females aged 15-19. Despite this progress, New Mexico has consistently ranked among the top 10 states with the highest teen birth rates, ranging from first to third between 2005 and 2015, and between sixth and 10th from 2016 to 2022 (National Center for Health Statistics and the federal Centers for Disease Control and Prevention, <https://www.cdc.gov/reproductive-health/teen-pregnancy/>).

Additionally, sexually transmitted infections remain a concern for school-aged children. In 2023, New Mexico reported 1,600 cases of chlamydia and 262 cases of gonorrhea

among high school-aged individuals (DOH STD Program Data). Infection rates for these diseases primarily affect individuals aged 14-25 and have steadily increased since the early 2000s.

Condoms serve as a preventive measure against both pregnancy and sexually transmitted infections. Current data has shown that condom use among high schoolers who engage in sexual intercourse has remained relatively flat since 2013, with 53 percent of highschoolers reporting condom use during the last time they had intercourse (2023 YRRS, NMDOH). Other contraceptive methods, such as intrauterine devices, contraceptive implants, and oral contraceptive pills, may require a prescription and medical screening for suitability. Only a limited number of contraceptive methods, including the Opill (a progestin-only pill), external condoms, internal condoms, spermicide, and vaginal sponge, are available over the counter.

The American Academy of Pediatrics has issued a policy statement encouraging CAPs and evidence-supported approach to prevent sexually transmitted diseases, including HIV, and unintended pregnancy. The policy notes abstinence should be encouraged for teens as the most effective way to prevent STIs and pregnancy, but for sexually active teens, wider availability of condoms has been shown to increase use without increasing the onset or frequency of sexual activity.

LAC/hj/hg/rl