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## FISCAL IMPACT REPORT

**LAST UPDATED** \_\_\_\_\_  
**ORIGINAL DATE** 3/5/2025

**SPONSOR** Sedillo Lopez

**BILL**  
**NUMBER** Senate Bill 440

**SHORT TITLE** State Agency Language Plans

**ANALYST** Hanika-Ortiz

### APPROPRIATION\* (dollars in thousands)

FY25	FY26	Recurring or Nonrecurring	Fund Affected
	\$250.0	Nonrecurring	General Fund

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

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT\* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>DFA</b>	<b>No fiscal impact</b>	<b>\$25.0 to \$42.0</b>	<b>\$25.0 to \$42.0</b>	<b>\$50.0 to \$84.0</b>	Recurring	<b>General Fund</b>

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

### Sources of Information

LFC Files

Agency Analysis Received From  
 Early Childhood Education and Care Department (ECECD)  
 Children, Youth & Families Department (CYFD)  
 Health Care Authority (HCA)  
 General Services Department (GSD)

## SUMMARY

### Synopsis of Senate Bill 440

Senate Bill 440 (SB440) appropriates \$250 thousand to the Department of Finance and Administration (DFA) to support a statutory requirement for state agency language access plans.

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 \$250 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not

revert to the general fund. Although this bill does not specify future appropriations, multiyear appropriations, particularly if used to fund services and those services perform well, create an expectation the program will continue in future fiscal years; therefore, this cost could become recurring after the funding period.

DFA would provide technical assistance to departments with the highest need for help with needs assessments and plans. DFA has suggested in prior years that supporting agencies in developing language access plans would cost a recurring \$25 thousand to \$42 thousand. Each budget season, agencies would identify if additional budget was needed for interpreters, or pay differentials were needed for staff, etc. Each agency may have a different approach to meet their goals, depending on the language needs of their constituents.

For constituents needing language assistance beyond sign language, some agencies may have language access plans in place to help them comply with federal laws like the Civil Rights Act.

## **SIGNIFICANT ISSUES**

The bill helps to ensure that limited English speakers can access public services without discrimination. As the Department of Health has previously reported, individuals with low English proficiency often have less access to health care, including preventive and primary care, and health insurance.

In 2022, the governor signed House Bill 22 (Chapter 18) into law that amended Section 99-2-5 NMSA 1978, adding to the duties of cabinet-level secretaries in the executive branch. Those additional duties included plans to improve access to state programs for limited English speakers. That effort requires: (a) an annual needs-based assessment; (b) a plan to meet those needs; (c) cost to implement; and (d) reporting requirements. At the time, DFA noted that federal funding for programs in the Department of Health and Human Services Department directed spending for multilingual outreach. DFA suggested it would cost a recurring \$25 thousand to \$42 thousand to support agencies developing these plans. For the other departments, the larger ones appeared to be able to absorb the cost of the assessments and plans, but most would need additional budget if interpreter services and pay differentials were needed.

Since 2022, the legislature has mandated language access plans. However, it is unknown if those plans are being used to inform pay differentials for multilingual staff. Instead, pay increases are generally tied to performance and budget availability. The bill gives DFA funding to support these efforts. This might mean working with the State Personnel Office and revisiting salary structures.

## **ADMINISTRATIVE IMPLICATIONS**

DFA would help determine the specific information to be included in the annual assessments.