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FISCAL IMPACT REPORT

SPONSOR <u>Reps. Thomson, De La Cruz, and Gonzales/Sen. Maestas</u>	LAST UPDATED _____ ORIGINAL DATE <u>2/07/2025</u>
SHORT TITLE <u>Rename “Juvenile Corrections Act”</u>	BILL NUMBER <u>House Bill 255</u>
ANALYST <u>Fischer/Garcia</u>	

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
CYFD	No fiscal impact	No fiscal impact	No fiscal impact	No fiscal impact	Recurring	Other state funds

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

Sources of Information

LFC Files

Agency Analysis Received From
 Children Youth and Families Department (CYFD)

SUMMARY

Synopsis of House Bill 255

House Bill 255 renames the Juvenile Community *Corrections* Act to the Juvenile Community *Connections* Act, and also renames the associated juvenile community *corrections* grant fund to the juvenile community *connections* grant fund. The bill also adds definitions for child (under 18 years) and youth (under 26 years) to the renamed act.

The bill redefines that the grant fund should be used for any children or youth referred by the Children, Youth and Families Department (CYFD), in addition to the diversion of adjudicated delinquents. Currently, the fund is only available for grants serving the latter. The bill further stipulates that prevention, intervention, and diversion programming be prioritized for grant funding and that all applicants for grant funding demonstrate support for key components of prevention, intervention, and diversion services.

The bill moves responsibility for establishing a statewide selection panel for screening juvenile delinquents into a facility or community programming from CYFD to “a county, municipality or private organization, individually or jointly.” The composition of the local panel is set to be representatives from the judiciary, the local schools, the department, the county sheriff or the municipal police department, and individuals representing local programs and private citizens

The bill increases the existing 10 percent cap on administrative spending from the fund to 12 percent.

The bill also cleans up language in the state Tort Claims Act and Governmental Immunity Act regarding the liability of foster caregivers of children in state custody.

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

CYFD’s juvenile community corrections grant fund is a nonreverting fund that has carried over increasing balances since FY19. The fund ended FY24 with a \$6.1 million balance. Grants made from the fund in FY24 totaled \$1.3 million.

Juvenile Community Corrections Grant Fund Balances

FY24 (unaudited)	\$6,148,945
FY23	\$7,177,286
FY22	\$6,209,130
FY21	\$6,103,210
FY20	\$4,993,947
FY19	\$4,116,908

Source: CYFD annual audits and SHARE

FY24 Payments from CYFD’s Juvenile Community Corrections Grant Fund

FAMILIES AND YOUTH INC	\$291,875
PB & J FAMILY SERVICES INC	\$275,907
THE COUNSELING CENTER INC	\$164,859
BORDER AREA MENTAL HEALTH SVC INC	\$119,168
CHAVES COUNTY CASA	\$118,898
YOUTHWORKS INC	\$73,595
REGIONAL AGENCY INTERVENTION NETWORK	\$65,954
GUIDANCE CENTER OF LEA COUNTY INC	\$59,982
RIO ARRIBA COUNTY	\$55,429
DESERT VIEW INC	\$43,644
H2 ACADEMIC SOLUTIONS	\$34,335
CATHOLIC CHARITIES OF GALLUP	\$16,516
NURSTEAD CONSULTING SERVICES LLC	\$10,080
Total	\$1,330,241

Source: SHARE

For FY25, CYFD is projecting total expenditures from the fund to be \$2.84 million. However, in recent years CYFD has spent less than budgeted, contributing to the growing fund balance. The LFC and executive budget recommendations for expenditures for the juvenile community corrections fund in FY26 include the use of \$1.8 million in fund balance. Should this bill pass, expenditures from the fund could increase over time, spending the fund balance down.

CYFD reports no fiscal impact related to House Bill 255.

SIGNIFICANT ISSUES

CYFD notes that HB255 is sponsored by the NM Sentencing Commission and supported by CYFD. The department states that HB255’s primary goal is to expand the target population eligible for CYFD referrals by addressing restrictive language in NMSA 1978, Section 33-9A-3(B), which currently limits services to “adjudicated delinquents.” However, the department does not report how many current children are served via the juvenile community corrections grant funds, nor how many more they estimate could be served if the funds uses were expanded. Approximately 100 juveniles were housed in juvenile justice facilities at the end of FY24.

CYFD states that this measure will allow more clients to receive services from Juvenile Community Correction (JCC) providers, and, without this measure “more JCC providers may be at risk of closing due to insufficient referrals.”

CYFD also notes no changes related to referrals of Delinquent Act offenses to Juvenile Justice Services. However, the bill would potentially increase some referrals to Juvenile Justice Community providers, allowing them to meet service delivery benchmarks and support clients.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

CYFD reported without this statute, Juvenile Community Corrections providers may need to close due to insufficient numbers of referrals.

RMG/rl/SL2