

LFC Requester: _____

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: _____ *Check all that apply:*
Bill Number: HB397 Original Correction
 Amendment Substitute

Sponsor: Rep. Joanne Ferrary **Agency Name and Code** HCA 630
Short Title: Behavioral Health Student Stipends **Number:** _____
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$0	\$2,000.00	Nonrecurring	SGF

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
\$0	\$0	\$0	NA	NA

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0	\$0	\$0	\$0	NA	NA

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: House Bill 397 appropriates \$2 million to Higher Education Department to provide stipends to undergraduate and graduate behavioral health students that are completing training, supervision or experiential requirements necessary to obtain professional licensure.

FISCAL IMPLICATIONS

None

SIGNIFICANT ISSUES

Stipends to support undergraduates and graduates who are completing trainings and other necessary requirements are beneficial to the behavioral health workforce in New Mexico. These stipends assist in financial support to complete the actions required to obtain professional licensure.

- **Financial Barriers:** Supervised training and experiential requirements are often unpaid or offer minimal compensation, making it financially difficult for students to complete licensure requirements.
- **Workforce Retention & Pipeline Strengthening:** By providing stipends, the state can encourage more students to complete their licensure process, increasing the supply of behavioral health providers in critical shortage areas.
- **Alignment with State Initiatives:** This bill supports New Mexico's broader efforts to expand the behavioral health workforce, complementing initiatives such as the expansion of Medicaid provider reimbursement and the establishment of Certified Community Behavioral Health Clinics (CCBHCs).
- **Long-Term Economic Benefits:** Investing in behavioral health professionals may reduce the burden on emergency departments, correctional facilities, and crisis response systems.

PERFORMANCE IMPLICATIONS

None

ADMINISTRATIVE IMPLICATIONS

No IT impact.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

None

TECHNICAL ISSUES

None

OTHER SUBSTANTIVE ISSUES

The bill's impact could be maximized by prioritizing stipends for students who commit to working in high-need areas after licensure. Additionally, ensuring the stipend amounts are sufficient to offset financial hardship would improve effectiveness.

ALTERNATIVES

None

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo

AMENDMENTS