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FISCAL IMPACT REPORT

SPONSOR <u>Hemphill</u>	LAST UPDATED _____
	ORIGINAL DATE <u>1/22/24</u>
SHORT TITLE <u>Mental Health Initiatives</u>	BILL NUMBER <u>Senate Bill 41</u>
	ANALYST <u>Jorgensen</u>

APPROPRIATION* (dollars in thousands)

FY24	FY25	Recurring or Nonrecurring	Fund Affected
	\$12,393.2	Recurring	General Fund

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

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
HED and HEIs	No fiscal impact	Indeterminate but minimal	Indeterminate but minimal		Recurring	Other state funds

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

Duplicates Senate Bill 60

Sources of Information

Agency Analysis Received From
 Higher Education Department (HED)
 New Mexico State University (NMSU)
 Eastern New Mexico University (ENMU)
 New Mexico Institute of Mining and Technology (NM Tech)

SUMMARY

Synopsis of Senate Bill 41

Senate Bill 41 appropriates \$12.4 million from the general fund to the Higher Education Department (HED) for the purpose of supporting various mental health initiatives at higher education institutions (HEI) statewide. Specific appropriations are: \$1.99 million to hire 24 social worker supervisors; \$2.2 million to hire 36 case workers; \$141 thousand for supplies and equipment; \$54 thousand for professional development; \$4.4 million for a higher education mental health system; \$1.6 million for training for HEI faculty, staff, and resident assistants; and \$2 million for a suicide prevention program at the Santa Fe Community College.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, or May 15, 2024, if enacted.

FISCAL IMPLICATIONS

The appropriation of \$12.4 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY25 shall revert to the general fund. The individual appropriations contained in SB41 are as follows:

24 social worker supervisors	\$1,992.0
34 case managers	\$2,206.6
Supplies and equipment	\$140.6
Professional development	\$54.0
Higher ed mental health system	\$4,393.2
training for HEI faculty, staff, resident assistants	\$1,606.8
Suicide prevention	\$2,000.0
Total	\$12,393.2

All costs, with the exception of supplies and equipment, are recurring expenses.

In addition to the appropriations in SB41, responding institutions noted increased administrative costs to expand the programs. The estimated additional operating budget impact lists these costs as unknown but minimal.

SIGNIFICANT ISSUES

The appropriations contained in SB41 are a significant increase for mental health funding at HEIs. HED currently provides grants to assist HEIs in building mental healthcare capacity and infrastructure providing \$950 thousand in grants with award amounts varying from \$50 thousand to \$250 thousand per institution.

The appropriation for case workers restricts hiring to “all branch colleges, remaining community colleges, and Native American post-secondary educational institutions,” but does not prescribe how this funding is to be allocated. Should SB41 be enacted, HED would determine how this funding is allocated. Additionally, SB41 appropriates \$4.4 million for the implementation of a statewide higher education mental health system, but does not define eligible expenses for that system.

ADMINISTRATIVE IMPLICATIONS

Responding institutions and HED reported increased administrative costs to implement the provisions of SB41. It is likely that the amount of additional administrative cost will vary by institution size and the current mental health services provided. HED would be responsible for administering the statewide mental health system, but administrative costs were not estimated and it is unclear if administrative cost would be an allowable use of the appropriation in SB41.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Senate Bill 60 appropriates \$375 thousand for a suicide prevention program at Santa Fe Community College. It is unclear if the appropriation contained in SB41 duplicates and expands funding for this program.

The LFC budget recommendation contains \$2 million in an expendable trust to support a suicide prevention program at Santa Fe Community College.

OTHER SUBSTANTIVE ISSUES

HED reports that, “Currently enrolled students can receive some level of mental health services at nearly every HEI across the state. However, type, level, and availability of services vary by HEI. Services may include walk-in services, in-person counseling appointments, video appointments, and crisis hotlines.”

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