

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

FISCAL IMPACT REPORT

SPONSOR <u>SHPAC</u>	LAST UPDATED	<u>2/11/2024</u>
	ORIGINAL DATE	<u>2/11/2024</u>
	BILL	<u>CS/Senate Bill</u>
SHORT TITLE <u>Alcohol Abuse Task Force</u>	NUMBER	<u>307/SHPACS</u>
	ANALYST	<u>Gaussoin</u>

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	Indeterminate but minimal	Indeterminate but minimal	Indeterminate but minimal			

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to House Bills 34, 112, 179, 213 and 217 and Senate Bills 47, 149, and 163.

Sources of Information

LFC Files

Because of the short timeframe between the introduction of this bill and its first hearing, LFC has yet to receive analysis from state, education, or judicial agencies. This analysis could be updated if that analysis is received.

SUMMARY

Synopsis of SHPAC Substitute for Senate Bill 307

The Senate Health and Public Affairs Committee substitute for Senate Bill 307 (SB307) would create a substance and alcohol abuse task force to study and recommend “innovative policies” for prevention of substance and alcohol addiction and care for those suffering from it. The task force’s review would include a look at the treatment of addicts from diverse communities and whether the legalization of recreational cannabis has increased addiction to cannabis or other substances.

The task force would be staffed by the Department of Health (DOH) and have nine members, with the chair appointed by the DOH secretary and other members appointed by the majority and minority floor leaders of the House and Senate. The membership would include at least one member of a New Mexico Native American nation, tribe, or pueblo and at least one member with an expertise in medical or behavioral science. The members should provide broad geographical representation, and no more than four should come from the same political party. The members would receive per diem and mileage.

The task force would report annually to the Legislative Health and Human Services Committee by November 1 with the results of its studies and with recommendations on decreasing alcohol and substance abuse. Members are to be appointed by July 1.

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 committee substitute contains no appropriation but authorizes the task force members to receive per diem and mileage. Total cost would depend on the number of times the task force met and the amount of staff time spent on administrative support for task force meetings, research, and preparing reports. While the creation of the task force would result in a cost to the state, the cost is likely to be small and absorbed by the department.

SIGNIFICANT ISSUES

New Mexico consistently has the highest alcohol-related death rate in the country and ranked sixth nationally for drug overdose deaths in 2021. Substance use disorders (SUD) remain a problem in New Mexico. The already high number of alcohol- and drug-related deaths increased rapidly during the pandemic.

Between 2019 and 2021, the state's alcohol-related death rate increased by 31 percent, and 2,274 New Mexicans died of alcohol-related deaths in 2021. Similarly, the state's overdose death rate increased by 68 percent, and 1,029 New Mexicans died of a drug overdose in 2021. Preliminary 2022 overdose data suggests the state's overdose death rate may have improved slightly, though this data is preliminary and subject to change.

A 2023 LFC study found the state is investing relatively little effort in upstream interventions and prevention efforts, given the magnitude of the state's high rates of substance use disorder and associated deaths, particularly for alcohol misuse. However, New Mexico has made significant investments in treating substance use disorders. The state is spending roughly \$800 million on the Medicaid behavioral health program, which is the primary funding source for substance use treatment in New Mexico, as well as an additional \$246 million annually for behavioral health services, which may include substance use treatment, through other agencies in the Behavioral Health Collaborative.

PERFORMANCE IMPLICATIONS

If the work of the task force were to result in a reduction in substance use disorders, a wide range of performance metrics would improve.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

The substitute for SB307 relates to House Bill 34, which funds a study that evaluates the value of creating a state-run long-term residential rehabilitation facility for substance use disorder; House Bills 112, 179, 213, and 217 and Senate Bill 47, all addressing the liquor tax, with some using tax revenue for treatment; Senate Bill 149, which creates a fund for grants to local governments for regional behavioral health facilities; and Senate Bill 163, which expands the ability of beer and spirit producers to ship directly to buyers.