

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

BILL NUMBER: CS/House Bill 178/HHHCS

SHORT TITLE: Sun Shades for Rural Parks and Recreation

SPONSOR: House Health and Human Services Committee

LAST ORIGINAL
UPDATE: _____ **DATE:** 2/9/2026 **ANALYST:** Hilla

APPROPRIATION* (dollars in thousands)

FY26	FY27	Recurring or Nonrecurring	Fund Affected
\$3,000.0		Nonrecurring	General fund

*Amounts reflect most recent analysis of this legislation.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
DFA	\$52.5	\$52.5	\$52.5	\$157.5	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency or Agencies Providing Analysis

Department of Health

Department of Finance and Administration

Agency or Agencies That Declined to Respond

Energy, Minerals and Natural Resources Department

SUMMARY

Synopsis of HHC Substitute for House Bill 178

The House Health and Human Services Committee substitute for House Bill 178 (HB178) appropriates \$3 million to the Department of Finance and Administration (DFA) to contract for services for the construction and installation of protective shade structures in rural parks and other outdoor public-use recreation areas. HB178 intends to reduce exposure to ultraviolet (UV) radiation. The Department of Health (DOH) shall prioritize projects that lack existing shade and have significant UV radiation exposure risk.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, which is May 20, 2026.

FISCAL IMPLICATIONS

The appropriation of \$3 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of any fiscal year shall not revert to the general fund, allowing DOH to expend the appropriation until all funding has been utilized.

DFA anticipates that it would expend the appropriation by FY28, and the department estimates an additional \$157.5 thousand impact on its operating budget, though it would not be a recurring impact.

SIGNIFICANT ISSUES

DOH notes that heat-related illnesses and most skin cancers are largely preventable. Shade structures called for by HB178 reduce direct UV exposure and mitigate the risk of skin cancers and other heat-related illnesses. A 2020 New Mexico epidemiology report estimated that the number of hospitalizations and emergency department visits for heat-related illnesses would double by 2030. DOH notes that in 2023, there was a 49 percent increase in heat-related emergency department visits compared to the summer the year before. The department notes that the lack of shaded infrastructure in public parks is often felt more in rural communities.

DFA notes the installation of shade structures may increase the usability and attractiveness of rural parks and recreation areas, which could encourage more outdoor activities and community engagement.

While this appropriation is not in the House Appropriations and Finance Committee substitute for House Bills 2 and 3 (the General Appropriation Act), there is a reauthorization of \$50 million to DFA for quality-of-life grant projects. Should an additional \$3 million appropriation not be provided to DFA for sunshades in parks, local governments could apply to the department's grants for these infrastructure developments.

EH/cf/hg/sgs