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FISCAL IMPACT REPORT

SPONSOR <u>Allison/Armstrong/Lente/Thomson/ Johnson</u>	LAST UPDATED <u>1/22/24</u> ORIGINAL DATE <u>1/20/24</u>
SHORT TITLE <u>County and Tribal Health Councils</u>	BILL NUMBER <u>House Bill 67</u>
	ANALYST <u>Klundt</u>

APPROPRIATION* (dollars in thousands)

FY24	FY25	Recurring or Nonrecurring	Fund Affected
	\$6,600.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
Department of Health (DOH)

SUMMARY

Synopsis of House Bill 67

House Bill 67 (HB67) appropriates \$6 million from the general fund to the Department of Health (DOH) to fund and support county and tribal health councils statewide to carry out the functions as stated in the County and Tribal Health Councils Act.

Funding may be used to:

- (a) Provide salaries and benefits for staff positions;
- (b) Cover travel, supplies, and other program-related expenses;
- (c) Provide community education and communications; and
- (d) Cover other indirect expenses a county or tribal health council may experience.

Additionally, \$600 thousand is appropriated to DOH to contract with a nonprofit organization to:

- (a) Provide training, technical assistance, and other supports to county and tribal health councils;
- (b) Assist in the development of a system to evaluate the effectiveness and impact of health councils and to gather necessary evaluation data using success indicators and qualitative and quantitative measures; and
- (c) Strengthen community-based health planning and self-determination by measuring the health councils' performance in capacity building and quality of community health plans.

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 \$6 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. Although HB67 does not specify future appropriations, establishing a new grant program could create an expectation the program will continue in future fiscal years; therefore, this cost is assumed to be recurring.

SIGNIFICANT ISSUES

In FY24, DOH was appropriated \$644 thousand in general fund revenues for health councils. However, during the Covid-19 pandemic, health councils received federal Centers for Disease Control and Prevention (CDC) funding and other grants, increasing funding temporarily by over \$6 million. This funding is likely to cease in 2024. According to the New Mexico Alliance of Health Councils there are 42 health councils statewide.

DOH reported the department works with health councils to produce health improvement plans which contribute to the state health improvement plan. Currently, 19 health councils utilize DOH general funds exclusively to fund their operations and activities. DOH allocated approximately \$6.5 million for health councils and health council support for FY22, FY23, and FY24 through CDC federal grants. The CDC grants will end May of 2024. House Bill 67 would provide increased general funds for health councils to replace the ending federal grants.

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