

LFC Requester:

Eric Chenier

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO****[AgencyAnalysis.nmlegis.gov](https://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:** 02/12/2025 *Check all that apply:***Bill Number:** SB2 CS Original ☐ Correction ☐
Amendment ☐ Substitute ☒

Sponsor:	Benny Shendo, Jr, George Munoz,	Agency Name and Code Number:	770-NMCD
	David Gallegos		
Short Title:	Appropriations: Public Health and Safety Initiatives	Person Writing	<u>Anisa Griego-Quintana</u>
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SECTION II: FISCAL IMPACT**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
0	1,300.0	Nonrecurring	General

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
0	0	0	N/A	N/A

(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					Recurring	General

(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: Committee Substitute for Senate Bill 2 makes the appropriations in the original bill reverting, for use through FY 2029. Adds greater specificity to the use of funds, as noted below in quotation marks. The substitute also adds appropriations for 10 more public health and safety initiatives, described below.

In its substituted form, SB2 appropriates a total of \$152 million for 23 public health and safety initiatives throughout the state, as detailed below. Unless otherwise noted, appropriations are from the General Fund.

The language in the committee substitute regarding the Corrections Department now includes “detention centers” in addition to correctional facilities:

CORRECTIONS DEPARTMENT: \$1.3 million for use in FYs 2026 through 2029 for use by the Department and for grants to counties based on regional plans for discharge planning from correctional facilities “and detention centers” and to assist discharged persons to connect with recovery support services and treatment and community-based behavioral health supports that supplement or enhance transitional services covered by Medicaid. The Corrections Department shall consult with the Department of Health when making grants to counties. Reverts to the Behavioral Health Trust Fund.

FISCAL IMPLICATIONS

The changes made in the committee substitute do not alter the original fiscal and operational impacts on the Corrections Department. As outlined in the original proposed bill, NMCD would retain flexibility to use the funding for community-based behavioral health and housing services, it would introduce a new process for receiving, reviewing, and approving or denying applications. This process would be an addition to the current contract process we have in place. Moreover, it might require our existing contracted providers to participate in this new procedure if they seek additional funding to support services through the next fiscal year.

The following provision is unclear, “the Corrections Department shall consult with the Department of Health when making grants to counties.” This would add another layer of complexity, potentially delaying or complicating the process of distributing funding to community providers.

SIGNIFICANT ISSUES

None for the Corrections Department.

PERFORMANCE IMPLICATIONS

None for the Corrections Department.

ADMINISTRATIVE IMPLICATIONS

None for the Corrections Department.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

The proposed appropriation in this bill is also listed as a Special Appropriation in House Bill 2, Section 5, line 122.

TECHNICAL ISSUES

None for the Corrections Department.

OTHER SUBSTANTIVE ISSUES

For the last two years NMCD has been working in collaboration with the Healthcare Authority on a housing/treatment program for those exiting prison and have contracted providers that were reviewed and approved and have been receiving funding through the HCA. If this 1.3 million dollar allocation is a transition of funding for the program to NMCD directly, that would not be an issue, and we can continue the program and collaboration with the HCA on this process.

ALTERNATIVES

None for the Corrections Department.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status quo.

AMENDMENTS

None proposed by the Corrections Department.