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## FISCAL IMPACT REPORT

<b>SPONSOR</b> <u>Duncan/Vincent/Hernandez</u>	<b>LAST UPDATED</b> _____
	<b>ORIGINAL DATE</b> <u>01/29/2024</u>
<b>SHORT TITLE</b> <u>School-Based Mental Health Counselors</u>	<b>BILL NUMBER</b> <u>House Bill 70</u>
	<b>ANALYST</b> <u>Chilton</u>

### APPROPRIATION\* (dollars in thousands)

FY24	FY25	Recurring or Nonrecurring	Fund Affected
	\$38,000.0	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
	Indeterminate but minimal	Indeterminate but minimal	Indeterminate but minimal	Indeterminate but minimal	Recurring	General Fund

Parentheses ( ) indicate expenditure decreases.

\*Amounts reflect most recent analysis of this legislation.

### Sources of Information

LFC Files

Agency Analysis was Solicited but Not Received From  
 Albuquerque Public Schools (APS)  
 Regional Education Cooperative Agency (RECA)  
 Public Education Department (PED)

## SUMMARY

### Synopsis of House Bill 70

House Bill 70 appropriates \$38 million from the general fund to the state equalization guarantee distribution of the public school fund for the purpose of providing school-based mental health counselors in public middle and high schools.

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 \$38 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.

According to available data, there are 165 public middle schools and 223 public high schools in New Mexico. If \$38 million were appropriated through this bill, an average of \$97,938 would be provided to each of these schools. The bill does not mention state chartered charter schools, locally chartered charter schools, and private schools, but they are probably included as well. Currently there are 1,150 FTE guidance counselors/social workers and 111 FTE psychologists/counselors employed by New Mexico schools, at an average salary for both classifications of approximately \$70 thousand per FTE per year. Adding \$38 million to the amount the state equalization guarantee distribution of the public school fund would distribute for this purpose would enable New Mexico schools to add 542 mental health counselors throughout the state. There is no instruction in the bill as to how the state equalization guarantee distribution of the public school fund is to allocate the additional funds.

None of the agencies surveyed have indicated a cost to them of administering the provided funds.

## SIGNIFICANT ISSUES

It is clear from numerous studies that child mental health has deteriorated due to or coincident with the Covid-19 pandemic. Whether these decrements in the social and emotional well-being of children are due to the pandemic itself, the social restrictions that accompanied the pandemic, or other societal changes (for example, increasingly virulent posting on readily-available social media and polarization of the population) cannot be determined. Perhaps the causes of this phenomenon are immaterial; the fact that children are increasingly showing signs of stress such as increased levels of depression and anxiety, suicide, and chronic absenteeism from school is an indication that our children are suffering and in need of help.

The American Psychological Association made note of this in 2022:

As the United States approaches two full years of the Covid-19 pandemic, mental illness and the demand for psychological services are at all-time highs—especially among children. While some children benefited from changes like remote learning, others are facing a mental health crisis. Prior to Covid-19, Centers for Disease Control and Prevention (CDC) data found 1 in 5 children had a mental disorder, but only about 20 percent of those children received care from a mental health provider. Whether kids are facing trauma because of child abuse or loss of a family member or everyday anxiety about the virus and unpredictable routines, they need even more support now—all amid a more significant shortage of children’s mental health resources.

That all is not well with our society’s children is further noted by the CDC, which stated in its weekly publication, *Morbidity and Mortality Weekly Reports* in February 2022 that that “during 2020, the number of mental health-related emergency department visits among adolescents between the ages of 12 and 17 increased by 31 percent in comparison to the number of visits in 2019.

In May 2020, emergency department visits for suspected suicide attempts began to increase among this same age group, especially with girls. From February 21 to March

20, 2021, suspected suicide attempt emergency department visits were 50.6 percent higher among girls than during the same period in 2019. The amount of suspected suicide attempt visits for boys increased by 3.7 percent.

In a 2023 article in the journal *Pediatrics* entitled “Adolescent Mental and Behavioral Health:” Covid-19 Exacerbation of a Prevailing Crisis,” Breuner and Bell conclude that:

Globally, the coronavirus disease 2019 (Covid-19) pandemic has had an extraordinary effect on young people’s mental health. In the United States, before the pandemic, the prevalence of mental health disorders among youth was high. Over the course of the pandemic, the rates have soared even higher. Data from the 2021 Adolescent Behaviors and Experiences Survey indicate that 37.1 percent of US high school students reported poor mental health during the Covid-19 pandemic, with 19.9 percent considering and 9.0 percent attempting suicide in the preceding year. Because of the intensification of the crisis, the American Academy of Pediatrics, the American Academy of Child and Adolescent Psychiatry, and the Children’s Hospital Association issued a joint declaration of a national emergency in child and adolescent mental health.

The stress brought on by Covid-19 generally can be grouped under the umbrella of adverse childhood experiences (ACEs). ACEs are adverse events that occur in childhood (0–17 years of age), such as neglect, experiencing or witnessing violence, or having a family member attempt or die by suicide. Also included are aspects of a child’s environment that can undermine their sense of safety, stability, and bonding. During the Covid-19 pandemic, nearly 3 of every 4 US high school students reported at least 1 ACE, and 1 in 13 (7.8 percent) reported 4 or more ACEs. Comparable pre-pandemic estimates of cumulative ACE exposure among US adolescents are limited. Nevertheless, the literature is consistent that emotional abuse is the most strongly associated with poor mental health and suicidal behaviors after considering demographic characteristics and the specific types of ACEs (e.g., child abuse and neglect, sexual violence, teen dating violence, bullying, and family economic pressures). Other manifestations of mental health problems in youth during Covid-19 include an increased risk of drug use, higher-risk sexual behaviors, experiencing violence, and eating disorders.

The chronic shortage of behavioral health care personnel in New Mexico has been frequently noted. According to a study published prior to the pandemic the federal Department of Health and Human Services’ Office of the Inspector General found, “Many counties in New Mexico have few licensed behavioral health providers serving Medicaid managed care enrollees. These behavioral health providers are unevenly distributed across the state, with rural and frontier counties having fewer providers and prescribers per 1,000 Medicaid managed care enrollees.” The problem has only become worse in the meanwhile, while the need has increased.

Part of this need can be addressed by school-based mental health professionals, with the added benefit that children and adolescents served in this way would not need to take as much time away from their studies as they would if transported to and from an outside provider.

## **TECHNICAL ISSUES**

As the appropriation is made to the state equalization guarantee distribution of the public school fund, it is not clear how the \$38 million appropriation would be confined to the use intended.