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FISCAL IMPACT REPORT

SPONSOR:	Mallory	DATE TYPED:	01/24/00	HB	38
SHORT TITLE:	Amend Primary Care Capital Funding Act			SB	
				ANALYST:	Kehoe

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
NFI	NFI	NFI	NFI	N/A	PCCF

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to

SOURCES OF INFORMATION

New Mexico Finance Authority

SUMMARY

Synopsis of Bill

House Bill 38 amends Section 24-1C-3 of the Primary Care Capital Funding Act to expand the definition of a "capital project."

Significant Issues

The Primary Care Capital Funding Act currently allows low-interest financing to small primary care facilities in rural and underserved areas of the state. The current definition of a "capital project" only allows for the repair, renovation or construction of a facility or for the purchase of land. The proposed amendment to the Act would expand the definition of a "capital project" to include the acquisition of capital equipment.

Since very little new construction of primary health care facilities is taking place at this time, loans from the Primary Care Capital Fund could be used to purchase much needed x-ray or other medical equipment.

POSSIBLE QUESTIONS

1. How many primary care facilities are currently being served and where are they located?
2. What is the current total of funds available for loans?
3. Is the rate of interest a deterrent for use of the fund by the clinics?

4. Has the Authority considered using the Primary Care Fund as a grant fund rather than a loan fund?

LMK/gm:pr