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FISCAL IMPACT REPORT

SPONSOR: Lopez DATE TYPED: 3/7/01 HB _____
 SHORT TITLE: Substance Abuse Services SB 781
 ANALYST: Dunbar

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 500.0			Rec	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to The General Appropriation Act HB 2 and SB 98;SB 628; HB 783

SOURCES OF INFORMATION

Human Services Department(HSD)
 Health Policy Commission (HPC)

SUMMARY

Synopsis of Bill

Senate Bill 781 (SB 781) would appropriate \$500.0 in state general funds to the Human Services Department (HSD) to provide substance abuse services for participants in the New Mexico Works (NMW) program, statewide.

Significant Issues

Substance abuse remains a significant barrier for those required to complete at least 34 hours a week in qualified work activities. Providing additional substance abuse resources would help participants in these efforts.

Currently, the NMW program depends upon substance abuse services provided through the Department of Health.

Under NMW act participation in an alcohol or drug treatment program is an allowable primary work activity and helps participants meet primary work hourly requirements for a period of up to 12 weeks. Participation in substance abuse programs is allowable as a secondary work activity for as long as services are needed, which support participants as they maintain training and employment activities.

PERFORMANCE IMPLICATIONS.

Providing additional substance abuse resources would help NMW meet its federal performance goals of 45% for "Single Parent Families" and 90% for "Two-Parent Families."

FISCAL IMPLICATIONS

Senate Bill 781 (SB 781) would appropriate \$500.0 in state general funds to the Human Services Department (HSD). The amount is recurring and any unexpended or unencumbered balance reverts to the general fund.

The \$500.0 made available to HSD under SB 781 could be countable as state Maintenance of Efforts (MOE) expenditures, which are necessary to draw down federal Temporary Assistance for Needy Families (TANF) funds.

ADMINISTRATIVE IMPLICATIONS

The need for substance abuse services has been identified by NMW program contractor staff and agreed to by participants as a part of their work program participation agreement. Services would need to be provided through contracts with agencies specializing in substance abuse counseling.

CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP

Relates to general appropriating acts, HB 2 and SB 98, which contain funding for substance abuse and mental health services.

Relates to SB 628 and HB 783, Substance Abuse Treatment Expansion.

OTHER SUBSTANTIVE ISSUES

HPC points out that the bill needs clarification on the item listed below:

- SB 781 does not specify the nature of the substance abuse services the appropriation is intended to provide and may need to more specific as to the bills intended purpose such as:
 - Drug and substance abuse counseling and prevention services.
 - In-patient or outpatient treatment.
 - Residential treatment.

- SB 781 does not specify if all members of a TANF household or benefit group would be eligible for the substance abuse services provided for in the bill or if it is selective as with Medicaid eligibility currently under TANF.

BD/njw