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FISCAL IMPACT REPORT

SPONSOR King DATE TYPED 2/5/04 HB 401

SHORT TITLE Census Project SB _____

ANALYST Baca

APPROPRIATION

| Appropriation Contained | | Estimated Additional Impact | | Recurring or Non-Rec | Fund Affected |
|-------------------------|---------|-----------------------------|------|----------------------|---------------|
| FY04 | FY05 | FY04 | FY05 | | |
| | \$200.0 | | | Recurring | General Fund |

(Parenthesis () Indicate Revenue Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Commission on Higher Education Funding Recommendations for FY05 (CHE)

Responses Received From

Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Bill 401 appropriates \$200 thousand from the general fund to the Board of Regents of the University of New Mexico for the Bureau of Business and Economic Research (BBER) to conduct an intercensal population estimates program and demographic analysis project,

Significant Issues

Many programs within the DOH are required to provide accurate census data to various federal agencies from which flow dollars for DOH programs and activities. Funding levels for these programs rely on census information, and current, accurate data on the state's population is vital if programs in DOH are to maximize the acquisition of federal revenue for which the state is eligible. The DOH reports that BBER census data has proven more accurate than data developed by the U.S. Census Bureau. The DOH reports, the state may find that with more accurate rates the \$200.0 may be recouped with increased federal funding.

Currently, the DOH reports, several agencies, the Health Policy Commission (HPC) and DOH contract with the BBER for census information, and other state agencies obtain census information from the DOH. This bill would result in a more efficient process for funding this necessary work, according to the DOH.

FISCAL IMPLICATIONS

The appropriation of \$200 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY05 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

The appropriation to UNM for the BBER to develop a program to provide accurate intercensal data without each state agency having to enter into a contract with the BBER should prove a more efficient and economical process. In addition, the funding provided should allow the BBER to breakdown all data by county, an activity which cannot currently be done because of insufficient funding. Funding in this bill should allow more and more diverse statistical manipulations of the data.

This centralization should allow those employees currently involved in the contracting process to devote their time to other, useful activities and to redirect funds currently being spent to contract with the BBER.

TECHNICAL ISSUES

The bill appropriates funds for the program but does indicate whether the BBER will provide the census data upon request and in the manner required by the agency or whether contracting with the BBER will still be required. While such language may not be appropriate in the bill, this issue might be clarified during committee hearings.

OTHER SUBSTANTIVE ISSUES

According to its analysis, the DOH relies on population numbers to calculate health-related rates of all population-based events – such as birth, death, disease and injury statistics. Accurate and timely population estimates are essential for producing statistical rates. These statistical rates are then used by various agencies to meet the information requirements of federal and other state agencies.

LB/yr