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FISCAL IMPACT REPORT

SPONSOR Rodella DATE TYPED 02/04/04 HB 433

SHORT TITLE Black Tar Heroin Prevention Program SB _____

ANALYST Chabot

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$500.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Bill 433 appropriates \$500 thousand from the general fund to DOH for the purpose of continuing a federally initiated black tar heroin prevention program in Rio Arriba, Santa Fe and Taos counties including the eight northern Indian pueblos.

Significant Issues

According to the DOH Office of Epidemiology, Rio Arriba County has the highest drug-related death rate in New Mexico. It is in the top 10 for the United States. The Governor allocated \$1.5 million to help resolve this problem through the federal fiscal relief grant. In addition, DOH provides \$1 million for substance abuse treatment and \$500 thousand for prevention program in this area. DOH states any additional funding for this effort needs to be coordinated with the Governor's Rio Arriba drug initiative.

FISCAL IMPLICATIONS

The appropriation of \$500 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2005 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

DOH suggests a volunteer consumer and DOH oversight review committee oversee the use of this appropriation. The agency states "Numerous compliance and quality improvement processes must be addressed including program evaluation and improvement, review of health data, ongoing epidemiological surveillance, provision of technical assistance, ongoing review and auditing. Thus, outcome planning and evaluation could be the responsibility of the oversight reviewing committee."

POSSIBLE QUESTIONS

1. How will this appropriation be spent and what agency will establish the priorities?
2. In LFC testimony, concerns were expressed that funding for this effort was going to capital expenditures for a building rather than for client services, is this still a concern?
3. What community efforts will be augmented by this funding?

GAC/prr