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FISCAL IMPACT REPORT

ORIGINAL DATE 1/30/07

SPONSOR Barela LAST UPDATED _____ HB 514

SHORT TITLE Los Lunas Substance Abuse Facility SB _____

ANALYST Weber

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$2,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department (HSD)

Department of Corrections (CD)

SUMMARY

Synopsis of Bill

House Bill 514 appropriates \$2 million from the general fund to the Human Services Department for the purpose of operating a state-of-the-art substance abuse treatment and training facility in Los Lunas in Valencia county.

FISCAL IMPLICATIONS

The appropriation of \$2 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2008 shall revert to the general fund.

HSD indicates it is not likely that these operational and training costs could be matched with federal Medicaid dollars. A cost allocation plan would have to be incorporated and approved by the various federal agencies that may contribute federal financial participation.

SIGNIFICANT ISSUES

HSD continues that the facility will provide a community-based, outpatient component focused on methamphetamine, heroin and other substance abuse issues in New Mexico. The facility will also provide significant telehealth capacity to support communities throughout the state and will use evidence-based practices to train employees and community providers.

The Medical Assistance Division (MAD) of HSD will not be directly affected by this appropriation. However, as a member of the Interagency Behavioral Health Purchasing Collaborative, MAD supports this bill.

MW/sb