

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

ORIGINAL DATE 2/13/09

SPONSOR Gutierrez LAST UPDATED \_\_\_\_\_ HB 695

SHORT TITLE Rural Area Cancer Research SB \_\_\_\_\_

ANALYST Haug

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$75.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Administrative Office of the Courts (AOC)  
 Department of Agriculture (NMDA)  
 Higher Education Department (HED)  
 Health Policy Commission (HPC)  
 Department of Health (DOH)

### SUMMARY

#### Synopsis of Bill

House Bill 695 appropriates \$75.0 from the general fund to the Board of Regents of New Mexico State University for the Department of Agriculture to fund cancer research in rural areas of New Mexico.

### FISCAL IMPLICATIONS

The appropriation of \$75.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2010 shall revert to the general fund.

### SIGNIFICANT ISSUES

The HED states that this request was not submitted by INSTITUTION to the HED for review and is not included in the Department's funding recommendation for FY10.

This appropriation is not included in the LFC appropriation recommendations for Higher Education.

The LFC Appropriation Recommendations, Volume II, pages 364-365 states:

The committee has concerns about the growth of research and public service projects within the higher education budget, as well as the alignment of these projects with state goals and strategic plans. The committee also continues to have significant concerns about accountability and performance outcomes for these projects.

The committee recommendation reduces funding included in the HED request by varying levels from FY09 funding amounts for research projects, public service projects and P-20 pipeline projects focusing on students.

With respect to special projects, higher education institutions advanced 114 proposals for new projects and expansions at a total general fund cost of \$54 million during the HED budget request process in fall 2008.

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

The Executive Budget in Brief notes that over the years more than 300 RPSPs have been created, accounting for a large portion of institution budgets. The current RPSPs were reviewed while considering the relevance of the project to the core mission of the institution, the community benefit and the outcomes associated with each project. (Budget in Brief and Policy Highlights, P 9-10.)

NMDA states that NMSU currently is engaged in a contractual agreement with Fred Hutchinson Cancer Research Center and the national cancer institute to develop cancer research proficiency at NMSU. The National Institute of Health is currently targeting research among minorities and diverse populations for many diseases including cancer. The Office of Minority Health is dedicated to increasing the number of minority and underrepresented group members who pursue careers in science so minority groups have good role models to emulate, and minority group members can be involved in their own health. NMSU has the minority students, but not the expertise and experience to recruit and train students in cancer research. NMDA would be responsible for identifying and collaborating with the appropriate researchers at NMSU and UNM to fund rural cancer research.

The DOH comments that work is currently being done by NMSU to develop and explore strategies to understand cancer health disparities in rural areas by examining unique issues throughout the cancer continuum; identifying opportunities to enhance cancer prevention strategies in rural areas by reviewing successful interventions delivered to the underserved in other settings; and identifying and recommending strategies for increasing attention to and resources for cancer research, prevention, and treatment for underserved populations in rural areas.

The DOH notes further that cancer is New Mexico's second leading cause of death and a major cause of illness and suffering. Geographic and economic factors can inhibit access to care and treatment. Rural New Mexicans have less access to physicians and treatment facilities (New Mexico Cancer Facts and Figures 2007). Of the 33 counties in the state, 28 are classified, in whole or in part, as primary medical care Health Professional Shortage Areas (HPSAs). These shortages especially affect the quality and frequency of health care in rural and frontier areas.

GH/mc