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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/23/09  
 LAST UPDATED 2/25/09      HB \_\_\_\_\_

SPONSOR M. Sanchez

SHORT TITLE Hispanic Affairs Department Act      SB 21/aSFC/aSFI#1

ANALYST Peery-Galon

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		\$700.0	\$700.0	\$1,400.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Senate Bill 200.

#### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Cultural Affairs (DCA)  
 Department of Health (DOH)

#### No Responses Received From

Department of Finance Administration  
 Governor's Office

#### SUMMARY

##### Synopsis of SFI#1 Amendment

The Senate Floor Amendment 1 requires that public hearings on rules that would affect a person or agency outside the department be held in diverse geographic areas of the state rather than in Santa Fe.

##### Synopsis of SFC Amendment

The Senate Finance Committee amendment strikes all language pertaining to the making of an appropriation.

##### Synopsis of Original Bill

Senate Bill 21 appropriates \$700.0 from the general fund to the Department of Finance and Administration for the purpose of establishing the Hispanic Affairs Department. The proposed

legislation creates a single, unified Hispanic Affairs Department to administer laws and exercise functions with respect to Hispanic affairs. The proposed legislation also creates an advisory commission, provides powers and duties, and makes an appropriation for the operation of the new agency.

The proposed legislation creates a Hispanic Affairs Commission consisting of 10 members who are residents of New Mexico and appointed by the governor. The commission would advise the secretary of the Hispanic Affairs Department, deal with issues that impact the welfare of Hispanics in New Mexico, and provide opportunity for the exchange of ideas with respect to Hispanic affairs.

### **FISCAL IMPLICATIONS**

The appropriation of \$700.0 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.

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.

PED noted that the Senate Floor Amendment 1 requirement to hold hearings in areas outside of Santa Fe could result in travel expenses, which are undetermined since the areas of the state for hearings are not named.

### **SIGNIFICANT ISSUES**

DOH stated the Senate Floor Amendment 1 does not change the legislative intent. It requires the Secretary of the Hispanic Affairs Department to have public hearings for rules that affect any individual or agency outside of the department to be in diverse geographic areas of the state instead of in Santa Fe.

DCA stated, other than future partnerships and collaboration, the department and its National Hispanic Cultural Center would not experience direct involvement with this proposed new agency. DCA noted the National Hispanic Cultural Center is a very active and comprehensive arts and cultural campus that celebrates and showcases New Mexico and the nation's Hispanic visual, performing and literary arts. DCA acknowledged there is not a statewide agency that specifically supports the Hispanic community with coordinated education, health care and other social services.

DOH reported that Hispanics comprise 44 percent of the total population in New Mexico. According to the "Racial and Ethnic Health Disparities Report Card" published by DOH in August 2008, Hispanics are negatively impacted by several health status disparities. The mission of the proposed legislation includes the coordination of an effective system for health care access for Hispanics in New Mexico.

**RELATIONSHIP**

Senate Bill 21 has a relationship with Senate Bill 200.

**OTHER SUBSTANTIVE ISSUES**

The “Racial and Ethnic Health Disparities Report Card” published by DOH reported that Hispanics have the highest rate of: teen births 53.7 per 1,000, Chlamydia at 3,845.6 per 100,000 population, and drug induced deaths at 25.1 per 100,000 population. Also, the report showed that Hispanics have high rates for late or no prenatal care and alcohol-related deaths.

RPG/mt