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FISCAL IMPACT REPORT

ORIGINAL DATE 2/4/15
SPONSOR Hamilton **LAST UPDATED** _____ **HB** 69

SHORT TITLE WNMU PTSD Treatment Pilot Project **SB** _____

ANALYST Peterson

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		
\$100.0	\$100.0	Nonrecurring	General

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	Minimal	Minimal	Minimal	Minimal	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Relates to/Conflicts with/Companion to: HB5

SOURCES OF INFORMATION

LFC Files

Responses Received From

Western New Mexico University (WNMU)

Department of Veteran Services (DVS)

SUMMARY

Synopsis of Original Bill

House Bill 69 appropriates \$100 thousand dollars from the general fund to the board of regents of WNMU for expenditure in fiscal years 2015 and 2016 to continue funding a trial on-line counseling for post traumatic stress disorder PTSD veterans located in underserved rural areas.

FISCAL IMPLICATIONS

According to WNMU, the allocated amount will allow them to provide two scholarships to Master Social Work students interested in the planned military concentration program. It will also help fund a graduate assistant position, a faculty stipend, and additional compensation for our administrative support personnel.

The appropriation of \$100 thousand contained in this bill is a recurring expense to the general fund. As stated in the bill, any unexpended or unencumbered balance remaining at the end of FY16 shall revert to the general fund.

During the FY16 budget process, WNMU requested \$250 thousand in general fund support for this effort. For FY16, HED did not request funds to start this program, and the Executive recommendation did not fund this initiative. The LFC recommendation included a \$150 thousand appropriation for student success services, which could be applied to the effort of assisting individuals providing veterans services. Should the LFC recommendation and HB 69 be enacted, WNMU would receive an additional \$400 thousand for student success services and the social work program providing veteran's services.

This bill creates the returns virtual reality treatment fund, to receive appropriations, gifts, grants and donations. Money shall be expended in accordance with the terms of gifts, grants and donations to the pilot project. The fund is a reverting fund. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

SIGNIFICANT ISSUES

According to DVS, research being done at the USC Institute for Creative Technologies, virtual reality (VR) treatment is showing to be a productive form of treatment for veterans who are suffering from different forms of PTSD

PERFORMANCE IMPLICATIONS

According to WNMU this project has enhanced the social work department significantly, particularly the "Services to Military Families, Active Duty Military, and Veterans" area. DVS suggests this pilot project, may demonstrate the VR therapy is a cost-effective and therapeutically-effective strategy to treat PTSD and demonstrate that VR therapy will decrease long-term costs due to chronic care needs, reduced productivity, and suicide among veterans. WNMU should also develop and implement a curriculum as part of their master's in social work program to train social workers in use of VR therapy.

In addition, as reported by WNMU, their interactions with the Veterans community in New Mexico are stronger than they have ever been before. Furthermore, WNMU is working with University of New Mexico-Gallup on Veterans/Military issues as well, enhanced by the support of this contract.

This bill would require interim and fiscal reports on the project.

ADMINISTRATIVE IMPLICATIONS

Since appropriations to the fund are reverting, the legislature and DFA need to be particularly observant to ensure unencumbered and unexpended funds are reverted. Other funds appropriated to WNMU are non-reverting.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB5 the FY16 LFC recommendation includes \$150 thousand for student success services.

SEP/aml