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FISCAL IMPACT REPORT

ORIGINAL DATE 1/26/2017
LAST UPDATED 3/3/2017 **HB** 9/aHAFC/aHFL#1

SPONSOR Ruiloba

SHORT TITLE Law Enforcement Tourniquet Training **SB** _____

ANALYST Rogers

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY17	FY18		
\$0.0	\$0.0	-	-

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY17	FY18	FY19		
\$0.0	\$24.5	\$24.5	Recurring	Law Enforcement Protection Fund
\$0.0	(\$24.5)	(\$24.5)	Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0.0	At least \$240.5	At least \$24.5	At least \$274.1	Recurring	Law Enforcement Protection Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 2.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Department of Health (DOH)

Department of Public Safety (DPS)

SUMMARY

Synopsis of HFL Amendment #1

The House Floor Amendment #1 to House Bill 9 strikes HAFC amendment 1, which struck “making an appropriation” from the long title of the bill.

In Section 1 (B), the amendment requires the DPS academy provide a hands-on tourniquet and trauma kit training in a safe environment to all officers, using a kit designed for training purposes, in addition to producing a supplemental training video on proper use of the kits.

The amendment strikes the first occurrence of “and” on page 6, line 23 of the bill.

Synopsis of HAFC Amendment

The House Appropriations and Finance Committee amendment to House Bill 9 strikes the appropriation (Section 6). The amendment also strikes Sections D and E, removing the requirement that the academy provide replacement items for the kits and that the UNM School of Medicine Department of Emergency Medicine approve the kits. The amendment removes the requirement that allocated funds be used to replace components of the kits.

Synopsis of Bill

House Bill 9 proposes a new section of the Law Enforcement Training Act 29-7 NMSA 1978 to provide tourniquet and trauma kits and training on the use of that equipment to law enforcement academy and regional training facility graduating cadets, previously certified officers attending a certification-by-waiver course, and law enforcement officers certified pursuant to this Act. The kits shall be approved by the Department of Emergency Medicine at the University of New Mexico (UNM) School of Medicine.

DFA explains the bill authorizes the following distributions from the Law Enforcement Protection Fund (LEPF):

- an annual distribution from the LEPF of \$24.5 thousand to the New Mexico law enforcement academy to carry out the purposes of the proposed requirements regarding tourniquet and trauma kits and related training; and,
- a \$217 thousand nonrecurring appropriation in FY18 from the LEPF to the academy to accomplish the purposes of the proposed requirements regarding tourniquet and trauma kits and related training. The unexpended or unencumbered balance remaining at the end of FY18 shall revert to the state general fund.

Additionally, the bill amends language to conform with the new "Peace officers', New Mexico mounted patrol members' and reserve police officers' survivors' Fund" name which DFA points out was changed in Laws of 2016, chapter 41, section 1.

FISCAL IMPLICATIONS

The HAFC amendment strikes the appropriation made from the Law Enforcement Protection Fund as \$200 thousand from the Concealed Handgun Carry Fund is included in House Bill 2 specifically for the purposes of this bill. The amendment also strikes the academy's fiscal and administrative responsibility for replacing items within the kits.

Continuing Appropriations language

This bill provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in statute as earmarking reduces the ability of the legislature to establish spending priorities

DPS estimates are 5,600 certified officers in New Mexico, with approximately 500 new officers per year certified through the basic law enforcement academies or certification by waiver programs. It is estimated that the kits will cost at least \$35 per kit. The first year for kits will cost at least \$196 thousand for the first year for existing officers, with an additional expenditure of at least \$17.5 thousand per year for the new officers certified under the supervision of the academy. In all, distributing kits to officer will cost at least \$213.5 thousand in FY18.

Additionally, DPS explains the kits will need to be distributed through mail, costing at least \$5 thousand for the first year, although some kits will be provided directly out of the academy. DPS estimates mailing kits will cost \$0.5 thousand per year after FY18.

DPS explains it will be difficult for academy staff to distribute the more than 5,600 kits to all officers and new graduating officers during the first year. Temporary services may be required, estimated to cost at least \$2.0 thousand (not included in the fiscal impact table), to assist in this effort, the cost of which will be covered to the extent possible by the start-up appropriation and first year initial appropriation.

The requirement in the bill (removed by the HAFC amendment) tasking the department with providing replacement items for those that are used in the line of duty is perhaps the most difficult aspect of the bill, according to DPS. "Although relatively few kits will have key items requiring replacement during each year (e.g. tourniquets), the kits will likely also contain medical supplies that have short-term expiration dates of 1-2 years (antiseptic/analgesic items etc.). It is unclear what replacement components the bill intends the academy to replace and therefore difficult to estimate the fiscal impact. Regardless, in overseeing 5,600 officers and more than 125 law enforcement agencies, the academy is not equipped with the resources or personnel to manage such a dispensary for individual kit items and the recurring funding would not provide sufficient additional resources to manage this job duty."

The bill also requires DPS to develop and deploy a video training. The department estimates it will cost at least \$22 thousand to meet the bill's requirement.

DFA and LFC analysis of the original bill stated remaining balances in the LEPF at the end of the fiscal year currently revert back to the general fund. Increasing LEPF distributions results in a corresponding decrease in the balance available for reversion to the general fund. As detailed below, increasing LEPF distributions will result in a corresponding decrease in the balance available for reversion to the general fund.

DFA explains the original bill would increase LEPF distributions by \$24.5 thousand annually beginning in FY18 with a corresponding annual decrease of \$24.5 thousand in reversions to the general fund. Furthermore, the \$217 thousand nonrecurring appropriation from the LEPF to the academy contained in the bill would impact FY18 only. Because any unexpended or unencumbered appropriation balance reverts to the general fund, the decrease to the FY18 general fund reversion may not be the full \$217 thousand being appropriated.

DFA also states in response to the original bill that per 29-13-3 NMSA 1978, the LEPF is funded from 10 percent of all money received for fees, licenses, penalties and taxes from life, general casualty, and title insurance business pursuant to the New Mexico Insurance Code. This implies that the revenue received will fluctuate from year to year depending on volume of related insurance business activity.

SIGNIFICANT ISSUES

DPS explains “the provision of the tourniquet and trauma kits to law enforcement officers to provide emergency support to a wounded officers and/or the public they service has the potential to save an officer or victim’s life. The kit provides officers with tools needed to provide life-saving bleeding control and the prevention of going into shock before professional medics can take over. Officers may arrive before medical/paramedic assistance, and the response minutes saved can matter in life-and-death situations. Unfortunately, active shooter as well as individual and office shootings are on the increase nationwide and the lives of victims and officers alike could be saved by the provisions of this bill.”

In analysis on the original bill, LFC and DFA believe the most significant issues affecting this bill are its negative fiscal impact to the state general fund and the uncertainties surrounding the amount of annual revenue received by the LEPF. Annual revenues into the LEPF are dependent on the business activity of specific types of insurance. Changes in the insurance industry can make it difficult to make accurate annual revenue projections.

DOH explains that in June 2016, the American Medical Association recommended that all law enforcement officers be trained in the appropriate use and application of a tourniquet. Additionally, the Centers for Disease Control and Prevention (CDC) lists post-traumatic bleeding as the leading cause of potentially preventable death among trauma patients (Pamela Kulbarsh; Officer.com; August 23, 2016). Police officers are often placed into situations where the use of tourniquets to treat post-traumatic bleeding may benefit themselves, their colleagues, and the people they serve. The appropriate use of tourniquets has been part of the care provided by Emergency Medical Service (EMS) caregivers for many years. However, police officers are often in situations where tourniquet usage may be necessary in the several critical minutes before EMS can reach the patient. The DOH EMS Bureau recognizes the potential significant benefit that the training program and use of tourniquets has for the officers and residents of New Mexico.

ADMINISTRATIVE IMPLICATIONS

If the original bill was enacted, the DFA Local Government Division (LGD) would have to process an annual payment to the academy as part of the LEPF distribution. LGD would also be required to update the LEPF Rule 2.110.3 of the New Mexico Administrative Code to include

the additional distribution and related allowable expenditures included in this bill. These new requirements can be accomplished with existing resources.

DFA states the New Mexico Law Enforcement academy is charged with meeting the proposed new requirements for providing tourniquet and trauma kits, replacement items for the kits, and training on the proper use of the kits. Curriculum for the training will need to be developed, which includes producing a training video to be used by the academy and regional training facilities. The academy will also need to obtain approval of the tourniquet and trauma kits from the UNM School of Medicine. Both the \$217 thousand non-recurring appropriation from LEPF and the annual \$24.5 thousand LEPF distribution should provide sufficient resources to the academy for accomplishing the requirements of this bill.

DPS analysis states the original bill placed a heavy burden on the department:

The ongoing requirement in the bill that the academy replace the kit component parts used is highly burdensome and likely not efficiently placed as a task for the academy. As discussed in fiscal impact section above, kit components may comprise medical supplies with an expiration date. The academy's primary purpose is to oversee the training, certification and statewide adjudication of law enforcement officers and telecommunications specialist in the state. The dispensary-like duty of replacing individual tourniquet and trauma kit items does not fit with the academy's role in the state nor its limited employee resources. DPS recommends that the particular responsibility to replace individual used components of the kits be placed and tracked within the officer's law enforcement agency. Funding for the individual kit replacement components can be sourced out of each law enforcement agency's Law Enforcement Protection Fund annual distribution.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB 9 as amended relates to HB 2.

DPS states HB 4 and SB 111 are pending, designed to revert the unobligated funds sooner in the fiscal year in 2017. It is unclear if there will be an impact on FY18 funding availability to meet the bill's requirements.

TECHNICAL ISSUES

DPS recommended an amendment to the original bill to remove the requirement that the academy provide for the replacement of individual tourniquet and trauma kit replacement components and instead place this responsibility on the individual law enforcement agencies, to be funded out of their individual Law Enforcement Protection Fund allotments each fiscal year.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

DOH explains that if HB9 is not passed, law enforcement officers may not have access to potential lifesaving equipment and training for themselves, their colleagues, and residents of New Mexico.

DPS states if the bill is not enacted, smaller departments in particular could have trouble funding this type of training and the related equipment and, in general, lives might otherwise be lost.