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FISCAL IMPACT REPORT

SPONSOR Rodella ORIGINAL DATE 2/21/17
LAST UPDATED _____ HB 195

SHORT TITLE Osteopathic Student Loan Service Fund SB _____

ANALYST Chilton

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY17	FY18		
	\$500.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to House Bills 126, 195, and 215 and Senate Bills 108, 355 and 463

SOURCES OF INFORMATION

LFC Files

Responses Received From
Higher Education Department (HED)

SUMMARY

Synopsis of Bill

House Bill 195 makes an appropriation of \$500,000 to the osteopathic medical student loan for service fund to enable the fund to provide scholarships for osteopathic medical students who promise to practice in underserved parts of New Mexico.

FISCAL IMPLICATIONS

The appropriation of \$500,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2018 shall revert to the general fund.

SIGNIFICANT ISSUES

The funds raised by this bill would be restricted at present to students at the Burrell School of Osteopathic Medicine in Las Cruces; if other osteopathic medical schools were to be founded in New Mexico, students there might be included as well.

House Bill 195 – Page 2

[Allopathic] medical students in the loan for service program receive \$25,000 apiece; according to the school's website, the Burrell School tuition is \$46,650; with fees, housing and meals, the estimated total is \$75,206 per year (<https://bcommn.org/admissions/prospective-students/tuition-fees/>).

The New Mexico Osteopathic Medical Association points out that osteopathic physicians (D.O.s) go into primary care specialties in a higher proportion than allopathic medical physicians (M.D.s) and so might be able to fill the needs for primary care physicians in the 29 New Mexico counties that are entirely medically underserved or the additional three that are in part medical shortage areas.

RELATIONSHIP

House Bills 126, 195, and 215 and Senate Bills 108, 355 and 463, all of which deal with osteopathic medical students or practitioners but do not contain appropriations for scholarships.

LAC/sb/al