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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 02/03/09  
**LAST UPDATED** 02/12/09    **HB** 318a/HGAC

**SPONSOR** Varela

**SHORT TITLE** Homeland Security as Cabinet Dept.    **SB** \_\_\_\_\_

**ANALYST** Weber

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Finance and Administration (DFA)

Department of Homeland Security and Emergency Management (DHSEM)

### SUMMARY

#### Synopsis of HHGAC amended

Health and Government Affairs Amendment of House Bill 318 on page 6, line 22, after “governor”, insert “with the consent of the senate”. This change reiterates the senate’s power to confirm.

#### Synopsis of Original Bill

House Bill 318 provides for a series of changes to the Department of Homeland Security and Emergency Management (DHSEM).

Section 1 of the legislation amends existing statute governing the mudslides and floods in Federal Emergency Management Agency (FEMA) prone areas, and to make DHSEM the coordinating agency for the program rather than the Department of Public Safety.

Section 2 of the legislation amends existing statute delineating the responsibility of the DHSEM to include actions relating to threats of terrorism.

A new paragraph is added that makes DHSEM a criminal justice law enforcement agency so as to be able to respond to such responsibilities.

Sections 3-5 makes technical changes to existing statute defining the agency Director as a Secretary, and the department as a cabinet agency.

Section 6 of the legislation amends existing statute governing state agency ownership of state vehicles. Under the legislation, DHSEM is added to the list of agencies permitted to own its fleet.

Section 7 of this legislation contains an emergency clause.

### **FISCAL IMPLICATIONS**

DHSEM notes there is no fiscal impact on the general fund, The Floodplain Mitigation Program and Fleet Management changes are administrative and housed at the agency.

DFA concurs that there is no cost associated with this bill.

Since the agency already exists any potential additional cost would center on the change of pay from an agency director to a cabinet secretary.

### **SIGNIFICANT ISSUES**

DFA adds that the language clarifying DHSEM as the primary agency responsible for disasters is necessary, as current statute refers to DPS as in this role. DHSEM was once a program within DPS, but has been statutorily created as an independent agency. This modification clears up the discrepancy in statute.

The additional language in Section 2 of the bill allows the DHSEM to be able to respond to not only acts of terrorism, but threats within the state. This will assist the department in its role to provide for the safety of New Mexico citizens. The section also defines DHSEM as a criminal justice law enforcement agency to allow it to carry out its statutory duties.

### **TECHNICAL ISSUES**

DHSEM contributes that their fleet is purchased through federal funding for units that are primarily heavy use equipment (tractor/trailer) or emergency response vehicles. The Transportation Services Division (TSD) of the General Services Department (GSD) does not support this type of specialty use. The DHSEM has received waivers from GSD/TSD to operate the fleet independent of the central fleet authority.

To facilitate participation with the Federal Bureau of Investigation (FBI) into the DHSEM fusion center, many technical and administrative requirements must be met. The FBI policy limits sharing of law enforcement information that pertains to ongoing investigations unless it is with another criminal justice agency.

The Floodplain Mitigation Program has been a part of emergency management since its creation. The statute (3-18-7 H NMSA 1979) was missed in the amendments for the consolidation of the Department in the DHSEM Act enacted in the 2007 Legislative Session.

**OTHER SUBSTANTIVE ISSUES**

DFA notes that this legislation is part of the Governor's list of priorities for the legislative session.

MW/mc:mt