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FISCAL IMPACT REPORT

ORIGINAL DATE 03/07/09

SPONSOR Sanchez, B. LAST UPDATED _____ HB _____

SHORT TITLE Drug Policy Task Force SM 71

ANALYST Hanika-Ortiz

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$0.1	\$0.1		Recurring	Various

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Health (DOH)

SUMMARY

Synopsis of Bill

Senate Memorial 71 requests the HPC to create a task force to evaluate New Mexico's current approaches to drug policy through the use of law enforcement, treatment, prevention and harm reduction and to develop strategies for effective change.

The Memorial further resolves:

- New Mexico has long been concerned about substance abuse and its impact on the people of New Mexico;
- addiction is a chronic medical illness that is treatable, and drug treatment success rates exceed those of many cancer therapies;
- according to a recent report issued by the Federal Substance Abuse and Mental Health Services Administration, an estimated 55,000 New Mexicans need, but are not receiving, treatment for an illicit drug use problem and another 124,000 need treatment for alcohol abuse;
- according to the Pew Research Centers, more than one out of every 100 Americans is incarcerated, and a recent United States Justice Department report states that an estimated 500,000 people are incarcerated for a drug law violation nationally;

- at the end of 2007, over 7,300,000 Americans, which is approximately one in every thirty-one adults, were incarcerated or on probation or parole, and roughly one-third of these were under correctional supervision for a drug law violation;
- the average cost of substance abuse treatment in New Mexico is \$1,295 per person per year, and the cost of incarcerating one person in either jail or prison averages \$27,837 per year;
- New Mexico spent approximately \$22 million to incarcerate nonviolent drug possession offenders in 2007;
- of the approximately 5,600 persons in New Mexico's state prison system in 2002, approximately eighty-seven percent were assessed as needing substance abuse services and seventy percent as substance abusing or dependent;
- according to a study by the RAND corporation, every one dollar invested in substance abuse treatment results in a savings to taxpayers of more than seven dollars, through reduced societal costs of crime, violence and loss of productivity;
- the national treatment improvement evaluation study shows substantial reductions in criminal behavior, with a sixty-four percent decrease in all arrests after treatment, making public safety a primary beneficiary of effective drug treatment programs;
- federal, state and local costs of the war on drugs exceed \$40 billion dollars annually, yet drugs are still widely available in every community, drug use and demand have not decreased and most drug prices have fallen while purity levels have increased dramatically;
- according to the Office of National Drug Control Policy, only thirty-five percent of the Federal drug control budget is spent on education, prevention and treatment combined, with the remaining sixty-five percent devoted to law enforcement efforts;
- cities and states across the country have experienced a rise in violent crime and must prioritize scarce law enforcement resources;
- many New Mexico teachers, prevention specialists and school districts are using effective and science-based drug prevention strategies that focus on building resiliency and honest communication with young people about drug use;
- over one-third of all HIV/AIDS cases and nearly two-thirds of all new cases of hepatitis C in the United States are linked to injection drug use with contaminated syringes, now the single largest factor in the spread of HIV/AIDS in the country;
- Blacks, Latinos and other minorities use drugs at rates comparable to Whites, yet they face disproportionate rates of arrest and incarceration for drug law violations among persons convicted of drug felonies in state courts;
- according to the Corrections Department, one in ninety Hispanic men aged eighteen and older, one in thirty-one Black men aged eighteen or older and one in twenty-five Black men aged twenty to thirty-four are currently incarcerated in New Mexico;
- the drastic change in sentencing laws in the last quarter century has led to a 700 percent increase in the incarceration of women, with drug law violations accounting for one-third of the increase;
- in order to promote the successful reentry into society of people leaving prison or jail, New Mexico must provide them with job training, transitional housing, family reunification services, behavioral health treatment and the restoration of voting rights;
- New Mexico continues to be a national leader in effective, public health-based drug policies, as demonstrated by its 1997 enactment of the Harm Reduction Act, which created statewide syringe exchange programs;

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- the DOH 2001 overdose prevention and response initiative; and the good Samaritan provisions in Section 30-1-27.1 NMSA 1978, which was enacted in 2007; and
- the use of a four pillar approach to drug policy, incorporating law enforcement, treatment, prevention and harm reduction, can save both lives and money in New Mexico.

FISCAL IMPLICATIONS

The task force will be asked to identify short- and long-term strategies for drug policies that save taxpayer money, hold agencies accountable and demonstrate a proactive, public health approach to drug policy development.

HSD reports that 4,519 people received substance abuse treatment and 6,272 persons with co-occurring disorders were treated in FY08.

HPC will incur additional expenses in order to complete the performance and administrative functions outlined in the Memorial.

Effective substance abuse treatment, and other solutions to substance abuse, has the potential to reduce the number of new substance abuse-related criminal convictions and probation/parole violations, and to reduce prison population and probation/parole caseloads.

Members may be able to receive reimbursement for participating in the task force pursuant to the Perdiem and Mileage Act.

SIGNIFICANT ISSUES

SM 71 proposes an opportunity for public and private organizations to collectively address the issue of drug policies in New Mexico, recognizing that the problem is complex and requires a comprehensive, collaborative approach to determine long term solutions.

DOH reports that for the past decade, New Mexico's death rate from alcohol and drugs has consistently been among the top three states in the nation. Similarly, New Mexico's rates of substance dependence and abuse are consistently among the highest in the nation, according to a national household survey. It is also important to note that the harm from prescription drug use and misuse is mounting in New Mexico. The changing trends in drug use should be considered and appropriate policy should be formulated to reduce the burden to New Mexicans.

PERFORMANCE IMPLICATIONS

The task force will present its findings and recommendations, including a description of current approaches to drug policy to the interim Legislative Health and Human Services Committee and other appropriate interim Legislative Committees by November 1, 2009.

ADMINISTRATIVE IMPLICATIONS

The task force will include representation from the Governor's Office; the Legislative Finance Committee; experts in the fields of public safety, public health, substance abuse prevention, behavioral health treatment and harm reduction; the drug policy alliance; and at least two individuals who are in recovery from substance abuse.

RELATIONSHIP

SM 71 duplicates SJM 52; and relates to HM 9, which forms a task force to review medication-assisted substance abuse treatment.

SM 71 also relates to HB221, which would appropriate \$800 thousand to HSD to contract with a non-profit community health partnership to fund behavioral health screening, brief intervention, and referral to treatment services; HB455, which would appropriate \$500 thousand to the Office of the Attorney General for a statewide project that protects children against methamphetamine; and HB770, which would appropriate \$10 million to DOH to expand drug and alcohol counseling and treatment programs.

TECHNICAL ISSUES

SM 71 may want to include representatives from NMCD and the Behavioral Health Collaborative (BHC).

OTHER SUBSTANTIVE ISSUES

HSD reports that New Mexico is in its fourth year of a ten year process to transform behavioral health services to adult, children, youth and families. HPC is one of the seventeen members of the Behavioral Health Collaborative. BHSD is the designated single state substance abuse authority and administrates the federal Substance Abuse Prevention and Treatment (SAPT) Block Grant that offer behavioral health treatment for pregnant women and women with dependent children, especially those with substance use disorders. One aspect of the Block Grant requires specific priority groups receive immediate treatment. These priority populations are Intravenous Drug Users which include pregnant injection drug users, pregnant substance users, parenting injection drug users, and parenting substance users.

The NM judiciary's drug court programs have proven successful in treating offenders whose underlying substance abuse drives their repeat criminal behavior.

ALTERNATIVES

HSD reports that task force efforts may be duplicative of the ongoing work of the Behavioral Health Collaborative and the Planning Council's Substance Abuse Subcommittee.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Drug policy and substance use issues would continue to be addressed through the BHC, AOC and the NMCD.

AHO/svb