

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (www.nmlegis.gov) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Chasey/Ely/Matthews/ Louis **ORIGINAL DATE** 2/01/2020
LAST UPDATED 2/05/2020 **HB** 301/aHJC

SHORT TITLE Violence Intervention Program Act **SB** _____

ANALYST Glenn

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
	\$10,000.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY20	FY21	FY22	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$96.9	\$96.9	\$193.8	Recurring	Violence Intervention Program Fund
		Indeterminate- See Fiscal Implications	Indeterminate- See Fiscal Implications	Indeterminate- See Fiscal Implications	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Public Safety (DPS)

Department of Health (DOH)

Sentencing Commission (NMSC)

SUMMARY

Synopsis of HJC Amendment

The House Judiciary Committee amendment to House Bill 301 changes the population requirement for municipalities qualified for grant awards totaling a minimum of 20 percent of annual appropriations to the violence intervention program fund from 540 thousand or greater to 500 thousand or greater.

Synopsis of Original Bill

House Bill 301 appropriates \$10 million from the general fund to the violence intervention program fund for use by DOH to administer the Violence Intervention Program Act and to award violence intervention program grants to eligible municipalities.

The bill creates the “Violence Intervention Program Act.” Money from the violence intervention program fund is appropriated to DOH to administer the Act and award violence intervention program grants to municipalities the DOH finds are disproportionately impacted by violent crimes, including homicides, shootings and aggravated assaults. DOH is limited to spending no more than three percent of the balance of the fund each fiscal year.

DOH must award grants to at least two municipalities with a population of 50,000 or less, and must award at least 20 percent of the appropriation to municipalities with a population of 540,000 or greater. Municipalities that apply for a grant must provide clearly defined, measurable objectives for proposals to improve public health and safety through evidence-based violence reduction initiatives. Each municipality awarded a grant must use at least 50 percent of its grant to enter into contracts with community-based organizations for services that accomplish the purposes of the Violence Intervention Program Act.

Each municipality awarded a grant is required to make an annual report to DOH and NMSC. DOH and NMSC must make an annual report to the Legislature regarding the awards and outcomes of each grantee.

HB301 provides DOH with authority to adopt rules necessary to administer the Violence Intervention Program Act.

There is no effective date of this bill. It is assumed that the effective date is 90 days following adjournment of the Legislature.

FISCAL IMPLICATIONS

The appropriation of \$10 million contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2021 or subsequent fiscal years shall not revert to the general fund.

The bill creates a new fund and provides for continuing appropriations. 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.

DOH states that, if HB301 is enacted, DOH administration would be funded by up to 3 percent of the appropriation made by the bill, beginning in fiscal year 2021. According to DOH, administrative and personnel management costs and direct costs would be covered by the 3 percent provision for administration. DOH states that the total cost for hiring one Social/Community Services Coordinator would be \$96,916 (Pay Band 70, \$23.31 per hour mid-range x 2080 hours x 1.39 for benefits = \$67,394 + computer setup at \$2000 + phones at \$2022 + IT costs of \$1500 + office space at \$24,000).

NMSC states that the Violence Intervention Program Act’s requirement that NMSC “provide municipalities with data relevant to grant applications” is potentially broad and unspecific. Nevertheless, given its role in the state, NMSC should be able to support whatever data requests the municipalities might have. NMSC is, however, presently operating at near capacity and the mandates of HB301 - the requirement to conduct data pulls for grant applications and the various reporting requirements - would put additional strain on NMSC staff. Budgetary support for additional NMSC staff would be welcome given this unfunded mandate.

SIGNIFICANT ISSUES

DPS is concerned that the bill does not include criteria to guide DOH in making its determination as to which municipalities are “disproportionately impacted.” DPS believes the determination should be tied to measurable criteria, and suggests that the determination be based on data aggregated by NMSC in fiscal year 2021 and by data aggregated by DPS in subsequent fiscal years.

DPS refers to HB301’s requirement that grant applications include “clearly defined, measurable objectives for a proposal to improve public health and safety through evidence-based violence reduction initiatives.” DPS recommends that the requirement be amended to refer to violence reduction initiatives found effective by an independent organization, such as the World Health Organization or U.S. Centers for Disease Control and Prevention.

HB301 requires that municipalities applying for a grant from the violence intervention program fund notify the appropriate criminal justice coordinating council of their grant applications and regarding the outcomes of their grants. DPS believes HB301 funding may duplicate funding awarded to criminal justice coordinating councils under the New Mexico Crime Reduction Grant Act.

DOH reports that in 2017, New Mexico had the third highest violent death rate in the United States at 32.8 deaths per 100,000 persons (<https://wonder.cdc.gov/>) and 171 New Mexico residents died of homicide for a rate of 8.4 deaths per 100,000 residents. There were 215 homicides in New Mexico in 2018, which was an increase of 29 percent to a rate of 10.8 per 100,000 (<https://ibis.health.state.nm.us/>). The suicide rate of 23.3 per 100,000 in New Mexico was fifth highest in the U.S. (<https://www.cdc.gov/injury/wisqars/index.html>).

More generally, DOH refers to a recent study by Iowa State University revealing that, besides the obvious loss of human life, murder costs society an estimated \$17.2 million per murder. This amount includes the victim’s cost, criminal justice system costs, and lost productivity estimates for both victim and perpetrator (<https://www.news.iastate.edu/news/2010/sep/costofcrime>).

DOH notes that the key to violence prevention is defining and monitoring the problem, identifying risk and protective factors, developing and testing prevention strategies and assuring widespread adoption. Additional assessments and evaluation are necessary to assure that all components of the strategy fit within the community context and have the desired effect of preventing violence (Public Health Policy for Preventing Violence, Health Affairs).

OTHER SUBSTANTIVE ISSUES

Section 4(B) requires “at least twenty percent of *the total annual amount appropriated to the fund* shall be awarded” to large municipalities (emphasis added). The meaning of “twenty percent of the total annual amount appropriated” is unclear, which may cause confusion and

difficulties in complying with the requirement. The bill does not provide for “annual” appropriations to the violence intervention program fund. The fund consists of the \$10 million appropriation provided in Section 9 and any other “appropriations, gifts, grants and donations” the fund might subsequently receive (Section 3). Similarly, the bill does not provide for annual appropriations to DOH. Section 3 provides a continuing appropriation from the fund to DOH, and limits DOH to spending no more than three percent of the balance of the fund each fiscal year.

BG/al/sb/al