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FISCAL IMPACT REPORT

ORIGINAL DATE 1/23/08

SPONSOR Carraro LAST UPDATED _____ HB _____

SHORT TITLE National Guard Closure of Southern Border SM 7

ANALYST Peery-Galon

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY08	FY09	FY10	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$0.1	\$0.1	\$0.1	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Homeland Security and Emergency Management Department (HSEMD)

New Mexico Corrections Department (NMCD)

Department of Health (DOH)

No Responses Received From

Department of Military Affairs

Department of Public Safety

SUMMARY

Synopsis of Bill

Senate Memorial 7 requests the governor call out the New Mexico National Guard to close and patrol the border between New Mexico and the Republic of Mexico in order to protect the citizens of New Mexico and the United States from the scourge of methamphetamine.

FISCAL IMPLICATIONS

HSEMD states it is indeterminate what the fiscal impact will be on the department.

NMCD states assuming that the flow of illegal drugs into New Mexico will dissipate as a result of the proposed legislation, it could lead to a reduction in drug-related crimes. This reduction in drug-related crimes and convictions could lead to a decrease in the department's prison population and probation/parole caseloads.

Based on FY06 actual expenditures, the average annual cost to incarcerate an individual in a NMCD correctional facility is \$31,239, and the average annual cost of probation and parole/community corrections client is \$1,343.

SIGNIFICANT ISSUES

DOH states methamphetamine, which can be smoked, inhaled, eaten or injected, directly affects the central nervous system with short-term side effects of decreased depression, increased anxiety, insomnia, mood swings, feelings of paranoia, and violent behavior. Long-term sustained use can cause permanent kidney complications, brain and liver damage, lung disorders, blood clots and even death. DOH states the number of hospitalizations related to methamphetamine use in New Mexico has been rapidly increasing since 1988, with a total of 750 cases in 2003. Between 2005 and 2006, a total of 66 deaths in the state were attributed to unintentional overdose of methamphetamine.

DOH reports the Office of the Governor, Drug Czar, provides the following summary of the burden of methamphetamine in New Mexico: 694 children exposed to methamphetamine were placed in protective custody between 2004 and April of 2006; 657 methamphetamine-related arrests in 2005; and 239 methamphetamine labs seized between 2004 and April of 2006. DOH notes the number of labs in the state is in decline. However, labs established in Mexico are producing large quantities of methamphetamine of high purity and are supplying users in New Mexico, as well as transporting the drug to markets throughout the United States.

DOH notes the High Intensity Drug Trafficking Area Working Group reports that New Mexico is an important drug transfer route from Mexico. The open border areas between El Paso, Santa Teresa and Columbus ports of entry, including the backcountry of the “boot heel” area, and access to major road networks makes this area the most vulnerable for law enforcement. DOH states the Columbus port of entry is also highly vulnerable due to the fact that 3,500 people cross the border into New Mexico each day in a variety of vehicles, and because of the instability of law enforcement in Palomas, Mexico.

DOH states an actual “closure” of the border would have important economic, social and cultural impacts within New Mexico. The flow of legal commerce between the two countries, much of it relating to the movement of agricultural, industrial and consumer goods into and out of Mexico, would be interrupted with serious economic and financial consequences for certain businesses and producers in New Mexico. DOH notes many New Mexico residents have extended family ties with relatives in Mexico, and some 400 students living in and around Palomas and Chihuahua, Mexico attend school each day in Luna County, any closure of the border would have immediate and harsh social implications.

NMCD notes the department is not advocating for the closure of the Mexico-New Mexico border. The department is merely stating that any decrease in the availability of illegal drugs may lead to less crime, and thus to fewer convictions.

RPG/jp