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FISCAL IMPACT REPORT

SPONSOR SFC ORIGINAL DATE 3/12/15
 LAST UPDATED 3/16/15 HB _____

SHORT TITLE Distribution for Alcohol Detox & Treatment SB 463/SFCS

ANALYST Malone

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of SFC Substitute

The Senate Finance Committee substitute for Senate Bill 463 expands the fund distribution to certain counties for alcohol detoxification and treatment facilities as set forth in Section 11-6A-3 NMSA 1978. A new subsection creates \$300 thousand distributions to class B counties with a population of more than seventy thousand but less than seventy-five thousand people according to the most recent federal decennial census (2010).

The bill reduces by \$300 thousand (from \$2.5 million to \$2.2 million) the liquor excise tax revenues dedicated from the LDWI fund for the Local Government Division (LGD) to make grants to municipalities and counties to prevent and treat alcoholism and alcohol abuse.

This bill strikes out the specific dollar amount of \$2.8 million set in current statute for grants and other allocations for counties with certain classifications and populations. It also removes the specified annual amount of \$5.6 million and allows for appropriations for alcohol detoxification and treatment facilities to be established annually by the most recent federal decennial census and county classification status.

The bill calls for using the most recent federal decennial census rather than the 1990 census.

The effective date is July 1, 2015.

FISCAL IMPLICATIONS

This bill contains no fiscal implication for the amount of liquor excise tax distributed to the LDWI fund. However, the way this fund is distributed as called for in this bill will change to allow certain counties to receive a larger or smaller sum depending on the latest federal decennial census and county classification status. See attachment two for projected changes from DFA.

SIGNIFICANT ISSUES

Section 4-44-1(A) defines county classifications as:

1. those having a final, full assessed valuation of over seventy-five million dollars (\$75,000,000) and having a population of one hundred thousand persons or more as determined by the most current annual population data or estimate available from the United States census bureau, as class "A" counties;
2. those having a final, full assessed valuation in excess of seventy-five million dollars (\$75,000,000) with a population of less than one hundred thousand persons as determined by the most current annual population data or estimate available from the United States census bureau, as class "B" counties; and
3. those having a final, full assessed valuation equal to or less than seventy-five million dollars (\$75,000,000) with a population of less than one hundred thousand persons as determined by the most current annual population data or estimate available from the United States census bureau, as class "C" counties.

*See attachment one for latest county classifications.

The bill calls for using the most recent federal decennial census data for determining county population. Attachment 2 shows the 2010 census populations findings by county. Using this data, there are two impacts as a consequence of the bill's amendments to Section 11-6A-3:

1. McKinley county will be newly included among those counties receiving distributions for alcohol detoxification and treatment facilities. McKinley will receive \$300 thousand.
2. Sandoval county will begin receiving \$300 thousand, while under current statute the county receives \$150 thousand.

SB 463 will increase the amount of the distribution funds which will be set aside for specific counties in the form of a grant agreement to be used for detoxification and treatment facilities by the \$450 thousand outlined above. The bill also calls for reducing the amount of money set aside for grants, rather than distributions, by \$300 thousand. Presumably, this savings will be used to partially defray the deduction from distribution funds. These combined actions will decrease by \$150 thousand the amount of liquor excise funding available for distribution to all counties to fund the eight components currently funded through the LDWI Grant fund:

- Prevention
- Screening
- Alcohol Related Domestic Violence
- Compliance Monitoring/Tracking

- Alternative Sentencing
- Coordination, Planning and Evaluation
- Law Enforcement and
- Treatment

ADMINISTRATIVE IMPLICATIONS

DFA notes that each county DWI program will submit an application for FY16 funding to the department in March 2015. In this application, counties will be applying for funding amounts set in current statute. The DWI Grant Council will be awarding the funding for FY16 in April 2015. If SB 463 is enacted, the distribution amounts awarded to the counties by the DWI Grant Council will be adversely affected for most counties. The counties that will become eligible to receive the detoxification funding will need to submit an application for these funds, therefore, a new application may be due to the department and an additional DWI Grant Council meeting will need to be set to re-award the distribution and detoxification grant funds for FY16.

CONFLICT

Conflicts with HB 215 and SB 265.

AMENDMENTS

DFA suggests that an effective date of July 1, 2016 would allow time for the department to adequately prepare for the changes that will effect the amount of funding established for all counties.

CEM/je/aml/je

DWI DISTRIBUTION - FY16 ESTIMATE

SFC Substitute Bill 463 effective status quo for FY16

County - Grantee	Gross Receipts	Distribution Over.005	Distribution Under 0.005	Distribution Over.005	Distribution Under 0.005	Distribution Decrease
Bernalillo County	8,068,165,993	4,784,060.48	0.00	4,831,742.15	0.00	47,681.67
Catron - Reserve	7,751,503		75,250.00		76,000.00	750.00
Chaves	723,005,603	412,283.50	0.00	416,392.63	0.00	4,109.13
Cibola	149,954,376	213,138.59	0.00	215,262.90	0.00	2,124.31
Colfax	97,465,739	102,040.75	0.00	103,057.77	0.00	1,017.02
Curry	563,825,445	298,857.78	0.00	301,836.43	0.00	2,978.65
De Baca - Ft Sumner	8,127,007		75,250.00		76,000.00	750.00
Dona Ana	1,657,699,366	1,170,348.10	0.00	1,182,012.70	0.00	11,664.60
Eddy	1,110,646,077	549,012.30	0.00	554,484.18	0.00	5,471.88
Grant	273,719,101	202,955.29	0.00	204,978.10	0.00	2,022.81
Guadalupe	40,430,092		75,250.00		76,000.00	750.00
Harding	1,588,607		75,250.00		76,000.00	750.00
Hidalgo	25,322,242		75,250.00		76,000.00	750.00
Lea	1,260,740,599	595,632.01	0.00	601,568.54	0.00	5,936.53
Lincoln - Ruidoso	299,654,298	221,655.40	0.00	223,864.60	0.00	2,209.20
Los Alamos	37,748,777		75,250.00		76,000.00	750.00
Luna	176,319,215	140,129.41	0.00	141,526.05	0.00	1,396.64
McKinley	560,737,133	741,159.83	0.00	748,546.80	0.00	7,386.97
Mora	5,522,855		75,250.00		76,000.00	750.00
Otero	475,654,009	321,258.15	0.00	324,460.06	0.00	3,201.91
Quay	73,843,420		75,250.00		76,000.00	750.00
Rio Arriba	244,098,927	334,860.21	0.00	338,197.69	0.00	3,337.48
Roosevelt - Portales	153,609,454	116,412.61	0.00	117,572.86	0.00	1,160.25
Sandoval	639,425,333	518,318.45	0.00	523,484.42	0.00	5,165.97
San Juan	1,458,510,635	1,153,417.85	0.00	1,164,913.71	0.00	11,495.86
San Miguel	180,646,061	222,448.51	0.00	224,665.60	0.00	2,217.09
Santa Fe	1,948,237,215	1,342,333.57	0.00	1,355,712.31	0.00	13,378.74
Sierra	86,327,541	87,194.82	0.00	88,063.87	0.00	869.05
Socorro	96,300,927	112,663.70	0.00	113,786.59	0.00	1,122.89
Taos	322,603,045	291,994.97	0.00	294,905.22	0.00	2,910.25
Torrance	73,213,113		75,250.00		76,000.00	750.00
Union	27,093,772		75,250.00		76,000.00	750.00
Valencia - Los Lunas	436,328,966	365,323.72	0.00	368,964.82	0.00	3,641.10
	21,284,316,446					
TOTAL TRANSFERS	20,800,000.00	14,297,500.00	752,500.00	14,440,000.00	760,000.00	150,000.00
GRANTS	(5,750,000.00)					
TOTAL DISTRIBUTION	15,050,000.00				15,200,000.00	150,000.00
		14,297,500.00	752,500.00			