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## FISCAL IMPACT REPORT

SPONSOR:	Lopez	DATE TYPED:	02/08/00	HB	
SHORT TITLE:	Coordinated Public Transportation Services			SB	SJM 27
				ANALYST:	Valdes

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
See Fiscal Implications Section					

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to HB 313

### SOURCES OF INFORMATION

New Mexico Department of Labor

State Department of Education

State Highway and Transportation Department

State Agency on Aging

## **SUMMARY**

### Synopsis of Bill

The joint memorial requests a memorandum of understanding be entered into between the New Mexico State Highway and Transportation Department, the NM Department of Labor, the State Department of Education, the Human Services Department, the Children, Youth and Families Department, the Department of Health and the State Agency on Aging to provide cost-effective and coordinated public transportation services for New Mexico Works Act program participants and other clients requiring state subsidized transportation.

### Significant Issues

#### State Department of Education

According to the State Department of Education, state law restricts the use of school buses to the sole purpose of transporting students to and from school. The department is willing to work with the New Mexico Works Act program and has offered to transfer transportation equipment that is no longer in use by the public schools for NM Works Act purposes.

#### State Agency on Aging

The success of the NM Works Program will have a positive impact on the state:

- Significant reduction of state and federal welfare expenditures
- New tax revenue from formerly unemployed individuals

The agency annually requests funds to replace old or high mileage vehicles used by senior citizens programs throughout the state. Using senior vans for the purpose of this bill means van mileage would increase resulting in higher capital outlay requests to the Legislature.

The agency's 100+ service providers would contractually need to be bound to provide services in this joint venture.

## **FISCAL IMPLICATIONS**

### State Department of Education

The department's offer to transfer transportation equipment for use of the NM Works Act program would affect the General Fund by approximately \$2.0 per transferred school bus.

### State Agency on Aging

A reimbursement process would need to be developed to insure senior citizen programs would get timely reimbursements directly from the agencies utilizing senior vans. The costs associated with transporting NM Works Act program participants and other agencies' clients could be significant to agency network programs.

Salary for additional hours worked by van drivers, vehicle maintenance and additional record-keeping are only a few of the associated costs of participation in the NM Works program.

Increased oversight requirements service providers may result in the need for additional FTE. Additional van drivers at the local community may be necessary.

## **ADMINISTRATIVE IMPLICATIONS**

Coordination and participation in the NM Works program by all applicable departments would impact administrative operations.

MFV/gm