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FISCAL IMPACT REPORT

SPONSOR: Picraux DATE TYPED: 03/15/01 HB 749/aHCPAC/aHAFC
 SHORT TITLE: Handicapped Housing SB _____
 ANALYST: Chabot

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY01	FY02			
See Narrative			Recurring	New Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files
 Division of Vocational Rehabilitation
 Governor's Committee on Concerns of the Handicapped (GCCH)

SUMMARY

Synopsis of the HAFC Amendment

This amendment removes the appropriation from the bill. A Handicapped Housing Modification Permanent Fund would still be authorized but there will be no initial funding. Any gifts, donations or bequests can be deposited into the Fund. However, without an initial appropriation, it is doubtful that any gifts, donations or bequests will be sufficient to grow the Fund to the point where grants can be made to assist low-income handicapped persons make accessibility modifications to residential dwellings.

TECHNICAL ISSUES

On page 1, line 15, strike “making appropriations”.

Synopsis of the HCPAC Amendment

This amendment changes the effective date for the annual distribution from the Handicapped Housing Modification Fund to July 1, 2002 instead of July 1, 2001.

Synopsis of Original Bill

This bill establishes the Handicapped Housing Modification Permanent Fund (HHMPF) and appropriates \$6,000.0 to it and provides that gifts, donations or bequests can be made to the fund. In addition, it creates the Fund for the Handicapped (FFTH) to which distributions from the HHMPF are made for the expenditure by GCCH for implementing a low-income residential modification program. The bill amends Section 28-10-2 NMSA 1978, Governor’s Committee on Concerns of the Handicapped–Powers and Duties, to include establishing and administering a residential modification program to assist low-income handicapped persons to make accessibility modification to residential dwellings. The bill contains an emergency clause.

Significant Issues

The HHMPF fund would be created with a \$6,000.0 appropriation from the general fund. Money in the fund will be invested by the state investment offices and earnings will be credited to the fund. Money in the fund will not revert and shall not be expended for any purpose except for an annual distribution to FFTH. Gifts, donations and bequests may be contributed to HHMPF.

The FFTH will receive annual distributions for HHMPF of an amount equal to \$300.0 for the first five years of the existence of the fund. After five years, the annual distribution will be five percent of the five-year average year-end values of the HHMPF. GCCH will use the FFTH to establish and administer a residential accessibility modification program to assist low-income handicapped persons to make accessibility modifications to residential dwellings. It is the intent that these modifications will allow handicapped persons to remain in their homes or, as a result of modifications to their homes, to leave institutional settings and return to their communities.

Types of home modifications identified by GCCH as candidates under the FFTH are designed to incorporate basic home accessibility features such as ramps (exterior and/or interior), wider doors, and grab bars where needed especially in bathrooms, levered door handles, larger bathroom, bedroom, and/or kitchen, operable windows, alarms in homes or apartments, and automatic door and/or garage door openers.

PERFORMANCE IMPLICATIONS

To establish baseline information, two output measures are proposed:

Output Number of applications for home modification from the fund for the handicapped:

Output Number of home modified through the fund for the handicapped:

FISCAL IMPLICATIONS

The appropriation of \$6,000.0 contained in this bill is a non-recurring expense to the general fund to establish a non-reverting fund.

The bill creates a new Handicapped Housing Modification Permanent Fund with the general fund appropriation. The Fund can also receive other revenue. The bill also creates a new Fund for the Handicapped to receive distributions from the permanent Fund.

ADMINISTRATIVE IMPLICATIONS

GCCH will have to develop policies and procedures for this program and administer this program under its operating budget. No provision is made for any administrative expenses to be charged to the funds. GCCH will need to establish the fiscal year 2002 FFTH operating budget through a budget adjustment request. In subsequent years, the budget will be processed through the appropriations process. Criteria should be established by GCCH so that the most critical needs are satisfied through a ranking system.

TECHNICAL ISSUES

Page 20, line 21, uses the term "low income" and it is not defined in the bill. As written, GCCH would administratively define the term under their powers and duties. If a specific income ceiling is intended, it should be specified in the bill.

GAC/prr/njw:ar