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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/27/07

SPONSOR Sanchez, M LAST UPDATED 1/31/07 HB \_\_\_\_\_

SHORT TITLE Personnel Board Telephone Staff SB 308

ANALYST Moser

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

State Personnel Office (SPO)

NM Department of Corrections (DOC)

NM Public Education Department (PED)

### SUMMARY

#### Synopsis of Bill

Senate Bill 308 proposes to amend the Personnel Act requiring the Personnel Board to promulgate rules requiring state agencies to establish an accountability policy that requires each agency to staff customer service and other citizen information lines sufficiently to ensure telephones are always answered promptly and with courtesy during business hours

### FISCAL IMPLICATIONS

There is no direct fiscal impact. Agencies are budgeted to meet these needs.

### SIGNIFICANT ISSUES

The Personnel Act establishes a system of personnel administration based solely on qualification and ability to ensure that a merit system is in place for state classified employees. The SPO indicates that this proposed legislation expands the scope of the Personnel Act by addressing customer service broadly and may not be the most appropriate section of state statute for

inserting this new language. Customer service is currently being addressed by agencies through existing agency specific code of conduct policies, customer service policies and with individual employees through performance appraisals.

The PED indicates that it is not unusual for local, state and federal governmental agencies to set telephone customer service standards and values in order to ensure consistent responsiveness and accountability to their constituencies. According to a federal study entitled “Putting Customers First—Serving the American Public: Best Practices in Telephone Service” that was conducted in 1995 available at <http://govinfo.library.unt.edu/npr/library/papers/benchmrk/phone.html> on a single day in January 1995, Americans placed 1.7 million calls to the Social Security Administration. In 1994, the Internal Revenue Service received 68.7 million calls and the Immigration and Naturalization Service received some 12 million calls for services and information. Ten years later, one would expect those statistics to be even higher.

Although telephone call statistics for a state agency are presumably far less, this study reinforces that citizens speak to their government. Telephone service also appears to be a cost-effective way to deliver services to people. This study reports that one estimate is that it costs more than three times as much to respond to an inquiry by letter than it does to respond to the same question over the telephone. It concludes that as agencies face severe budget constraints, cost is becoming an even greater factor and many agencies may determine, just as many businesses have, that telephone service is the most cost effective way of interacting with their customers.

GM/mt