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FISCAL IMPACT REPORT

ORIGINAL DATE 02/10/07

SPONSOR Papen LAST UPDATED _____ HB _____

SHORT TITLE Statewide Homeless Programs SB 586

ANALYST Weber

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$500.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department (HSD)

Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 586 appropriates \$500 thousand from the general fund to the Human Services Department to expand funding for homeless programs statewide.

FISCAL IMPLICATIONS

The appropriation of \$500 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2008 shall revert to the general fund.

SIGNIFICANT ISSUES

HSD reports currently \$200,000 is budgeted for Homeless Meals and \$750,000 for Homeless Shelter programs. HSD administers these funds by passing 100% of the appropriation to the designated agencies and keeps no funds for administration.

In addition, the New Mexico Mortgage Finance Authority (MFA) is authorized per Executive Order 97-01 to administer all Homeless shelter programs' funding in New Mexico. HSD complies each year by transferring the funds via a Joint Powers Agreement (JPA) with MFA to provide the State Homeless Shelter services statewide. The Homeless Meals Programs are also contracted each year to designated Meals Programs statewide.

This bill does not specify program services, the numbers to be served, any performance outcomes and the method of the funding distribution

The Public Education Department notes.

The National Alliance to End Homelessness called "Homelessness Counts," recently released its first national estimate of the homeless population in a decade. It states that 744,313 people were homeless in January 2005. Of these, 41 percent were living in families.

This HSD program will have an indirect link in addressing student health, wellness and academic achievement, which help to ensure that all homeless children and youth have equal access to the same free and appropriate public education, including public preschool education, provided to other children and youth.

Children and youths have to be free from segregation, isolation and stigmatization (Title VII-B of the McKinney-Vento Homeless Assistance Act (42 USC 11431 et seq.)).

Children and youths have to have comparable access to school meals, English language services, vocational and technical education, special education (including gifted) and Title 1 services (Title VII-B of the McKinney-Vento Homeless Assistance Act (42 USC 11431 et seq.)).

- The 2005-06 PED's data collection report to the federal government included 4,966 reported homeless children and youth that were served by the McKinney-Vento Homeless Education Program.
- Barriers to the education of New Mexico homeless children and youth include: school selection, transportation, school records, immunization/medical records, and lack of affordable housing.
- Homeless children get sick four times as often as children in middle class families
- Homeless children go hungry twice as often as other children (Kids' Corner: Facts about homelessness).
- Homeless children have more mental health problems than other children, but less than one-third receives treatment (Kids' Corner: Facts about homelessness).
- Most homeless families are made up of a young, single mother and two young children. A worker earning minimum wage would have to work 97 hours a week to pay the rent of an average two-bedroom apartment (Kids' Corner: Facts about homelessness).
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The waiting period for public housing averages one to two years. For programs that help to pay for part of the families' rent, the wait is even longer (Kids' Corner: Facts about homelessness, <http://www.nationalhomeless.org>).