

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 02/11/09

SPONSOR Salazar LAST UPDATED _____ HB 409

SHORT TITLE Senior Citizens Programs SB _____

ANALYST Chabot

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$8,259.3	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Aging and Long-Term Services Department (ALTSD)

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 409, Senior Citizens Programs, appropriates \$8,259.3 from the general fund to ALTSD for the purpose for senior programs as follows:

- \$7,440,311.00 for senior services including adult day care, case management, congregate meals, home-delivered meals, in-home services, transportation and senior center services;
- \$514,832.00 for volunteer programs including foster grandparents, senior companions and retired senior volunteers;
- \$42,431.00 for information, assistance, education and respite services for caregivers and persons with Alzheimer's disease and related disorders; and
- \$261,680.00 for senior health promotion activities including Senior Olympics.

FISCAL IMPLICATIONS

The appropriation of \$8,259.3 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2010 shall revert to the general fund.

The LFC submitted a balanced general fund appropriation recommendation for fiscal year 2010. Any additional general fund expenditures appropriated by the Legislature must be off-set by an equal amount from the appropriation recommendation.

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

SIGNIFICANT ISSUES

ALTSD reports “The Aging Network is experiencing an increase in requests for services with a growing aging population and fewer other community services available. Many senior centers are contemplating having waiting lists for services requested because they do not have the financial nor physical resources to serve additional clients. This appropriation is therefore of critical importance to ensure that our senior citizens are adequately served and supported.”

DFA reports that the economic downturn has increased the cost and demand for services. The Aging Network provides a safety net for older citizens with limit financial resources.

ADMINISTRATIVE IMPLICATIONS

The appropriation is to ALTSD which would distribute the funds to the Area Agencies on Aging.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Services within the Aging Network will not be expanded.

POSSIBLE QUESTIONS

1. How will increases for these programs in the Federal Stimulus Package affect the need for this appropriation?

GAC/svb