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FISCAL IMPACT REPORT

ORIGINAL DATE 2/24/09

SPONSOR Gonzales LAST UPDATED _____ HB 831

SHORT TITLE Taos Homeless Shelter SB _____

ANALYST Hoffmann

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$135.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

House Bill 831 is a duplicate of Senate Bill 661. Please see the narrative for the relationship of an appropriation in the General Appropriation Act.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Human Services Department (HSD)

Department of Health (HSD)

Department of Public Safety (DPS)

No Response

New Mexico Municipal League

SUMMARY

Synopsis of Bill

House Bill 831 appropriates \$135 thousand from the general fund to the Local Government Division of the Department of Finance and Administration for expenditure in fiscal year 2010 to contract for the operating expenses of a homeless shelter for men in Taos.

FISCAL IMPLICATIONS

The appropriation of \$135 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of 2010 shall revert to the general fund.

According to the LFC's February 2009 revenue estimate, fiscal year 2010 recurring revenue will only support a base expenditure level that is \$575 million less than the fiscal year 2009 appropriations before the 2009 solvency reductions. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

SIGNIFICANT ISSUES

The HSD comments that House Bill 831 is targeting a specific region, Taos County, and a specific population, homeless men. The \$135,000 appropriation will supplement the appropriation made by the Legislature of New Mexico, 48th Legislature, which appropriated funds in the amount of \$750,000 to HSD for State Fiscal Year 2009 from the State General Fund (GF) to provide homeless support services statewide. The Mortgage Finance Authority (MFA) has signed a GSA with HSD to serve 15,500 homeless individuals statewide. Services include:

1. Continuum of care match
2. Emergency shelter operations
3. Essential services
4. Homeless prevention
5. Permanent supportive housing

The DFA reports that homelessness is an issue of grave concern in the state of New Mexico. In Taos County, a non-profit coalition has made providing a bed to homeless in the county a priority. The coalition has obtained funding from community members, the school district, and both county and town governments to operate a 12 bed facility. The facility has provided a bed to over 250 men in the past 15 months. While the community has been supportive financially of this effort, due to the current economic instability the coalition is seeking assistance from the state for operating expenses to help keep the shelter open.

DUPLICATION

The HSD observes that House Bill 831 conflicts with the Executive and LFC budget. House Bill 2 appropriates \$750,000 to HSD from the general fund to provide homeless support services. House Bill 831 would provide additional funding specifically for homeless men living in Taos.

House Bill 513 is a related bill titled, Taos Homeless and Neglected Youth Services, appropriates \$30,000 to the Children Youth and Families Department.

House Bill 831 is a duplicate of Senate Bill 661.

ALTERNATIVES

The DFA notes that it is possible that the funding needed for the operating expenses of the homeless shelter in Taos County could be available through the federal stimulus package.

CH/mt