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FISCAL IMPACT REPORT

ORIGINAL DATE 02/06/12

SPONSOR Morales LAST UPDATED _____ HB _____

SHORT TITLE Employment For Disabled Persons SB 267

ANALYST Geisler

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY12	FY13		
	\$150.0	Recurring	General

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Governor's Commission on Disability (GCD)

Division of Vocational Rehabilitation (DVR)

SUMMARY

Synopsis of Bill

Senate Bill 267 appropriates \$150,000 from the general fund to the Governor's Commission on Disability for expenditure in fiscal year 2013 to pay for employment, accessibility and resource services to overcome barriers for employment through education, advocacy and positive reinforcement for the disabled.

FISCAL IMPLICATIONS

The bill appropriates \$150,000 general fund to the Governor's Commission on Disability for disability employment related services. There is some question if GCD, with a fairly small staff and a primary focus on advocacy, is the most appropriate agency to receive this appropriation (see additional discussion under "significant issues.")

SIGNIFICANT ISSUES

GCD notes that the language of the bill tracks to the Federal Rehabilitation Act purposes. If the funds were appropriated and GCD funneled the funding to DVR and the Commission for the Blind, the \$150,000 could generate \$554,225 in federal funds, for a total of \$704,225 for the purpose of this bill.

The New Mexico Division of Vocational Rehabilitation (DVR), which operates under the Rehabilitation Act, provides the types of services proposed in this bill. The DVR receives a state general fund appropriation, which is then matched with federal dollars at a rate of 21.7% and 78.7% respectively. Because of the recession in recent years, the DVR has been unable to acquire sufficient general fund to match all available dollars and has implemented an Order of Selection or priority of service. Under the Order of Selection, the DVR has created a waiting list based on disability priority groups. These priority groups are designated according to the significance of disability with priority group one being comprised of persons with Most Significant Disabilities, priority group two being comprised of persons with Significant Disabilities, and priority group three being comprised of persons with a disability. During the past year, only priority group one has been opened up for services.

The DVR is supportive of initiatives to fund services for persons with disabilities, but is specifically established and structured to provide a comprehensive array of vocational rehabilitation services including education, advocacy and positive reinforcement. The goal of the DVR is to match all available federal dollars. This will enable DVR to move out of the Order of Selection and serve all New Mexicans with disabilities eligible for vocational rehabilitation services.

OTHER SUBSTANTIVE ISSUES

GCD notes that in 2009, the overall percentage of people with a disability of all ages in New Mexico was 13.7%; about 272,600 New Mexicans have a disability. The employment rate of working-age people with disabilities in New Mexico was 37.0% while the employment rate of working-age people without disabilities was 74.7%. (Source: 2009 Disability Status Report by Cornell University.) Good career planning is not just "job placement," but essential for people to find jobs that are a good match. For most people a job is a vehicle for greater access to independence, community participation, personal relationships, and enhanced quality of life. A comprehensive program would include career planning based on the knowledge, skills, and abilities of the job seeker; ensure employment is integrated with competitive pay; resources available for accommodation and accessibility; and follow-up to evaluate if the job continues to be a good match.

ALTERNATIVES

Amend the bill to appropriate the funds to DVR and/or the Commission for the Blind instead of GCD.

GG/svb