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FISCAL IMPACT REPORT

ORIGINAL DATE 02/23/09

SPONSOR Cisneros LAST UPDATED _____ HB _____

SHORT TITLE Taos Homeless Shelter SB 661

ANALYST Haug

APPROPRIATION (dollars in thousands)

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

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB 831

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Department of Public Safety (DPS)

Human Services Department (HSD)

SUMMARY

Synopsis of Bill

Senate Bill 661 appropriates \$135.0 thousand from the general fund to the Department of Finance and Administration, Local Government Division, to contract for the operating expenses of a homeless shelter for men in Taos.

FISCAL IMPLICATIONS

The appropriation of \$135.0 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 2010 shall revert to the general fund.

According to the February 2009 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$575 million less than the FY09 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 states that SB661 is targeting a specific region, Taos County, and a specific population, homeless men. The \$135,000 appropriation will supplement the appropriation 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 modest operating expenses to help keep the shelter open.

DUPLICATION

Senate Bill 661 duplicates House Bill 831.

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.

GH/mt