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FISCAL IMPACT REPORT

SPONSOR: Stewart DATE TYPED: 01/25/01 HB 233
 SHORT TITLE: Programs for Veterans in Rural Areas SB _____
 ANALYST: Chabot

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 250.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in The General Appropriation Act (See Fiscal Impact)

Duplicates SB65

SOURCES OF INFORMATION

LFC Files
 New Mexico Veterans' Service Commission (VSC)

SUMMARY

Synopsis of Bill

This bill appropriates \$250.0 from the general fund to VSC for the purpose of contracting with a nonprofit organization dedicated to providing services to homeless veterans to conduct stand down and awareness programs for homeless, near-homeless and elderly veterans in rural areas.

Significant Issues

The bill would appropriate funds for providing services in rural areas. However, no definition of rural is provided and it is unclear whether all urban areas are excluded.

PERFORMANCE IMPLICATIONS

VSC is scheduled to be a performance-based budgeting agency in fiscal year 2003. However, in preparation for the transition, one output performance measure is recommended:

Number of rural veterans provided assistance.

No target is recommended because VSC has not assessed the number of veterans that would qualify for the service provided in this bill.

FISCAL IMPLICATIONS

The appropriation of \$250.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2002 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

VCS would administer this program through contract. However, due to the small size of the staff and the increasing number of contracts being administered, an additional full-time equivalent employee contract specialist will be required in the future.

TECHNICAL ISSUES

Rural is not defined in the act and would be subject to interpretation. Rural should be defined as population centers under a specific number of people so that the service can be targeted to the intended veterans.

GAC/ar