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FISCAL IMPACT REPORT

SPONSOR Rainaldi DATE TYPED 01/28/04 HB

SHORT TITLE Medicaid Recipient Home Weatherization SB 205

ANALYST Kehoe

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
\$100.0				Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates House Bill 21.
Relates to Senate Bill 120 and Senate Bill 196.

SOURCES OF INFORMATION

LFC Files
New Mexico Mortgage Finance Authority (MFA)

SUMMARY

Synopsis of Bill

Senate Bill 205 appropriates \$100 thousand from the general fund to the Human Services Department (HSD) to contract weatherization services for homes of Medicaid recipients whose homes are in dire need of rehabilitation.

Significant Issues

HSD currently receives federal funding under the Low Income Home Energy Assistance Program (LIHEAP) to provide low income households with a one-time cash benefit to help pay utility bills. Weatherization of low-income households is an eligible activity for the funding. Up to 15 percent of the LIHEAP grant can be used for rehabilitation and can be combined with Weatherization Assistance Program (WAP) funds administered by MFA. WAP is a long-term grant funded by the U. S. Department of Energy and state general fund appropriations. WAP funds make low-income households more energy efficient (i.e., repair of roof leaks, health and safety measures, insulation, insulation of storm windows and doors), thereby reducing the utility bills of low-income families.

HSD, from time to time, enters into a joint powers agreement (JPA) with MFA to combine LIHEAP and WAP funding to provide weatherization services to low-income households. According to MFA, there is a significant need for weatherization services for homes of persons of low-income statewide. This bill would provide much needed funding for weatherization services.

Senate Bill 205 contains an emergency clause.

FISCAL IMPLICATIONS

The appropriation of \$100 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 2005 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

According to MFA, if HSD and MFA enter into a JPA to provide weatherization services, the appropriation contained in this bill will require separate accountability because current programs do not distinguish between Medicaid recipients and other low-income individuals.

DUPLICATION and RELATIONSHIP

This bill duplicates House Bill 21 in its entirety and relates to Senate Bill 120 and Senate Bill 196. Senate Bills 120 and 196 propose \$1 million in funding for the WAP administered by MFA.

LMK/lg