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FISCAL IMPACT REPORT

SPONSOR Garcia DATE TYPED 01/24/05 HB 72

SHORT TITLE South Valley Multipurpose Family Services Center SB _____

ANALYST Hanika-Ortiz

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
NFI	\$60.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files
Responses Received From
 Aging and Long-Term Services Department (ALTSD)

SUMMARY

Synopsis of Bill

House Bill 72 appropriates sixty thousand dollars (\$60,000) from the general fund to the Aging and Long Term Services Department (ALTSD) to fund a site manager and operating costs to prepare the South Valley Multipurpose Family Services Center site in Bernalillo County for daily senior activities, once operational.

Significant Issues

The South Valley Multipurpose Family Services Center would include space for adult daycare, a senior meal site, childcare/Headstart and for educational programs such as adult education, a studio workshop, charter school and traditional Hispano cultural programs along with recreational programs such as a mini-gymnasium, therapeutic pool and outdoor recreation space.

PERFORMANCE IMPLICATIONS

The South Valley Multipurpose Family Services Center plans to consolidate senior meal sites from various smaller centers located within a 5 mile radius of the proposed facility. The Center is currently in the process of being renovated and the consolidation and related services could not begin until completed.

FISCAL IMPLICATIONS

Capital Projects are currently being used to renovate the multipurpose center to serve as an adult daycare and senior meal site. The appropriation of \$60,000 contained in this bill was not contained in the proposed Aging Network Package under House Bill 167 and is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2006 shall revert to the general fund.

The proposed Aging Network Package under House Bill 167 requests an appropriation of \$7,824,797 from the general fund to the ALTSD's six area agencies for senior services, including adult daycare, case management, congregate meals, home delivered meals, in-home services, transportation and senior center services for fiscal year 2006. The appropriation requested in House Bill 72 will be used for start up operating costs for the daily senior activities portion once site is operational.

Continuing Appropriations

If enacted, House Bill 72 funds the fiscal year 2006 operation of the Bernalillo County South Valley Multipurpose Family Services Center's daily senior activities. Though not directly stated, it seems likely additional appropriations to the General Fund would occur due to the recurring administrative, maintenance, and operating costs associated with the senior activities at the center.

ADMINISTRATIVE IMPLICATIONS

The 2004 New Mexico legislative session elevated the Aging and Long Term Services Department (ALTSD) to a cabinet level department. This legislation expanded the department substantially by moving long term care and other related services from the Department of Health and Human Services Departments. According to the Legislative Finance Committee (LFC), ALTSD recent budget request was an increase of 45% due to the statutory expansion. Without the expansion, the department requested less than a one percent increase.

OTHER SUBSTANTIVE ISSUES

The Aging and Long Term Services department is conducting financial and quality care audits on all 81 nursing homes over the next 2 years because of quality of care concerns expressed on behalf of the elderly and other dependent adults voiced during the 2004 legislative session. Activity centers serving seniors living independently may help to address the isolation and loneliness often associated with aging. These centers typically focus on wellness and successful aging by enhancing the independence, talents and interests of its population and may prolong entry into long term care facilities.

ALTERNATIVES

According to ALTSD, the program would have to seek local resources.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

According to ALTSD, there may not be sufficient funds to prepare the daily senior activity site

for operation.

POSSIBLE QUESTIONS

How will the smaller sites be affected once the consolidation of the senior meal program occurs at the South Valley Multipurpose Center?

How many seniors will be served by this new facility? Will transportation to facility be provided?

What is the expected date facility will be operational?

AH/lg