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## FISCAL IMPACT REPORT

ORIGINAL DATE 1-25-06

SPONSOR Salazar LAST UPDATED \_\_\_\_\_ HB 129

SHORT TITLE Statewide Senior Citizen Program SB \_\_\_\_\_

ANALYST Collard

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$10,010.5	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to SB 251 and HB 490

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Aging and Long-Term Services Department (ALTSD)

### SUMMARY

#### Synopsis of Bill

House Bill 129 appropriates \$10 million from the general fund to ALTSD for the purpose of funding the following projects: \$8.4 million to six area agencies on aging for senior services, including adults daycare, case management, congregate meals, home-delivered meals, in-home services, transportation and senior center services; \$631.5 thousand for volunteer services including the Foster Grandparent (FGP), Senior Companion (SCP) and Retired and Senior Volunteer (RSVP) Programs; \$272 thousand for the senior employment program to create job opportunities for senior citizens; \$257.5 thousand for information and assistance, education and respite services to individuals with Alzheimer's disease or related disorders and their families or caregivers; \$229.1 thousand for senior health promotion activities including senior Olympics; \$110.9 thousand for statewide legal assistance for senior citizens; and \$100 thousand for naturally occurring retirement communities (NORC).

### FISCAL IMPLICATIONS

The appropriation of \$10,010,500 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY07 shall revert to the general fund.

This funding is for direct services in local communities and will be distributed from ALTSD to the local areas on aging to provide the services.

ALTSD notes the majority of the proposed appropriation (\$5.6 million) is to maintain the current level of services. The remaining \$4.4 million is for expansion of services. The total request went through a rigorous review process starting at the provider level submitted to and reviewed by the Area Agency on Aging. These requests were forwarded to staff at the ALTSD for review and were subsequently reviewed and approved by the Policy Advisory Committee. Services are provided to maintain the highest quality of life for an older individual and allowing them the opportunity to remain independent and in their own homes.

### **SIGNIFICANT ISSUES**

ALTSD indicates the “aging network” or the providers of these services have been facing an escalating demand for services by a rapidly increasing age 60 plus population. Increased operational costs have caused programs to direct all funding to maintain services due to costs associated with providing the same level of services has escalated over the past year. Services are available primarily to older adults age 60 and over, with an emphasis on those who are unserved or experiencing the greatest economic and social need, including low-income, minority, disabled individuals and those residing in remote and rural areas of the state.

### **PERFORMANCE IMPLICATIONS**

ALTSD notes the aging network is seeking funding to meet the growing demands of the current older adult population. Critical services provided by this network prevent institutionalization and provide a safety net to other state programs who serve the elderly and are undergoing regulatory changes in eligibility. In the coming years absent an increase in funding, the aging network service providers will continue to develop waiting lists.

### **RELATIONSHIP**

Senate Bill 251 and its duplicate, House Bill 490, propose an appropriation of \$350 thousand for NORC.

### **WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

ALTSD states the aging network providers will continue to be strained in their capacity to meet an ever increasing demand for services. Increased demand will be placed upon family caregivers. Persons who might be able to remain in their homes and communities may be forced to enter institutional care facilities for service.

KBC/nt