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FISCAL IMPACT REPORT

SPONSOR HHGAC ORIGINAL DATE 2/16/07
LAST UPDATED _____ HB 172/HHGACS
SHORT TITLE Statewide Homeless Programs SB _____
ANALYST Lucero

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$500.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB149, HB940, HM18, SB1037, SB171, SB583, SB586, SB804, SB982

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Human Services Department (HSD)

Children, Youth and Families Department (CYFD)

Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Health and Government Affairs Committee Substitute for House Bill 172 appropriates five hundred thousand (\$500,000) from the general fund to Human Services Department for expenditure in fiscal year 2008 to expand funding for homeless programs statewide.

FISCAL IMPLICATIONS

The appropriation of five hundred thousand (\$500,000) contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2008 shall revert to the general fund.

This appropriation is not part of HSD's FY 2008 budget request and is not included in the Executive recommendation for HSD.

SIGNIFICANT ISSUES

By law, HSD is the single agency authorized to receive yearly state Homeless Funding for shelters and meals. Each year, HSD's proposed budget includes a request for a recurring sum of \$750,000 in its base budget for the state-funded Homeless Shelter Program and \$200,000 for the state-funded Homeless Meal Program. In addition, the New Mexico Mortgage Finance (MFA) is authorized per Executive Order 97-01 to administer all Homeless shelter programs' funding in New Mexico. HSD complies each year by transferring the funds via a Joint Powers Agreement (JPA) with MFA to provide the State Homeless Shelter services statewide. The Homeless Meals Programs are also contracted each year to designated Meals Programs statewide.

This bill does not specify program services, the numbers to be served, any performance outcomes and the method of the funding distribution.

HSD administers these funds by passing 100% of the appropriation to the designated agencies and keeps no funds for administration.

PERFORMANCE IMPLICATIONS

In order to ensure New Mexico's homeless children and youths have access to education and other services needed to meet the state's academic standards, barriers must be lifted to school selection, transportation, school records, immunizations or other medical records, lack of affordable housing, long wait lists for public housing and medical care for undocumented children and the unaccompanied youth. Expanding funding for homelessness programs statewide may assist youth in meeting the academic standards and potentially close the achievement gap.

ADMINISTRATIVE IMPLICATIONS

If passed, CS/HB 172 HSD will need to cover administrative costs associated with the expansion of these services.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to HB149, HB940, HM18, SB1037, SB171, SB583, SB586, SB804, SB982

TECHNICAL ISSUES

None identified at this time

OTHER SUBSTANTIVE ISSUES

According to New Mexico's Coalition to End Homelessness:
http://pages.prodigy.net/bonneyh/pages/pg3_homelessness.html

Based on the Coalition's 2005 homeless count, there are at least 17,000 homeless people in New Mexico over the course of a year.

Homelessness is caused by poverty and a lack of affordable housing. Homelessness has grown dramatically since the 1970's due primarily to the steady decrease in public benefits for people

living in poverty including welfare payments and public housing. In part because of the decrease in spending for public housing, there has been a steady decline in affordable housing. According to the National Coalition to End Homelessness, between 1970 and 1995, the gap between the number of low-income renters and the amount of affordable housing units in the U.S. went from almost no gap to a shortage of 4.4 million affordable housing units.

Homelessness in New Mexico is different in some ways from homelessness in other parts of the United States. One difference is that in urban areas homeless people who are not in shelters sleep in cars, abandoned buildings, and empty lots. In New Mexico homeless people use all of these places but they also camp out in the wide open spaces. This use of open space means that homeless people are somewhat less visible in New Mexico than in a more urban states. In Southern New Mexico many of the homeless are immigrants and migrant workers. In northwestern New Mexico known as Indian Country, many of the homeless are Native Americans.

The National Alliance to End Homelessness called "Homelessness Counts," recently released its first national estimate of the homeless population in a decade. It states that 744,313 people were homeless in January 2005. Of these, 41 percent were living in families (www.naeh.org).

This HSD program will have an indirect link in addressing student health, wellness and academic achievement, which help to ensure that all homeless children and youth have equal access to the same free and appropriate public education, including public preschool education, provided to other children and youth.

Children and youths have to be free from segregation, isolation and stigmatization (Title VII-B of the McKinney-Vento Homeless Assistance Act (42 USC 11431 et seq.).

Children and youths have to have comparable access to school meals, English language services, vocational and technical education, special education (including gifted) and Title 1 services (Title VII-B of the McKinney-Vento Homeless Assistance Act (42 USC 11431 et seq.).

- The 2005-06 PED's data collection report to the federal government included 4,966 reported homeless children and youth that where served by the McKinney-Vento Homeless Education Program.
- Barriers to the education of New Mexico homeless children and youth include: school selection, transportation, school records, immunization/medical records, and lack of affordable housing (2005-06 New Mexico's Education for Homeless Children and Youth Program data collection).
- Homeless children get sick four times as often as children in middle class families (Kids' Corner: Facts about homelessness, <http://www.nationalhomeless.org>).
- Homeless children go hungry twice as often as other children (Kids' Corner: Facts about homelessness, <http://www.nationalhomeless.org>).
- Homeless children have more mental health problems than other children, but less than one-third receives treatment (Kids' Corner: Facts about homelessness, <http://www.nationalhomeless.org>).
- Most homeless families are made up of a young, single mother and two young children. A worker earning minimum wage would have to work 97 hours a week to pay the rent of

an average two-bedroom apartment (Kids' Corner: Facts about homelessness, <http://www.nationalhomeless.org>).

The waiting period for public housing averages one to two years. For programs that help to pay for part of the families' rent, the wait is even longer (Kids' Corner: Facts about homelessness, <http://www.nationalhomeless.org>).

ALTERNATIVES

None identified at this time

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Expansion for homeless programs statewide may not be provided. This program has an indirect link to addressing the student health, wellness and academic achievement of homeless children.

DL/csd