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FISCAL IMPACT REPORT

ORIGINAL DATE 02/07/11
LAST UPDATED 03/02/11 **HJM** 22

SPONSOR O'Neill

SHORT TITLE Interagency Council on Child Homelessness **SB** _____

ANALYST Kleats, I.

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		Minimal	Minimal	Minimal	Recurring	Operating Budgets of Selected Agencies (Primarily General Fund)

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From:

Health Policy Commission (HPC)
 Children, Youth and Family Department (CYFD)
 Department of Health (DOH)

SUMMARY

Synopsis of HAFC Amendment

The House Appropriations and Finance Committee Amendment strikes all words after “homelessness” on page 3, line 25, and on page 4, the Amendment strikes line 1 in its entirety and line 2 through “council.”

The HAFC Amendment removes language which may have been construed to appropriate one full-time worker to support the interagency council. By removing this language, prior concerns have been alleviated. The estimated additional operating budget impact has been updated to reflect this change.

Synopsis of Original Bill

House Joint Memorial 22 requests that the Governor issue an executive order establishing the Interagency Council on Child Homelessness to develop and implement a 10-year plan to end child homelessness.

The proposed executive order would require the Governor and the New Mexico Legislative Council to appoint representatives to the Interagency Council on Child Homelessness. The following entities would be required to participate in establishing the Council with at least one full-time employee to support the work of the Council: Children, Youth and Families Department, Human Services Department, Workforce Solutions Department, New Mexico Mortgage Finance Authority, Corrections Department, Department of Health, Public Education Department, and Veterans' Services Department.

The Interagency Council on Child Homelessness would be required to report annually to the Governor and Interim Legislative Health and Human Services Committee.

FISCAL IMPLICATIONS

HJM 22 requests the Governor issue an executive order requiring reallocation of one full-time employee from the eight agencies to staff the Council. The joint memorial provides no appropriations to create this position, the cost of which would be approximately \$62,000 per year.

\$40,000 per FTE + 30% benefits + \$10,000 support/equipment = \$62,000 per year

SIGNIFICANT ISSUES

HJM 22 circumvents the appropriations process. Traditionally, councils and boards are enacted by statute. This statutory authority provides for membership, appointment, duties and staff support to accomplish the statutory mission. Establishing a council or commission by executive order may well violate constitutional separation of powers of the branches. An executive order that dictates how budgets must be spent is not only outside the scope of the legislative budget process but sets a precedent to weaken that process.

ADMINISTRATIVE IMPLICATIONS

HJM 22 requests the Governor issue an executive order requiring reallocation of one full-time employee from the eight agencies to staff the Council. Participation of these agencies would have to be absorbed by existing resources.

OTHER SUBSTANTIVE ISSUES

Homelessness among children is a growing problem in New Mexico. In 2009, New Mexico was ranked 47 out of 50 states on the problem of children homelessness according to *America's Youngest Outcasts: State Report Card on Child Homelessness* (The National Center on Family Homelessness, 2009). The analysis provided by CYFD indicates child homelessness in New Mexico has grown from 8,900 children in the 2005-2006 school year to 14,500 children in the 2008-2009 school year.

Child homelessness incurs large medical costs. The Health Policy Commission cites the National Center on Family Homelessness (<http://www.familyhomelessness.org/facts.php?p=sm>) in asserting that children experiencing homelessness are sick four times more often than other children while also being at higher risk for malnutrition, behavioral and emotional problems. The Department of Health analysis confirms these assertions and raises the problem of reduced access to medical care for homeless children.

ALTERNATIVES

Consider addressing the problems of the Significant Issues section by reintroducing this legislation as a bill to create the Council under statutory authority.

Analysis from the Health Policy Commission notes the United States Interagency Council on Homelessness (USICH) encourages the creation of state interagency councils on homelessness as a whole rather than limiting the scope only to child homelessness. The joint memorial could extend its purview to account for all homelessness as advocated by the USICH.

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