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FISCAL IMPACT REPORT

ORIGINAL DATE 02/02/10

SPONSOR Picraux LAST UPDATED _____ HM 35

SHORT TITLE Economic Security of NM Women & Families SB _____

ANALYST Peery-Galon

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY10	FY11	FY12	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$45.0-\$100.0		\$45.0-\$100.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Economic Development Department (EDD)
 Commission on the Status of Women (CSW)
 Workforce Solutions Department (WSD)
 Department of Health (DOH)
 Children, Youth and Families Department (CYFD)
 University of New Mexico (UNM)

No Response Received From

Governor's Office
 Human Services Department
 Higher Education Department

SUMMARY

Synopsis of Bill

House Memorial 35 requests that the Governor's Council on Women's Health or its successor convene a task force to study policy options related to paid maternity leave, paid time off, part-time employee benefits, policy incentives for family-friendly small businesses, employment-based childcare, and other issues that will improve the health of women and families by addressing economic security.

The task force is to include representatives from the University of New Mexico's Bureau of Business and Economic Research; women's advocacy community; Workforce Solutions Department; Economic Development Department; Department of Health; Human Services Department; Children, Youth and Families Department's At-Home Infant Care Program; the

Chambers of Commerce of New Mexico cities with populations over 60,000 individuals; the small business community; an asset-building organization; and other that the Governor's Council on Women's Health identifies.

The Workforce Solutions Department is requested to update its survey of employee benefits and report its findings to the task force by August 2010.

The task force is requested to use a five-component health model to develop comprehensive policy recommendations in the following areas: direct services, outreach and education, professional education, leadership development, and research. The task force is requested to report to the interim legislative Health and Human Services Committee by November 1, 2010.

FISCAL IMPLICATIONS

WSD reported updating the survey will require the updating and dissemination of the survey and the use of personnel from the Economic Research and Analysis unit to analyze and prepare a report on the results. WSD noted the 2000 survey was limited to the Albuquerque area. The memorial does not specify whether the updated survey will have the same geographical limitation. A statewide survey would have results that reflect the entire state, but would also cost more to complete. WSD noted it is difficult to approximate a cost to complete the survey until the scope of the survey is known.

EDD stated participation in the task force will have a minimal fiscal impact depending on the number and location of the meetings.

CYFD reported administrative support and staff time for participation in this task force would be absorbed within existing department resources.

SIGNIFICANT ISSUES

DOH reported there are many issues that can affect the health of women and families in New Mexico. One issue is the high rate of poverty in the state by female-headed households, particularly among minority groups. New Mexico is ranked 50th in the nation for the percent of women living in poverty. Almost 20 percent of New Mexico women are living in poverty (Institute for Women's Policy Research, 2004).

DOH noted another significant barrier to the economic security and health of New Mexico women is the rate of insurance coverage in the State. According to the Kaiser Family Foundation's analysis of the 2007 US Census Current Populations Survey, New Mexico tied Texas for the highest rate of uninsured women (28 percent) in the nation for those aged 19-64. Nationally, 18 percent of women aged 19-64 do not have health insurance. One primary area in which the lack of health insurance coverage becomes evident is prenatal care. DOH noted the task force would have the ability to assess policies and recommend changes to optimize current programs, expand coverage, and create access to women's health services.

EDD noted as the memorial points out, women and minorities traditionally are paid lower wages and offered fewer employment benefits than white males. It is the mission of the department and a priority of the administration to create jobs that improve the prosperity and quality of life of all New Mexicans. The benefits survey and other job quality data is important in assessing the level of success attained by the programs which are intended to spur economic growth and reach all socioeconomic and demographic groups in the state.

CSW reported that economic security is necessary for families and communities to have a healthy and fulfilling quality of life. Women with lower income suffer disproportionately from chronic disease, disability, and poor health overall. There are 16.7 million women uninsured nationwide that are more apt to lack adequate access to care resulting in poorer health outcome. Also, employers find it hard to find and retain skilled employees, despite the economic downturn on businesses.

CSW noted that New Mexico's median income for women is 42nd in the nation and the state ranks third highest for the percentage of persons below the federal poverty level. Women on average earn only 70 percent of what men earn. The earning gap for women of color is higher than average, Hispanic women earn 55 percent and Native American women earn only 53 percent of what Caucasian men earn. In New Mexico, 96,000 households are headed by women.

CYFD noted the economic security and well-being of women and families is a key indicator of the overall health of society. Employee benefits that support women and families are an important part of that security and well-being. Equitable and supportive benefit packages are, therefore, key to an overall strategy for improving the economic security and health of women and families. Especially, benefits for part-time and flex workers due to many women in the workforce with young children having adjusted work schedules. The result for working women is minimal or no benefit packages which further compromise working women's ability to maintain well-being. Furthermore, in women headed households where children are often covered by Medicaid, mothers are left without medical coverage for long periods of time which compromises their health. Examining the health disparities in communities of color, women are in the poorest of health. There are many contextual issues that result in these poor well being indicators but one of the most salient issues is access to health care.

UNM noted the memorial addresses a critical area of concern, namely the vulnerability of women and families in state where the poverty rate is very high, wages are low, many women work part-time, and a large percentage of the population is without health insurance and with limited access to health care, by creating a statewide task force to assess and recommend policy options to address the economic security and health of New Mexico women and families.

PERFORMANCE IMPLICATIONS

DOH noted the memorial relates to the department's FY11 strategic plan goal – Improving Individual Health – Individual Objective #3 – to increase the proportion of new mothers who had recommended levels of health care before, during and after pregnancy to assure optimal physical, mental and oral health.

EDD reported the agency does not currently have any performance measures related to wages and benefits. However, the department has implemented policies to encourage higher wages and health benefits in job training incentive program and other financial assistance programs with the intent of improving the New Mexico's rankings in income, poverty and those covered by health insurance.

ADMINISTRATIVE IMPLICATIONS

WSD noted the memorial calls for the survey to be completed and results presented by August 2010. It is unlikely that the department will be able to complete even a limited survey of the

Albuquerque area in this time frame. The memorial requires the creation of a task force, but leaves the membership of the task force somewhat open. Any delay in the creation of the task force will compound the potential delays in completing the survey by August 2010. WSD reported that possible task force members with relevant data and/or surveys already underway include the Governor's Commission on the Status of Women and the Governors Equal Pay Task Force.

TECHNICAL ISSUES

CYFD eliminated the At-Home Infant Care Program in FY10 due to budget reductions required in Executive Order 2009-044.

OTHER SUBSTANTIVE ISSUES

DOH noted the poverty rate for all New Mexico families with children under the age of 18 is 21.3 percent but for female-headed families with children under the age of 18 the rate increases to 44.1 percent (American Fact Finder, New Mexico, Selected Economic Characteristics: 2006-2008 <http://factfinder.census.gov>).

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