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FISCAL IMPACT REPORT

ORIGINAL DATE 02/23/11

SPONSOR Herrell LAST UPDATED _____ HB 528

SHORT TITLE Repeal Commission on Status of Women SB _____

ANALYST Esquibel

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		(\$550.0)			Non- Recurring	GF—Repeal of CSW
		\$890.0	\$885.0		Recurring	GF-DWS’ Office of Displaced Homemakers
		\$130.0	\$130.0		Recurring	GF-DOH’s Office of the Governor’s Council on Women’s Health

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Commission on the Status of Women (CSW)

Department of Workforce Solutions (DWS)

Department of Health (DOH)

SUMMARY

Synopsis of Bill

House Bill 528 (HB528) proposes to repeal the Commission on the Status of Women (Commission) and transfer the functions, appropriations, money, property and contractual obligations of the Office of the Governor’s Council on Women’s Health to the Department of Health (DOH); and transfer functions, appropriations, money, property and contractual obligations of the Office of Displaced Homemakers to the Department of Workforce Solutions Department (DWS). Sections of the NMSA 1978 associated with the Commission would be amended or repealed.

FISCAL IMPLICATIONS

The House Appropriations and Finance Committee substitute for House Bills 2, 3, 4, and 6 currently contains an FY12 appropriation for the Commission on the Status of Women which includes \$550 thousand in general fund revenue, \$80 thousand in other state funds (i.e., generated from donations and ticket sales), \$850 thousand in internal service funds/interagency transfer funds (i.e., generated by successful application for TANF workforce development funds), 8 permanent FTE and 4 term FTE.

The CSW's FY11 budget for the Displaced Homemakers Office is \$82.4 thousand.

The CSW's FY11 budget for the Office of the Governor's Council on Women's Health is \$118 thousand.

The Department of Workforce Solutions (DWS) indicates the workforce system provides many of the services and activities needed by displaced homemakers entering employment; however, the specialized support and additional resources needed to adequately sustain the Office of Displaced Homemakers is beyond DWS' current staff capacity. DWS estimates it would require 8 additional full-time equivalent (FTE) staff to administer the Office of Displaced Homemakers (2 FTE) and the Teamworks Programs (6 FTE). The total cost for additional personnel is approximately \$825 thousand. (Note: DWS is not familiar with the specific requirements of the federal grant funding the Teamworks Program, so the number of required FTE is only an estimate and additional FTE may be required to meet performance measures and administer the program).

Equipment Relocation: An estimated one-time \$5 thousand may be required to relocate computers, copiers, other equipment, and electronic data.

Program Data Storage: Section 2(D) of the proposed bill references a clearinghouse of information to compile, coordinate and disseminate information about services and programs available to displaced homemakers, which would likely require the creation of a data capture application, a database storage for data, a reporting module, and a website for presenting information to internal and external audiences. The estimated cost for one employee or contractor to develop the technological infrastructure for four months is approximately \$50 thousand.

Toll-Free Service: The Office of Displaced Homemakers currently provides a toll-free phone service to constituents, with approximately 5,000 calls received annually. An estimated \$10 thousand annually would be required to sustain this service, which cannot be incorporated into DWS' existing call center given that its service's require specific focus.

The Department of Health (DOH) indicates it would be responsible for establishing an Office of the Governor's Council on Women's Health, its Director, and supporting operational costs, including the Office's successful transition to DOH. The Department would also be responsible for ensuring that Council mandates are met. While HB528 mentions that all appropriations, money and other property will be transferred to DOH, the amount needed to operate this office is, at a minimum, \$130 thousand. Contractual obligations of the Commission on the Status of Women relating to women's health would be binding to the DOH, and funds related to these obligations would also need to be transferred to DOH.

The Commission on the Status of Women indicates transfer of the Displaced Homemakers Office to the Department of Workforce Solutions in FY12 would be impacted by the addition of at least 1 FTE or possibly up to 3 FTE to do the work called for under statute by the Displaced Homemakers Office. To be able to continue to offer services to Displaced Homemakers available now, the Displaced Homemakers Office would need space to provide a safe and secure community work room with computers, fax, telephone, Internet access, printers, and resource materials to help displaced homemakers not only looking for employment, but requires other resources needed for their survival. The Coordinator of the Displaced Homemakers Office would need a dedicated 800 phone line to fulfill the statutory requirement of providing support service referrals to displaced homemakers throughout the state of New Mexico. In addition, the Office would need other administrative resources such as printing for community outreach to do the work of the Office. Since the Displaced Homemakers Office provides services statewide, monies would need to be invested in travel for out of town workshops, etc.

There is no way to accurately determine the fiscal impact to the State of New Mexico by the loss of the NM Girls Institute and other aspects of the girls program. Countless young girls and women will lose leadership training, learning to avoid relational aggression, learning about college and many other girl issues. So far this fiscal year, the NM Girls Institute has 7,220 direct service hours with girls. Topics of those direct service hours range from relational aggression, preparing for the world of work, successfully transitioning from high school to college, successfully transitioning from mid school to high school and effective communication skills. CSW also provides sexual harassment awareness training for teenage girls. The services provided by the NM Girls Institute are in consistent demand as the services are free to local school districts, youth programs and adjudicated youth programs.

SIGNIFICANT ISSUES

The New Mexico Commission on the Status of Women (CSW) indicates CSW serves over 50% of the population with unique and gender-specific programming that is not offered at another level of state government. The Commission is used as resource to other state agencies such as DWS and CYFD.

ADMINISTRATIVE IMPLICATIONS

With respect to the Office of Displaced Homemakers program, many of the activities listed under Section 2 of HB528 are consistent with the mission of DWS and can be supported through the state workforce system. Displaced homemakers are eligible to receive employment services through a network of Workforce Connection Centers across New Mexico. Those services include: job counseling services, and job placement services in public and private sectors. Displaced homemakers are considered to be dislocated workers for purposes of, and therefore may also be eligible for occupational skill training, under the federal Workforce Investment Act also available through Workforce Connection Centers. In order to meet the need for targeted outreach and recruitment, expanded information and assistance with respect to healthcare, financial matters, education, nutrition and legal problems, DWS would require additional resources including personnel (1 FTE). While DWS has a statewide data collection and reporting system that could support the collection of information regarding services to displaced homemakers, DWS would require additional resources (an additional FTE) in order to adequately support the compilation and dissemination of such information, including the annual legislative report, as required by HB528.

ALTERNATIVES

Unlike the Office of Displaced Homemakers program (supported by the General Fund), Teamworks is funded under the federal Temporary Assistance for Needy Families (TANF) program, currently administered by the New Mexico Human Services Department (HSD). Given that HSD, as opposed to DWS, currently administers New Mexico's TANF programs, which have specific performance measures, reporting, funding, and other requirements, it is difficult to ascertain how efficiently and effectively the Teamworks program could be administered within the workforce system structure. A possible alternative to consider may be administratively attaching the Teamworks program under HSD, with DWS serving as a partner in the oversight of any employment-related elements of the program. Under the structure of HB528, DWS would require additional personnel resources at both the state (2 FTE) and local levels (4 FTE).

RAE/svb