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## FISCAL IMPACT REPORT

ORIGINAL DATE 01/27/21  
 SPONSOR Johnson LAST UPDATED 02/22/21 HB 127/aHfI#1  
 SHORT TITLE Homeless Youth ID Cards SB \_\_\_\_\_  
 ANALYST Bachechi

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY21	FY22	FY23		
NFI	(\$9.0)	(\$9.0)	Recurring	DOT Road Fund
NFI	(\$9.0)	(\$9.0)	Recurring	TRD Operating Fund

(Parenthesis ( ) Indicate Revenue Decreases)

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		\$5.5	\$5.5	\$11.0	Recurring	MVD Operating Fund
		\$16.5	-	\$16.5	Nonrecurring	ITD Staff Workload

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to HB 118 Homeless Youth Employment Tax Credit

Relates to HB179 Fees for Vital Records for Homeless

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Human Services Department (HSD)

Department of Health (DOH)

New Mexico Attorney General (NMAG)

Children, Youth and Families (CYFD)

Taxation and Revenue Department (for MVD) (TRD)

## SUMMARY

### Synopsis of HFL#1 Amendment

The House Floor #1 amendment to House Bill 127 strikes section 1 in its entirety, eliminating the bill's proposed amendment to Section 66-5-401 requirements that (1) homeless youth be permitted to apply for and receive a REAL ID-compliant identification cards, and (2) every division office where identification cards are issued have a supervisory-level staff member to serve as the homeless liaison and for ensuring that all other office staff who process applications and attend the public are trained on access to identification cards for homeless individuals and unaccompanied homeless youth.

The amendment contains technical corrections to reflect the reduced scope of the bill; striking from lines 11 and 12 of page one “enabling unaccompanied youth to receive identification cards,” and replacing the word “certain” with “homeless” on page 1, line 13.

### Synopsis of Original Bill

House Bill 127 adds language to Section 66-5-401 NMSA 1978 (being Laws 1978, Chapter 35, Section 328, as amended) to allow unaccompanied homeless youth, age 25 and younger, to be permitted to apply for and receive, free of charge, a REAL ID-compliant identification card or a standard identification card without the signature of an adult.

The bill also instructs that every Motor Vehicle Division (MVD) office where identification cards are issued to designate a supervisory-level staff member to serve as the homeless liaison. This supervisory-level staff member is charged with ensuring that the office is trained and implementing current rules and policies related to ensuring homeless individuals and unaccompanied youth access to identification cards.

This bill draws from the federal McKinney-Vento Homeless Assistance Act to define “unaccompanied youth” as an individual 25 years or younger, who is not in the physical custody of a parent or legal guardian and lacks a fixed, regular and adequate nighttime residence, and includes a list of five categories of place specifically articulated in federal law. Using the same source, “homeless individuals” are defined as those lacking a fixed, regular, and adequate nighttime residence, and includes the same list of examples as used in the definitions of “unaccompanied youth”. Individuals are required to verify homeless status by non-notarized attestation.

There is no effective date of this bill. It is assumed the effective date is 90 days following adjournment of the Legislature.

## FISCAL IMPLICATIONS

The estimated revenue impact was calculated by determining the average number of 4-year and 8-year identification cards issued to individuals in the last four years who provided the existing “Attestation of Homelessness” document as a proof of residency. The cost for a 4-year ID card is broken down into the base \$5.00 fee, \$3.00 cost-recouping fee, and \$2.00 administrative fee. The cost for an 8-year ID card is broken down to the base \$10.00 fee, \$6.00 cost-recouping fee, and \$2.00 administrative fee. In both cases, the base fee is distributed to the Department of

Transportation Road Fund (“DOT Road Fund”) and the cost-recouping and administrative fees are distributed to the Tax and Revenue Department Operating Fund (“TRD Operating Fund”). To determine the revenue impact to the DOT Road Fund, the average number of 4- and 8-year credentials were multiplied by their respective base fees and then combined. To determine the impact to the TRD Operating Fund, the average number of 4- and 8-year credentials were multiplied by their respective cost-recouping and administrative fees and then combined.

The Taxation and Revenue Department estimate this bill will create a recurring cost of approximately \$5.5 thousand per year, based on the cost per credential issued multiplied by the average number of credentials issued in the previous four years that would have qualified for a free credential. TRD further estimates that the implementation of this bill will have a moderate impact on the Department’s Information Technology Division. The estimated time to develop, test and implement the changes is approximately 320 hours or 8 weeks for an estimated \$16,525 of staff workloads cost. Application and configuration changes are required to the system to allow new proofs of residency documents and fee changes to those transactions that qualify for a free identification card.

## SIGNIFICANT ISSUES

Barriers to accessing identification for homeless youth and young adults include identification verification problems, residency verification problems, cost, limitations on the type and age of requestors, lack of places to keep documents safe, and a lack of a youth-friendly and understandable process. Many youth experiencing homelessness on their own may not have access to an existing ID or the documentation necessary to obtain one, such as a Social Security card or birth certificate, and may not have a relationship with a parent or guardian who will provide consent or sign necessary documents. This lack of access is often linked to their homelessness status.<sup>1</sup>

Access to valid government-issued photo identification is critical for youth to access critical supports and essential services, and not having ID can make it difficult for them escape homelessness. A survey conducted by the National Law Center on Homelessness and Poverty found that 54 percent of homeless people without a photo ID were denied access to housing services, 53 percent were denied food stamps, and 45 percent were denied access to medical services.<sup>2</sup> The lack of valid identification can also mean being shut out of federal, state and county buildings, where social services agencies that help the homeless are often located. It makes it much harder to get a job, find a place to live, open a bank account, get food stamps and disability benefits — or in some instances, even stay at a homeless shelter.<sup>3</sup>

Child advocacy groups have identified three critical strategies for helping reduce the barriers to

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<sup>1</sup><https://www.americanbar.org/groups/litigation/committees/childrensrights/articles/2017/fall2017-proving-i-exist-strategies-assessting-youth-obtaining-id-docs>

<sup>2</sup><https://www.pewtrusts.org/en/research-and-analysis/blogs/stateline/2017/05/15/without-id-homeless-trapped-in-vicious-cycle>

<sup>3</sup>Id

obtaining a state-issued ID; 1) reducing or eliminating fees for valid government-issued photo identification, as well as other necessary supporting documents such as birth certificates, 2) providing alternative verification processes for proof of identity or residence, and 3) making information on requirements and processes for obtaining valid government-issued photo identification readily available and easily understood.<sup>4</sup>

The Human Services Department (HSD) reports that access to government issued identification will make applying for federal and state support programs more efficient and eligibility determinations can be completed and funds made available to this vulnerable population more quickly.

This bill creates a mandate for each MVD office to designate a homeless liaison to ensure rules and policy are implemented to ensure unaccompanied youth and homeless individuals can access identification. This is of particular importance to ensuring the bill's requirements are uniformly met statewide. CYFD specialists who work directly with transition-age-youth (age 17-19) have seen an inconsistency across the state when supporting youth trying to obtain identification cards. For unaccompanied youth who may not be engaged with CYFD or have a supportive adult to advocate for them, a homeless liaison who can help to ensure consistent implementation of rules and policy will be of inestimable value.

This bill uses the McKinney-Vento Homeless Assistance Act definition of homelessness which is the same definition of homelessness that CYFD uses. This is the same definition used in the New Mexico Public Schools chapter, §22-12A-14. The National Council for State Legislators point out that statutory definitions of homeless youth vary among federal agencies, states and even within states. "These differences are significant because how homeless youth are defined in statute establishes the foundation for subsequent policies and affects eligibility for programs and services." Thus, the consistency of using the McKinney-Vento definition allows our child and youth serving agencies to respond in a consistent manner.

Finally, this bill eliminates the fee to obtain an identification card for all homeless individuals that verify their status by attestation through agency, delineated educational professional, social worker, or self. Removing this barrier for all homeless individuals increases the likelihood that they can obtain a job, go to school, or apply for vital social services to help move them out of homelessness.

## **PERFORMANCE IMPLICATIONS**

CYFD has performance measure related to the health and well-being of children.

## **ADMINISTRATIVE IMPLICATIONS**

This bill's mandate for each MVD office to designate a supervisory-level staff member to serve as a homeless liaison, could place a burden on MVD field offices, some of which will not have the capacity to meet this requirement. MVD proposes as a substitute for this requirement that all staff who process applications for credentials and otherwise attend to the public complete a

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<sup>4</sup><https://www.nm4youth.org/wp-content/uploads/Access-to-Identification-for-Minor-Youth>

mandatory annual computer-based training on current state rules and policies regarding access to identification cards for homeless individuals and unaccompanied homeless youth. This would ensure uniformity of dissemination of information across MVD staff without burdening the management teams in the field offices.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

Relates to HB 118 Homeless Youth Employment Tax Credit  
Relates to HB 179 Fees for Vital Records for Homeless

**TECHNICAL ISSUES**

If any changes to identification requirements are enacted during this session, failure to enact Section 1 L (regarding the appointment of a homeless liaison responsible for the training of staff) may place the State at risk of violating the terms of a stipulated order issued upon the conclusion of *R David Coss, et. al., v. John Monforte, et. al.* (D-101-CV-2018-00302). This order required “the MVD [to] train all workers, including state workers and contractors, on the requirements to issue a DAC and non-federally compliant ID card in the final regulations and the right to appeal the denial of any MVD credential, pursuant to NMSA 1978, Section 66-2-17(A).”

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

If this Bill is not enacted, Section 66-5-401 NMSA 1978 (being Laws 1978, Chapter 35, Section 328, as amended) will not be amended to include provisions for unaccompanied homeless youth to apply and obtain a state issued REAL-ID or standard identification card and homeless youth will continue to face barriers to accessing services and daily needs.

CLB/al/rl