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FISCAL IMPACT REPORT

ORIGINAL DATE 02/23/21

SPONSOR Lopez LAST UPDATED _____ HB _____

SHORT TITLE Vocational Rehabilitation SB 354

ANALYST Becerra

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI	NFI	NFI			

(Parenthesis () Indicate Expenditure Decreases)

Conflicts with:

- SB289, Special Education Division of PED
- SB190, Developmental Disabilities Planning Council
- HB237, Public Schools and School for the Deaf Cooperation

SOURCES OF INFORMATION

LFC Files

Responses Received From

Division of Vocational Rehabilitation (DVR)
 New Mexico Commission for the Blind (NMCB)
 New Mexico Commission for Deaf (NMCD)
 Office of the Attorney General (NMAG)
 Early Childhood Education and Care Department (ECECD)

No Response Received

Public Education Department (PED)
 Governor's Commission on Disabilities (GCD)
 Developmental Disabilities Planning Council (DDPC)

SUMMARY

Synopsis of Bill

Senate Bill 354 (SB354) enacts a new Vocational Rehabilitation Act; creates a new Vocational Rehabilitation Commission; eliminates the Vocational Rehabilitation Division of the Public Education Department (PED); and creates a new Vocational Rehabilitation Office with new powers and duties. Additionally, SB354 provides for the transfer of functions, personnel, money, appropriations, records and property to the new Vocational Rehabilitation Office. The provisions

of SB354 separate vocational rehabilitation services and vocational education services for disabled persons.

The effective date of this bill is July 1, 2021.

FISCAL IMPLICATIONS

Senate Bill 354 does not include an appropriation.

No fiscal implications are anticipated as the current Division of Vocational Rehabilitation receives appropriations separately from PED and operates independently with its own staff. The bill also contains provisions for the transfer of functions, personnel, money, appropriations, records and property to the new Vocational Rehabilitation Office.

SIGNIFICANT ISSUES

The provisions within SB354 change the Vocational Rehabilitation from a division of the PED to an executive office with oversight by a commission. The Vocational Rehabilitation Office would now provide services to the deaf and hard-of-hearing that were previously provided by Division of Vocational Rehabilitation. Additionally, any boards or commissions on which a representative from the Division of Vocational Rehabilitation served (including the Commission for the Deaf and Hard-of-Hearing and the Developmental Disabilities Planning Council) would now be replaced by a representative of the Vocational Rehabilitation Office.

In their analysis, the Division of Vocational Rehabilitation notes that over the years, the agency has been moved under several different state departments and there exists a need for consistency in administration and provision of vocational rehabilitation services.

ADMINISTRATIVE IMPLICATIONS

SB354 requires the Vocational Rehabilitation Office to:

- Administer vocational rehabilitation services,
- Administer a state plan created by the commission,
- Ensure that behavioral health services, including mental health and substance abuse services are provided, contracted for, or approved in compliance with the requirements of Section 9-7-6.4 NMSA 1978,
- Provide for reports to be made to the federal agency as required; and,
- Provide for reports to be made to the commission from a person receiving federal aid funds.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Conflicts with SB289, Special Education Division of PED, which adds a special education division within the Public Education Department, but leaves the vocational rehabilitation division intact.

Conflicts with SB190, Developmental Disabilities Planning Council, that specifies the director PED's Vocational Rehabilitation Division is included as a member of Developmental Disabilities Planning Council.

Conflicts with HB237, Public Schools and School for the Deaf Cooperation, that includes PED's Vocational Rehabilitation Division as one of the entities the School for the Deaf may contract with for certain services.

TECHNICAL ISSUES

It is unclear if the Vocational Rehabilitation Commission created by SB354 would eliminate the current State Rehabilitation Council or if their duties would be separate or duplicative.

SB354 does not provide for an interim change-over period from the Division of Vocational Rehabilitation under PED to the new Vocational Rehabilitation Office due to the effective date of July 1, 2021. In order to minimize disruption to services for disabled clients and ensure the complete transfer of functions, personnel, funds, appropriations, records and property to establish a fully functioning Vocational Rehabilitation Office, a transition period and process should be considered.

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