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FISCAL IMPACT REPORT

SPONSOR Paul/Jaramillo **LAST UPDATED** _____
ORIGINAL DATE 2/7/25
BILL
SHORT TITLE Court Emergency Property Reserve Fund **NUMBER** Senate Bill 301
ANALYST Chavez

APPROPRIATION* (dollars in thousands)

| FY25 | FY26 | Recurring or Nonrecurring | Fund Affected |
|-------|---------|---------------------------|---------------|
| \$0.0 | \$450.0 | Nonrecurring | General Fund |

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
General Services Department (GSD)

Agency Analysis was Solicited but Not Received From
Office of the Attorney General (NMAG)
Department of Finance and Administration (DFA)
Administrative Office of the Courts (AOC)
New Mexico Municipal League (NMML)
New Mexico Association of Counties

Because of the short timeframe between the introduction of this bill and its first hearing, LFC has yet to receive analysis from state, education, or judicial agencies. This analysis could be updated if that analysis is received.

SUMMARY

Synopsis of Senate Bill 301

Senate Bill 301 (SB301) appropriates \$450 thousand from the general fund to the new court emergency property reserve fund, administered by the Administrative Office of the Courts (AOC), to pay the costs of emergency or unforeseen repair, reconstruction or replacement of court owned property, and expenses not covered by warranty, capital appropriation, or insurance. The fund may also be used to pay the costs of administering the fund. SB301 would make any unexpended or unencumbered balances remaining in the fund at the end of the fiscal year non-revertible.

The effective date of this bill is July 1, 2025.

FISCAL IMPLICATIONS

The appropriation of \$450 thousand contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of any fiscal year shall not revert to the general fund.

This bill creates a new fund and provides for continuing appropriations. LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds because it reduces the ability of the Legislature to establish spending priorities.

SIGNIFICANT ISSUES

NMSA 1978, Section 36-6-24 calls for each board of county commissioners to “provide adequate quarters for the operation of the district court, including juvenile probation services, and provide necessary utilities and maintenance service for the operation and upkeep of district court facilities.” The statute does not cover magistrate courts and other judiciary owned facilities like the Supreme Court building and the Bernalillo County Metropolitan Court building.

Fiscal constraints have reduced the amount of money counties have available to support maintenance for district court buildings. As a result, courts have received capital outlay money contingent on a 50 percent cost match from the county where the project is located. Outside of this support, courts do not have funding to aid any repairs, renovations, or emergency fixes for courts and judiciary owned facilities. LFC staff visited several court facilities, including the Court of Appeals building in Albuquerque, New Mexico, and found that various issues like eroded flooring and elevator maintenance cannot be remedied due to a lack of dedicated funding. The judiciary also holds various historical buildings that require more attention to detail and funding to preserve the historical nature of the building while also providing adequate facilities for judicial employees.

ADMINISTRATIVE IMPLICATIONS

SB301 would provide funding to remedy some facility issues that the judiciary would not otherwise receive funding for until the next legislative session. SB301 would also let AOC, as well as the Legislature, track costs and trends of facility needs for the judiciary.

FC/hj