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FISCAL IMPACT REPORT

SPONSOR: Stewart DATE TYPED: 02/14/01 HB 603
 SHORT TITLE: Juvenile Correctional Officers Salaries SB _____
 ANALYST: Chabot

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 1,700.0	See Narrative		Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB 496
 Relates to HB458 and SB249

SOURCES OF INFORMATION

LFC Files
 Children, Youth and Families Department (CYFD)
 Department of Corrections
 State Personnel Office (SPO)

SUMMARY

Synopsis of Bill

This bill appropriates \$1,700.0 from the general fund to CYFD for the purpose of providing a salary increase of two dollars per hour to juvenile correctional officers (JCOs).

Significant Issues

CYFD is having difficulties hiring and retaining JCOs. According to the December 29, 2000 Table of Organizational Listing (TOOL), the vacancy rate is 10.4 percent. The rate for the highest security facility, Camino Nuevo Youth Center, is 15.1 percent. The agency is also experiencing an exceptionally high turnover rate that is estimated to be 47.0 percent this year. Low pay is often cited as a reason for leaving. In addition, complaints are received about the amount of overtime being worked. The entry level salary for a JCO is \$7.665 per hour. The bill provides a pay raise for employed JCOs and it does not result in a structure change for the specialty. That issue is being addressed in NM.HR.2001 initiative which may or may not result in a structure change for the JCO series.

The JCO series consists of juvenile correctional officer trainee, juvenile correctional officer journeyman, juvenile correctional officer leadworker, juvenile correctional officer supervisor, and juvenile correctional officer manager.

PERFORMANCE IMPLICATIONS

This bill relates directly to the agency's performance measure in Program Support relating to the turnover rate of juvenile correctional officers.

FISCAL IMPLICATIONS

The appropriation of \$1,700.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2002 shall revert to the general fund. SPO is concerned that there is insufficient appropriation to fund a \$2.00 per hour raise per employee in the JCO series. Their estimate of the cost is \$1,912.1 based upon the total authorizations. The actual cost of this increase will be determined by the number of JCOs employed at the time of implementation. The cost using the number of employees for the December TOOL would be \$1,786.3. The department would have to make up the difference out the fiscal year 2002 operating budget for funded but vacant positions. In addition, CYFD would have to consider if the entry level salary is sufficient for recruitment or whether in-grade hires will be required.

ADMINISTRATIVE IMPLICATIONS

CYFD expects the bill will improve recruitment and retention of JCOs decreasing overtime requirements. Additional staffing will allow supervisors to spend more time on administrative matters. SPO states that with minimal programming they can write a basic program to increase each affected employees salaries.

DUPLICATION/RELATIONSHIP

This bill duplicates SB 496 and relates to HB 458 and SB 249.

TECHNICAL ISSUES

Line 21 should be amended to read: "officer series effective the first full pay period following July 1, 2001". This will identify the entire series as eligible for the increase and provide an effective date following the start of the fiscal year.

OTHER SUBSTANTIVE ISSUES

SPO has two additional concerns. Higher salaries may have a snowball affect in other law enforcement areas. If JCOs get an increase, they anticipated efforts for increased salaries for adult correctional, state police, and municipal police officers, as well as county sheriffs. Adult correction officers salaries are being addressed in SB 249 and HB 458. In addition, they state that a flat dollar increase allows for an inequitable distribution of the raise with lower paid employees getting a larger percentage than the higher paid individuals.

GAC/ar