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FISCAL IMPACT REPORT

ORIGINAL DATE 02/09/13

SPONSOR Archuleta LAST UPDATED _____ HB 443

SHORT TITLE Unpaid Unemployment Civil Actions SB _____

ANALYST Aledo-Sandoval

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts (AOC)

Workforce Solutions Department (WSD)

SUMMARY

Synopsis of Bill

House Bill 443 (HB 443) amends the Enforcement; Penalties; Employees' Remedies section of Employment Law to require courts to prioritize civil actions and appeals of civil actions to collect unpaid or underpaid wages over other civil actions. HB 443 calls for courts to give civil actions to collect unpaid or underpaid wages the same preference as is given to collections of contributions under the Unemployment Compensation Act.

FISCAL IMPLICATIONS

None.

SIGNIFICANT ISSUES

The Workforce Solutions Department (WSD) notes that this bill would give scheduling preference to wage claims regardless whether they are brought by the labor relations division on behalf of wage claimants or by the wage claimants themselves.

The Administrative Office of the Courts (AOC) concurred that it is logical that unpaid wage claims should be settled quickly. A wage earner needs the money for basic sustenance, and if an employer has not paid wages because of fiscal distress then delay will only reduce the chances in most instances that the employer will have money to pay a judgment. The changes the bill seeks to make will alert scheduling clerks to the need to prioritize actions for unpaid wages ahead of most civil matters. However, the AOC cautions, the reality is that such claims would still have to find a place on a court's docket along with all the other types of actions the law prioritizes.

The AOC provided the following information on court docket priority setting:

There are several case types that compete for favored position on a court's docket. The constitutional guarantee of a speedy trial in criminal matters, rooted in fundamental liberty interests, tends to prioritize criminal matters before all others. First appearances, arraignments, preliminary hearings, etc., will always be prioritized ahead of all civil matters short of temporary restraining orders. Even many other civil matters have hard deadlines. For instance, temporary orders of protection from domestic violence must be heard in a set number of days after filing pursuant to NMSA 1978, Section 40-13-4. Adjudicatory hearings in child welfare matters (to determine whether parents have abused or neglected a child) must be scheduled within a set number of days pursuant to NMSA 1978, section 32A-4-19. Trial on unlawful entry and detainer actions are also to be scheduled within a set number of days pursuant to NMSA 1978, Section 47-8-43.

MAS/svb