

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (www.nmlegis.gov) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 2/20/17

SPONSOR Ely LAST UPDATED 2/22/17 HB 385/aHJC/ec

SHORT TITLE Juror Mileage Reimbursement SB _____

ANALYST Downs

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	\$0.0	>\$415.0	>\$415.0	>\$830.0	Recurring	Jury and Witness

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of House Judiciary Committee Amendment

The House Judiciary Committee amendment strikes “to and” and replaces it with “round trip” in both instances where the bill changes juror mileage reimbursement to over 40 miles driven. This clarifies that the juror can claim mileage reimbursement if forty miles or more are driven round trip, whereas before it stated “to and from,” which could have caused confusion.

Synopsis of Bill

House Bill 385 amends the section of statute addressing civil jury fees in magistrate courts, and the section addressing mileage and compensation for jurors. The bill would allow a juror to be paid mileage only if he or she traveled more than forty miles.

FISCAL IMPLICATIONS

In fiscal year 2016, the Administrative Office of the Courts reported it paid over \$830 thousand in mileage reimbursements to jurors. It stated, “Although the Administrative Office of the Courts does not have the data to assess with accuracy the savings that would result from restricting mileage reimbursement to forty miles or greater, it believes the savings are likely to be significant.”

Though the percentage is most likely much larger due to the many rural judicial districts in New Mexico, even if fifty percent of all jurors paid in fiscal year 2016 drove more than forty miles, this bill would save \$415 thousand.

SIGNIFICANT ISSUES

In fiscal year 2016, juror payments increased almost 10 percent, and the Administrative Office of the Courts paid almost \$1 million to fiscal year 2016 jurors with appropriations from fiscal year 2017.

The Supreme Court has made several strides to reduce expenses to the fund, including reducing juror pay to \$6.25 per hour, down from the statutory \$7.50 per hour and saving an estimated \$191.6 thousand, and reducing mileage from \$0.48 per mile to \$0.29 per mile, saving an estimated \$422.6 thousand. The judiciary is also implementing a statewide jury management system, which should allow for better usage of jurors and help with identification of inefficiencies.

Despite these cost-containment efforts, the Jury and Witness fund is still \$1.6 million short for current year and previous year expenses. The Administrative Office of the Courts stated, “Providing mileage payments to those who need to travel more than 40 miles round trip reserves this compensation to those who would otherwise experience hardship. The Administrative Office of the Courts believes this change will free up funds to pay jurors at, or nearer to, the statutory rate of \$7.50 per hour.”

ADMINISTRATIVE IMPLICATIONS

The Administrative Office of the Courts provided the following information:

In addition to saving funds, restricting mileage reimbursements would save court staff and Department of Finance and Administration staff significant time due to reduced processing of requests.

The mileage reimbursement process is time consuming, because most jurors need assistance to determine how many miles they traveled. Numerous administrative steps are required to reimburse jurors for mileage, as follows:

- Jurors indicate whether or not they request reimbursement on the juror qualification form and state their round trip mileage.
- Jurors are not required to submit proof of their round trip mileage so staff must verify by using Rand McNally.com.
- Some jurors do not complete the form properly, or indicate after their service that they would like to be compensated for mileage. Staff then must enter mileage information into the jury management software.
- When processing juror payments, staff must reconcile mileage before submitting data file to the Administrative Office of the Courts for processing.
- After processing by court clerks, payment requests are emailed electronically to the Administrative Office of the Courts, Fiscal Services Division, which audits

the payment requests to Department of Finance and Administration for processing. Payment checks are received on the following business day; another audit is conducted and checks are mailed (usually same day or within 24 hours).

JD/al/sb