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FISCAL IMPACT REPORT

ORIGINAL DATE 3/6/2017
LAST UPDATED 3/13/2017 **HB** 536/HAFCS

SPONSOR Gomez

SHORT TITLE Tax Refunds for Rape Kit Processing **SB** _____

ANALYST Rogers

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY17	FY18	FY19		
Unknown	Unknown	Unknown	Recurring	Sexual Assault Examination Kit Processing Grant Fund
Unknown	Unknown	Unknown	Recurring	DOH

(Parenthesis () Indicate Revenue Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	Minimal	Minimal	Minimal	Minimal	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 320, HB 491, SB 7, SB 351, SB 423, SB 474, and SB 475.

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

The House Appropriations and Finance Committee (HAFc) substitute for House Bill 536 provides for a new optional tax refund contribution designation to support sexual assault kit processing and services. Of the total proceeds collected, 50 percent will be allocated to the new Sexual Assault Examination Kit Processing Grant Fund at the Department of Public Safety (DPS) and 50 percent will be allocated to the Department of Health (DOH) to fund sexual assault services provided by sexual assault service providers.

Annually, on or before January 1, DPS shall provide a report to the Taxation and Revenue Department detailing the results of performance of the fund.

The fund has a delayed repeal of January 1, 2023. The bill is applicable to taxable years beginning on or after January 1, 2017.

FISCAL IMPLICATIONS

The bill does not contain an appropriation. The bill may impact the Taxation and Revenue Department (TRD) operating budget to update tax forms.

The amount of revenue potentially collected as a result of the bill is unknown, but likely minimal. The Cemetery Fund at the Veteran's Service Department, funded through voluntary income tax contributions, generated \$19.9 thousand in FY16.

The bill creates a new fund at DPS that will receive 50 percent of voluntary tax refund contributions, gifts, grants, and donations. The remaining 50 percent will be distributed to DOH to help support sexual assault service providers; however, the bill does not state which DOH fund the revenues shall be directed towards.

The balance of the fund shall not revert.

SIGNIFICANT ISSUES

At the Department of Public Safety, many of the forensic scientist positions are difficult to fill and remain vacant for significant periods of time, frequently due to low pay. Statewide, vacancy rates or small forensic laboratory staff sizes could slow the timely completion of cases and require additional employees, lab space, and equipment. Revenue donated from tax refunds could help ease the strain at DPS and other crime labs around the state. At DOH, sexual assault services were held harmless from general fund cuts during the most recent special session and are held harmless in the most current version of House Bill 2.

The bill does not state which DOH fund the revenues shall be directed towards.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to HB 320, HB 491, SB 7, SB 351, SB 423, SB 474, and SB 475.

TR/jle/sb/al