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FISCAL IMPACT REPORT

SPONSOR Payne ORIGINAL DATE 2/07/19
 LAST UPDATED 2/14/19 HB _____

SHORT TITLE Compilation Commission Changes SB 261/a SJC/ec

ANALYST Torres

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21		
Indeterminate but minimal	Indeterminate*		Recurring	Compilation Fund

(Parenthesis () Indicate Revenue Decreases)

*See fiscal implications.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	Indeterminate but minimal				Recurring	General fund/ Fee funding

(Parenthesis () Indicate Expenditure Decreases)

Relates to the General Appropriation Act.

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Attorney General (NMAG)

Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of Senate Judiciary Amendment

The Senate Judiciary Committee amendment to Senate Bill 261 clarifies that the Compilation Commission will include the President of the State Bar or a member of the State Bar Commission designated by the Bar President.

Synopsis of Original Bill

SB 261 amends sections of statute relating to the New Mexico Compilation Commission. Amendments are as follows:

- Section 1 amends Section 8-5-6 of the Attorney General statutes to allow the compilation commission to maintain the Attorney General’s opinions and advisory letters and requires the Attorney General to provide the compilation commission with an electronic copy of Attorney General’s opinions and advisory letters.
- Section 2 amends Section 12-1-2, relating to the commission’s creation and the duties and powers of the commission and removes the state records administrator or the administrator’s designee as a member of the commission.
- Section 3 amends Section 12-1-3, relating to the commission’s powers, and clarifies that (a) the official, annotated compilations include court rules as approved by the Supreme Court and publication of official compilations includes online publication; (b) provides for the licensing of the content of the compilation and any related prohibitions; (c) allows the commission to contract with a publisher; (d) keeps current a master database of publications that are published or authorized to be published; and removes the commission’s authority to exchange compilations and supplements with libraries of other states and territories.
- Sections 4 and 8 of the bill fundamentally expand the Compilation Commission’s traditional methods of publishing, printing, and distributing legal matter. The bill maintains the requirement of preparing and distributing printed materials (including the official New Mexico Statutes Annotated 1978 [NMSA]), through the Commission’s contractual use of a licensed publisher. In addition to the Commission’s traditional method of distributing printed materials, Sections 4 and 8 of the bill authorize online publication with free access to the “master database” to be created and maintained by the Commission. The “master database” will contain session laws, annotated statutes, appellate court opinions/decisions, and Attorney General opinions.
- Section 5 amends Section 12-1-5, relating to the Compilation Fund, which is appropriated funds annually to enable the Commission to carry out its duties and consists of filing and licensing fees, gifts and grants, and appropriations. Section 5 of the bill designates the Fund as non-reverting.
- Section 9 establishes the bill’s effective date as May 3, 2019, and declares that on that date the official version of NMSA, session laws, appellate opinions, court rules, and Attorney General opinions shall be the content of the master database maintained by the Commission. The Commission’s advisory committee shall annually review and approve updates to the master database. On the effective date, existing printed Commission legal matter shall be deemed surplus property, to be disposed of by government holders under existing surplus disposal procedures.
- Section 10 of the bill repeals current law requiring the Commission to provide designated government officials (state and local), judges, and the Legislature complete printed sets of legal matter and annual updates.

SB 261 contains an emergency clause that allows the act to take effect immediately.

FISCAL IMPLICATIONS

By allowing the commission to license the master database (Sections 3 and 6), SB 261 may generate additional Compilation Fund revenue, but the bill's requirement that the master database be provided free online should protect against licensing's potential to limit accessibility to users able to pay for using of licensed sites. Such additional revenue would be deposited into the non-reverting Compilation Fund, and is entirely dependent on the contractual relationship established by the commission and licensee.

The Compilation Commission's annual budget must be approved by the Supreme Court, after discussion and approval by the Court's Budget Committee. The Commission will be responsible for projecting and justifying costs connected with its maintenance and regular updating of its master database to ensure its currency and availability to all users. Reduction of the Commission's printing and distribution costs should enable those savings to be applied to maintenance of the master database.

For FY18 and FY17, the Compilation Commission did not revert funds. The non-reverting fund is likely not to decrease any revenues available for appropriation.

SIGNIFICANT ISSUES

The Administrative Office of the Courts notes:

Supplementing provision of printed legal materials with free online access represents a fundamental change in the traditional method of providing access to the state's most important legal materials. Free online access should afford more users access to legal materials, although issues regarding availability of computers or other devices may somewhat limit some users' opportunity to view and use these materials. As a practical matter, the Commission's traditional distribution methods may already limit access to those users able to visit government offices or libraries, or to pay for printed materials.

The bill's requirement that the Compilation Commission provide its master database free to online users should ensure wider availability of the state's fundamental legal materials. Judges and court staff at all levels in the state court system have online access to the Compilation Commission. Municipal judges and probate judges, who are local and county employees, respectively, may have such access, although the extent of access is not known to the AOC.

IT/al/sb