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FISCAL IMPACT REPORT

ORIGINAL DATE 2/27/19

SPONSOR Brandt LAST UPDATED _____ HB _____

SHORT TITLE Public Inspection Of Certain Warrants SB 514

ANALYST Hawker

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		No fiscal impact.				

Parenthesis () indicate expenditure decreases

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts (AOC)

New Mexico Attorney General (NMAG)

Office of the State Treasurer (STO)

SUMMARY

Synopsis of Bill

Senate Bill 514 adds a new section to Chapter 6, Article 5, NMSA 1978, stating outstanding warrants of a state agency or local public body that have not been cleared by the agency's or public body's fiscal agent bank shall not be made available for public inspection.

FISCAL IMPLICATIONS

SB 514 has no fiscal impact.

SIGNIFICANT ISSUES

STO notes the office receives IPRA requests for lists of outstanding warrants. The warrant detail could be used to create counterfeit checks or fraudulent electronic funds transfers. While STO uses available fraud prevention services through the fiscal agent, the possibility remains the state could incur losses through human error. Protecting information on outstanding warrants from public inspection is another means of preventing fraud against state funds.

VKH/gb