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## FISCAL IMPACT REPORT

SPONSOR: Jennings DATE TYPED: 03/04/01 HB \_\_\_\_\_  
 SHORT TITLE: Limit Liability Under Joint Powers Agreements SB 732/aSJC  
 ANALYST: Padilla

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
			See Below		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files  
 Public Regulation Commission (PRC)

### SUMMARY

#### Synopsis of SJC Amendment

The Senate Judiciary Committee amendment clarifies that fire stations, including volunteer fire departments, which are also used for community activities pursuant to a joint powers agreement shall be considered “single government entities” under the Tort Claims Act.

#### Synopsis of Original Bill

Senate Bill 732 adds “fire stations” to the list of jointly-operated public facilities that, under the Tort Claims Act, are considered single governmental entities for the purposes of establishing maximum liability for damages against a governmental entity or an employee acting within the scope of his or her duties.

#### Significant Issues

Current statute clarifies that “jointly-operated” facilities are those that are owned or leased by one governmental entity and operated or used jointly with another governmental entity pursuant to a joint powers agreement.

This bill would limit the amount for which a person could sue a jointly-operated fire station under the Tort Claims Act to the maximum amounts established for a single governmental entity (see below under “other substantive issues” for these limits).

## **FISCAL IMPLICATIONS**

This bill does not contain an appropriation. To the extent that it keeps state or local governments from incurring duplicate damage claims involving fire stations operated jointly by two governments, it will have positive but undetermined fiscal implications.

## **OTHER SUBSTANTIVE ISSUES**

The Tort Claims Act provides the following maximum liability amounts for damages against a governmental entity or a public employee while acting within the scope of his duties:

- (1) \$100.0 for damage to or destruction of property arising out of a single occurrence; and
- (2) \$300.0 for all past and future medical and medically-related expenses arising out of a single occurrence; and
- (3) \$400.0 to any person for any number of claims arising out of a single occurrence for all damages other than property damage and medical and medically-related expenses as permitted under the Tort Claims Act; or
- (4) \$750.0 for all claims other than medical or medically-related expenses arising out of a single occurrence.

## **TECHNICAL ISSUES**

The PRC noted that the bill references the New Mexico Religious Freedom Restoration Act of 1993. However, the New Mexico Religious Freedom Restoration Act was enacted pursuant to Laws 2000, ch. 17, Section 1.

LP/njw:ar