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FISCAL IMPACT REPORT

SPONSOR Campos DATE TYPED 3/9/05 HB _____

SHORT TITLE Torrance County Incarceration Costs SB 970

ANALYST Hadwiger

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$500.0			Recurring	General Fund

Duplicates HB 893

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

Senate Bill 970 appropriates \$500,000 from the general fund to the Department of Finance and Administration to pay for incarceration costs in Torrance County in FY06.

Significant Issues

According to the Department of Finance and Administration (DFA), as of September 30, 2004 the detention fund in Torrance County was overspent by \$303,967. The limited General Funds available could not cover detention expenditures at the rate they are increasing without additional revenue. Torrance County has done everything possible to reduce the detention cost. This includes the implementing additional gross receipts taxes that became effective January 01, 2005. With current projected revenues and expenditures, the County will not have sufficient revenues to cover the escalating detention expenditures.

FISCAL IMPLICATIONS

The appropriation of \$500,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

DFA indicated the Corrections Department has the expertise to administer this.

OTHER SUBSTANTIVE ISSUES

Torrance County is in the midst of a severe budget crisis that has resulting in layoff of sheriff's deputies and other spending cuts, as well as revenue increases. In October 2004, the Board of Finance voted to loan \$131,000 to Torrance County to maintain public safety programs.

DH/sb