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FISCAL IMPACT REPORT

ORIGINAL DATE 2/20/09
 SPONSOR Maestas, A. LAST UPDATED 3/11/09 HB 515/aHJC
 SHORT TITLE Local Government Corrections Fund Distribution SB _____
 ANALYST Sanchez, C.

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY09	FY10	FY11		
NFI	Indeterminate	Indeterminate	Recurring	Local Government Corrections Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts (AOC)
 Bernalillo County Metropolitan Court (BCMC)
 Department of Finance and Administration (DFA)
 Taxation and Revenue Department (TRD)
 Department of Public Safety (DPS)
 Department of Corrections (DOC)

SUMMARY

Synopsis of HJC Amendment

The House Judiciary Committee amendment for HB 515 deletes the amendments in the original bill to Section 33-3-25 that removed the city of Albuquerque from being able to receive payments out of the correction fund. Under the HJC amendment, the City of Albuquerque will continue to receive payments from the corrections fund.

In Bernalillo county the city of Albuquerque receives correction fees for citations and criminal convictions in the Metropolitan court that are from offenses committed within the city's boundaries and the county receives the fee for citations and criminal convictions in the Metropolitan court that are from offenses committed outside the city.

Synopsis of Bill

House Bill 515 seeks to amend Section 66-8-116.3 NMSA 1978 by expanding the misdemeanor penalty assessments to include a fee of \$10.00 in a county with a metropolitan court (Bernalillo County the only county to have a metropolitan court). Currently, it only assesses a fee of \$20.00 for counties without a metropolitan court.

This bill also seeks to amend Section 33-3-25 NMSA 1978 so that each county is eligible for payments, in an amount equal to costs and fees collected by a magistrate court or a metropolitan court and the motor vehicle division pursuant to offenses. The percentage of the appropriation that affected municipalities receive is eliminated.

This section is also amended to read that all balances in the local government corrections fund are appropriated to the administrative office of the courts for payment to counties and municipalities, other than those municipalities in counties with a metropolitan court.

FISCAL IMPLICATIONS

The fiscal implications with this amendment include additional revenue from a fee of \$10.00 charged for a penalty assessment misdemeanor in a county with a metropolitan court (Bernalillo County). This will help defray the costs of local government corrections for the county. Bernalillo County would also be eligible for a match of that fee to go into their corrections fund of their budget and removes any municipality with a metropolitan court (City of Albuquerque) from receiving payments.

According to the Taxation and Revenue Department, the fiscal impact is indeterminable. However, for every 10,000 misdemeanor convictions in counties with municipal courts there will be added revenue of \$100,000 (10,000 x \$10) to the Local Government Correction Fund.

Fiscal impact to the city would be around \$370 thousand per year according to the City of Albuquerque.

SIGNIFICANT ISSUES

According to DFA, in Bernalillo County the city of Albuquerque receives correction fees for citations and criminal convictions in the Metropolitan court that are from offenses committed within the city's boundaries and the county receives the fee for citations and criminal convictions in the Metropolitan court that are from offenses committed outside the city. This bill sends all of the corrections fees to the county to help defray the cost of local government corrections.

Amending Section 66-8-116.3 NMSA to provide for the collection of \$10.00 penalty assessment to help defray the costs of local government corrections is consistent with legislation passed in 2003. That legislation amended Section 35-6-1 NMSA to impose a similar penalty assessment to defray corrections costs in a county with a metropolitan court only upon conviction for the violation of any provision of the Motor Vehicle Code.

Presently, violators of penalty assessment misdemeanors in Bernalillo County are exempt from having to pay any correction fee when pleading guilty to a citation filed with MVD. If adopted, HB 515 will remove the exemption and the \$10.00 penalty assessment fee will help defray the costs of local government corrections.

According to Dan Mayfield, Deputy County Manager of Bernalillo County, the metropolitan court is being operated by the County and yet the City of Albuquerque continues to receive the matching appropriations for costs and fees of the court for their corrections fund from within the municipal boundaries. The County feels they should receive the costs, fees, and the appropriations the City of Albuquerque is currently receiving. In addition, the county feels it should receive a \$20.00 fee for being a county with a metropolitan court, not a \$10.00 fee that is being suggested in this amendment. This would be consistent with counties that don't have a metropolitan court.

According to Mark Sandoval, Acting Budget Officer of the City of Albuquerque, "As the bill was explained to me, it takes away the corrections fee that the City currently utilizes to help defray the costs of transporting prisoners to jails. If the funds are given to the County we will lose approximately \$370 thousand a year. The City currently pays for the transport of both County and APD prisoners to the jail. The City has been absorbing the costs on behalf of the County."

ADMINISTRATIVE IMPLICATIONS

Moderate clerical and accounting adjustments would be required to correctly account for the additional local government corrections collections.

OTHER SUBSTANTIVE ISSUES

According to DFA, enacting this amendment would affect performance of the County of Bernalillo due to a budget increase and the city of Albuquerque due to a budget decrease.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo.

CS/mc:mt