

AGENCY FIR TRAINING

FIR TRAINING SESSION

January 11, 2019

EFFECTIVE DATES

- ▶ EMERGENCY CLAUSE - bill becomes effective immediately upon Governor's signature
- ▶ FOLLOWING ADJOURNMENT - Governor has 20 days to act
- ▶ SPECIFIED - a bill may specify the effective date i.e. July 1
- ▶ ALL OTHER BILLS - become effective 90 days following adjournment of the Legislature

FISCAL IMPACT REPORTS

PURPOSE:

- ▶ PROVIDE INFORMATION AND NON-PARTISAN ANALYSIS TO LEGISLATORS AND THE PUBLIC ON IMPACT OF LEGISLATION BEFORE A BILL BECOMES LAW
- ▶ DESCRIBE THE IMPACT OF A BILL ON THE FINANCES OF THE STATE GOVERNMENT CUMULATELY AND OBJECTIVELY, SO THAT, THE LEGISLATURE CAN MAKE INFORMAL DECISIONS ON 1) COSTS, 2) SAVINGS AND 3) REVENUE
- ▶ ALLOW FOR TRACKING LEGISLATION THAT MAY IMPACT THE GENERAL APPROPRIATION ACT
- ▶ LFC IS THE OFFICIAL REPOSITORY FOR ALL FISCAL IMPACT REPORTS

KEY STEPS

- ▶ LFC MEMO TO AGENCIES, DECEMBER 2018
- ▶ CAN BE FOUND ON LFC WEBSITE, INFORMATION FOR STATE AGENCIES (FORM AND INSTRUCTIONS)
- ▶ PLEASE USE FORM ON WEBSITE
 - ▶ LFC AGENCY BILL ANALYSIS TEMPLATE
 - ▶ NEW TIMES ROMAN 12
 - ▶ INCLUDE ANY CHARTS AS ATTACHMENTS
 - ▶ USE PROPER FILE NAMING CONVENTION

KEY STEPS

- ▶ RESPONSE REQUESTED WITHIN 24 HOURS
 - ▶ SEND TO LFC@NMLEGIS.GOV
 - ▶ ALSO TO DFA@STATE.NM.US
 - ▶ RESPONSES ARE FILED BY BILL NUMBER AND BECOME A RECORD OF AGENCY RESPONSES

KEY STEPS

- ▶ 60-DAY SESSION: ALL LEGISLATION IS GERMANE
- ▶ FIRS WILL BE PREPARED FOR ALL LEGISLATION EXCEPT MEMORIALS HONORING PERSONS, PLACES OR THINGS
- ▶ SESSIONS NORMALLY START SLOW AND SPEED UP MID SESSION WHEN BILLS MAY BE HEARD QUICKLY

AGENCY FIR ANALYSIS FORM

LFC Requester: _____

**AGENCY BILL ANALYSIS
2019 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original Amendment Date _____
 Correction Substitute Bill No: _____

Sponsor: _____ Agency Code: _____
 Short _____ Person Writing _____
 Title: _____ Phone: _____ Email _____

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY19	FY20		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21		

(Parenthesis () Indicate Expenditure Decreases)

AGENCY FIR ANALYSIS FORM

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
 Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

FISCAL IMPLICATIONS

Note: major assumptions underlying fiscal impact should be documented.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS

PROCESS

▶ TABLES

- ▶ APPROPRIATION

- ▶ REVENUE

- ▶ ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT

- ▶ CAN BILL BE IMPLEMENTED WITH THE STATED APPROPRIATION?

- ▶ ARE THERE INCREASED EXPENDITURES FOR THE OUTYEARS?

- ▶ DISCUSS UNDER FISCAL IMPLICATIONS

PROCESS

▶ BILL SUMMARY

- ▶ DISCUSS HOW AGENCY INTERPRETS THE BILL

▶ FISCAL IMPLEMENTATION

- ▶ DISCUSS OUTYEAR COSTS

- ❖ HB 560 (Laws 2016, Ch. 152)

- ❖ Bill eliminated the practice of law enforcement agencies to auction items obtained through arrest and use monies to finance operations.

- ❖ Table said “Indeterminate but substantial”

- ❖ Resulted in a subsequent request for \$2.5 million appropriation to compensate for lost revenues.

- ❖ Impact was significant but a estimated revenue loss should have been used rather than text

PROCESS

▶ SIGNIFICANT ISSUES

- ▶ DISCUSS IMPLEMENTATION OF BILL, EXPECTED RESULTS, ANTICIPATED PROBLEMS, ETC
- ▶ BRIEFLY DESCRIBE SIGNIFICANT ISSUES
- ▶ ARE THERE UNINTENDED CONSEQUENCES RELATED TO THE BILL?

PROCESS

- ▶ PERFORMANCE IMPLICATIONS
 - ▶ HOW WILL IMPLEMENTATION BE EVALUATED
 - ▶ GENERAL COMMENTS—DO NOT NEED SPECIFICS

- ▶ CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP
 - ▶ ARE THERE OTHER BILLS RELATED TO THIS ONE?
 - ▶ GOAL IS TO AVOID CONFLICTS

PROCESS

- ▶ REMAINDER OF HEADINGS ARE OPTIONAL
- ▶ NOTE USE TECHNICAL ISSUES FOR CORRECTIONS WITHIN THE BILL
- ▶ USE AMENDMENTS FOR SIGNIFICANT CHANGES TO THE BILL; PROVIDE JUSTIFICATION

PROCESS

- ▶ **BILLS AMENDING STATUTE**
 - ▶ ONLY NEED TO ASSESS THE IMPACT OF THE CHANGE; NOT THE COMPLETE SECTION OR CHAPTER
 - ▶ DISCUSS THE CHANGE IN CONTEXT
- ▶ **NEW STATUTE**
 - ▶ FIR MUST COVER ENTIRE BILL

PROCESS

- ▶ LFC ANALYSTS WILL SUMMARIZE INPUTS
- ▶ IF YOU FEEL AGENCY INPUT IS INACCURATE OR MISREPRESENTED, CALL IMMEDIATELY!

LFC CONTACTS 986-4550

- ▶ LFC ANALYST
- ▶ JEANNAE LEGER
- ▶ GARY CHABOT
- ▶ CATHY FERNANDEZ

HOW DO YOU ADD VALUE TO THE PROCESS?

- PARTICIPATION
- TIMELINESS
- ACCURACY

THANK YOU!

QUESTIONS??

COMMENTS??