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## FISCAL IMPACT REPORT



SPONSOR: McSorley DATE TYPED: 02/01/02 HB \_\_\_\_\_

SHORT TITLE: 13<sup>th</sup> Judicial Child Support Hearing Officer SB 312

ANALYST: Hayes

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
\$25.0	\$50.0			Recurring**	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

Administrative Office of the Courts (AOC)  
LFC files

### SUMMARY

#### Synopsis of Bill

Senate Bill 312 appropriates \$75.0 from the general fund to the Thirteenth Judicial District Court for the purpose of hiring, on contract, a full-time child support hearing officer to provide services in Valencia, Sandoval and Cibola counties.

The provisions of this act contain an emergency clause.

#### Significant Issues

1. SB312 bill allows an immediate general fund appropriation for FY02 in the amount of \$25,000, which would be matched by federal funds amounting to \$50,000. The proposed FY03 appropriation is \$50,000 which would be matched by \$100,000 in federal funds.
2. This legislative proposal would allow approximately 6,500 existing cases in Valencia, Sandoval and Cibola Counties to be disposed of and annual child support collections estimated at \$2.9 million to be processed.

3. In general, this legislation is consistent with the current administrative mechanism for supporting existing Child Support Hearing Officers that are funded from the New Mexico Human Services Department, Child Support Enforcement Fund. There are existing Joint Power Agreements (pursuant to NMSA, Section 40-4B-1 et seq. (1994 Repl. Pamp.)) between the New Mexico Human Services Department and several district courts that allow for the provision of hearing officers and support staff to provide expeditious disposition of child support cases.

### **FISCAL IMPLICATIONS**

\*\*Of the \$75.0 appropriation contained in this bill, \$50.0 is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY03 shall revert to the general fund.

**Note:** The funding requested in this bill must be redirected and appropriated to the New Mexico Human Services Department, Child Support Enforcement Fund (Org. Code 630, P52300 6000). If the funding is provided directly to the 13<sup>th</sup> Judicial District Court, the state will not receive the matching federal funds.

### **TECHNICAL ISSUES**

Line 18 of the bill, amended to read: “human services department, child support enforcement fund” in lieu of the 13<sup>th</sup> Judicial District Court.

Clarify in the legislation whether the hearing officer is hired as a professional services contract or as a full-time term employee (including term support staff) of the state.

### **POSSIBLE QUESTIONS**

1. Has the 13th district confirmed that it will receive federal funding from HSD’s Child Support Enforcement fund if general fund matching funds are provided? What happens if they are not ?
2. If HSD is required to receive the general fund appropriation on behalf of the 13th district, what will happen with the court’s hearing officer program in future years?...Will the court be subject to HSD’s discretion on whether or not the court will receive continued funding? Who provides oversight of these funds? If federal funding to the State of New Mexico is reduced, who decides which courts get to continue their hearing officer programs and which do not? Will the general fund “match” appropriation to HSD be reduced by the Legislature accordingly if federal funding is decreased?

CMH/ar