NOTE: As provided in LFC policy, this report is intended only for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used for other purposes.

The most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR:	Martinez	DATE TYPED:	3/13/03	HB	556/aHAFC
SHORT TITLE	E: <u>County Detention Fa</u>	cility Reform Act		SB	

ANALYST:

Reynolds-Forte

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			Significant See Narrative	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY03	FY04			
			Recurring	New Fund

(Parenthesis () Indicate Revenue Decreases)

Duplicates SB 480 Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

Responses Received From New Mexico Corrections Department

SUMMARY

Synopsis of HAFC Amendment

The Amendment deletes the appropriations and does away with the mandatory language of the original bill requiring the Corrections Department to "reimburse" a county for the incarceration of an offender convicted of a felony. The amendment now makes it discretionary for the Department to reimburse a county for the incarceration of a state prisoner. The amendment also eliminates any set rate of reimbursement found in the original bill.

Significant Issues

The Corrections Department has several concerns regarding the amendment. First, the amendment does away with any appropriations, which could result in a dramatic increase in the administrative burden on many personnel who will be required to administer such reimbursements without any new appropriation. The Department will be unable to absorb this additional administrative burden.

Secondly, since the amendment does away with mandatory reimbursement from the Corrections Department, this may save the Department some costs in the long run. However, since all counties who submit claims might be allowed some reimbursement costs, the Department would have to come up with such reimbursement costs out of the already strapped general funds since the amendment does away with the original bill's appropriation of \$63.6 million and currently the Department is appropriated only \$1.0 million to cover such costs

FISCAL IMPLICATIONS

HAFC amendment does away with any appropriations to the County Detention Facility Reform Fund, but still creates the fund (which is to be administered by the corrections Department) to reimburse the counties for various incarceration costs.

Currently, the Corrections Department is appropriated \$1.0 million in the Community Offender Management Program budget to reimburse counties for detention costs for those state offenders that violate their parole.

There is a substantial possibility that the claims for reimbursement will exceed the current appropriation of \$1.0 million. The Department will be unable to absorb any additional costs beyond the current \$1.0 million appropriation.

Synopsis of Original Bill

HB 556 enacts the County Detention Facility Reform Act, creates a county detention facility reform fund and appropriates \$63,600.0 to the fund. The fund is to be used by the Corrections Department to reimburse counties for the incarceration of an offender convicted of a felony who 1) is charged with a parole violation; 2) while on parole, is charged with a crime; 3) is awaiting transport to the department after a pronouncement of commitment to the department; 4) is charged with a probation violation; 5) is sentenced to incarceration in a county jail; or 6) is incarcerated on the basis of a Corrections Department's arrest and hold order.

The bill repeals Section 33-3-3, which provides that the county jails shall be used to commit those lawfully detained.

FISCAL IMPLICATIONS

HB 556 creates a new county detention facility reform fund, which is to be administered by the Corrections Department and appropriates \$63,600.0 from the general fund to the fund for FY04. Any unencumbered or unexpended balance remaining at the end of a fiscal year shall not revert to the general fund but remain in the fund for subsequent fiscal year use.

House Bill 556/aHAFC -- Page 3

The Corrections Department notes that, based on HB556 requirements, there is a substantial possibility that the claims for reimbursement will exceed the appropriation. The Department is concerned about what will happen once the fund is exhausted.

The department is currently appropriated \$1,000.0 per year in the General Appropriation Act to reimburse counties who incarcerate state offenders that violate their parole. Section 3, Item A of the bill seems to address these same violators.

ADMINISTRATIVE IMPLICATIONS

The bill will result in a dramatic increase in the administrative burden on many Department personnel who will be required to administer this new fund. The Department will be unable to absorb this additional administrative burden.

DUPLICATION

SB480 and HB556 are duplicates.

TECHNICAL ISSUES

On page 3, line 2; it is unclear what the phrase "removed by the district court to incarceration" means.

It is unclear why the repeal of Section 33-3-3 is necessary. Such repeal may allow the county jails to simply refuse to house inmates who are lawfully committed.

OTHER SUBSTANTIVE ISSUES

The Corrections Department suggests that an alternative to appropriating the funds to the Corrections Department would be to appropriate the money directly to the various counties, which would eliminate the substantial increase in the administrative burden upon the Corrections Department.

PRF/ls