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## FISCAL IMPACT REPORT

SPONSOR SFC DATE TYPED 02/10/04 HB \_\_\_\_\_  
 Relating to the Public Peace, Health,  
 SHORT TITLE \_\_\_\_\_ SB 585/SFCS  
 Safety and Welfare  
 ANALYST Gilbert

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY04	FY05			
	See Narrative	See Narrative	Recurring	Employment Security Department Fund

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

### SUMMARY

#### Synopsis of Bill

The Senate Finance Committee Substitute for Senate Bill 585 amends §51-1-12 NMSA 1978 (Laws 1965, Chapter 192, Section 1) to increase the penalty for filing of late wage reports with the Department of Labor (DOL) from the current fifty dollars to seventy-five dollars.

The bill also amends §51-1-36 NMSA 1978 (Laws 1936, Chapter 1, Section 14) to change the interest rate charged for delayed employment security department fund contributions from the current one-percent per month to an annual rate of fifteen-percent, compounded quarterly.

SB 585/SFCS also adds restrictive language to specify that all revenue deposited to the employment security department fund shall be expended solely for employment services administration by the DOL.

The bill also makes several minor technical corrections.

### FISCAL IMPLICATIONS

The increased penalties and interest payments for late filing of wage reports and overdue payment of contributions will increase revenue to the employment security department fund.

**ADMINISTRATIVE IMPLICATIONS**

If adopted, SB 585/SFCS will call for the DOL to revise its accounting systems, update department policies and procedures and notify employers of the changes included in this bill.

**RLG/yr**