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FISCAL IMPACT REPORT

SPONSOR Moore DATE TYPED 01/24/05 HB 74

SHORT TITLE Municipal Law Enforcement Services and Fund SB _____

ANALYST Ford

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	Indeterminate		Indeterminate	Recurring	Municipal Law Enforcement Services Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
	Unknown	Indeterminate	Recurring	Municipal Law Enforcement Services Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Public Safety (DPS)

SUMMARY

Synopsis of Bill

House Bill 74 allows municipalities with populations of 3,000 or less to contract with the New Mexico state police for provision of municipal law enforcement services.

The measure creates a non-reverting special fund, which shall consist of payments from contracting municipalities as well as income from investment and any other money accruing to the fund. The fund shall be appropriated to provide contracted law enforcement services.

FISCAL IMPLICATIONS

If contracts are written properly, the revenue to and appropriations from the municipal law enforcement services fund would be equal. There should be no fiscal impact to the general fund.

Continuing Appropriations

This bill creates a new fund and provides for continuing appropriations. The LFC objects to including continuing appropriation language in the statutory provisions for newly created funds. Earmarking reduces the ability of the legislature to establish spending priorities.

ADMINISTRATIVE IMPLICATIONS

DPS would have to draw up contracts that accurately reflect its costs in providing services to municipalities. DPS indicates that contracts should include a budget for administrative costs of contract processing and monitoring.

TECHNICAL ISSUES

DPS indicates that it may be helpful if the bill were more specific regarding a funding plan or system for accounting for the cost of officers' services when those officers are serving communities as well as performing their own duties.

EF/lg