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FISCAL IMPACT REPORT

SPONSOR Ortiz y Pino DATE TYPED 2/19/05 HB _____

SHORT TITLE County Commission Property Leases SB 740

ANALYST Hadwiger

APPROPRIATION (in \$000s)

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	NFI				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Agency and Long-Term Care Department (ALTCD)

SUMMARY

Synopsis of Bill

Senate Bill 740 would allow boards of county commissioners to contract the use of county buildings to nonprofit organizations with a history of service to sick and indigent persons, which service could legally be expected to be provided by a governmental entity, at rates the organizations can be reasonably expected to pay while maintaining their full service to their constituencies.

The contracts would be required to set forth the respective value of services provided by the nonprofit organizations to county residents and relative value of the use of the property provided by the county.

Significant Issues

DFA indicated SB740 might be beneficial to counties by providing low-cost lease space in exchange for relieving county governments of the costs of providing some services to sick and indigent persons.

FISCAL IMPLICATIONS

There would be no direct cost to the state from SB740.

OTHER SUBSTANTIVE ISSUES

Article IX, Section 14 of the New Mexico Constitution makes an exception to the anti-donation clause: “Nothing in this section prohibits the state or any county or municipality from making provision for the care and maintenance of sick and indigent persons.”

POSSIBLE QUESTIONS

1. Would passage of SB740 raise any questions with respect to the anti-donation clause?

DH/yr