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FISCAL IMPACT REPORT

	ORIGINAL DATE 1/27/07		LAST UPDATED 3/2/07		HB _____
SPONSOR	Lopez	County Detention Facility			
SHORT TITLE	Reimbursement Act			SB	410/aSFC
				ANALYST	Propst

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$5,000.0	\$5,000.0	\$10,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB 316
 Duplicates appropriation in the General Appropriation Act for \$5,000.0
 Relates to HB 357 and SB 192

SOURCES OF INFORMATION

LFC Files

Responses Received From
 Corrections Department (CD)

SUMMARY

Synopsis of SFC Amendment

The amendment strikes the appropriation of \$5,000.0.

Synopsis of Original Bill

Senate Bill 410 creates a new County Detention Facility Reimbursement Fund in the State Treasury, to be administered by the State Treasurer and distributed through the Local Government Division of the Department of Finance and Administration. The bill appropriates \$5,000,000 from the General Fund to the new Fund for expenditure in FY08 and subsequent years.

FISCAL IMPLICATIONS

The appropriation of \$5,000,000 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY08 reverts to the General Fund.

SIGNIFICANT ISSUES

The bill would appropriate \$5,000.0 from the County Detention Reimbursement Fund to distribute to counties to assist them with their costs of incarceration of certain felony offenders. A felony offender is defined as a person convicted of a felony and sentenced to confinement in a facility designated by the Correction Department who (1) has been released from confinement and is a dual supervision offender (on both probation and parole) and has violated his parole or is charged with a parole violation; or has violated probation or is charged with a probation violation; or while on parole, is charged with a violation of local, state, tribal, federal or international law; or (2) has been released from confinement and is serving a parole term and has violated his parole or is charged with a parole violation; or while on parole, is charged with a violation of local, state, tribal, federal or international law; or (3) is awaiting transport and commitment to the Corrections Department following the revocation of parole or a sentencing hearing for a felony conviction. The distribution would be based primarily on a formula developed by the NM Sentencing Commission (NMSC) with an additional amount set aside for smaller counties with demonstrated need.

NMSC has already developed a methodology for distributing funds to counties based on the ratio of a county’s eligible offenders and all eligible offenders. Thirty-thousand of the appropriation would go to NMSC to maintain the data for the formula. The Commission would provide LGD a list of counties with the appropriate share of the distribution. LGD would distribute \$30,000 from the CDRF to NMSC for data maintenance and 70 percent of the remaining appropriation to counties according to the NMSC formula. The balance will be reserved for small counties designated as needing additional resources due to inadequate base revenues by LGD. The projected distribution would be as shown in table below.

Distribution of Appropriation for County Detention

	Distribution	Percent of Estimated Cost		Distribution	Percent of Estimated Cost
BERNALILLO	\$ 823,148	24%	MCKINLEY	\$ 70,729	2%
CATRON	6,013	0%	MORA	-	0%
CHAVES	55,109	2%	OTERO	89,710	3%
CIBOLA	144,008	4%	QUAY	29,533	1%
COLFAX	22,647	1%	RIO ARRIBA	61,876	2%
CURRY	103,146	3%	ROOSEVELT	31,243	1%
DE BACA	8,015	0%	SAN JUAN	276,156	8%
DONA ANA	368,201	11%	SAN MIGUEL	70,062	2%
EDDY	124,889	4%	SANDOVAL	234,770	7%
GRANT	36,060	1%	SANTA FE	349,797	10%
GUADALUPE	12,631	0%	SIERRA	5,756	0%
HARDING	-	0%	SOCORRO	19,922	1%
HIDALGO	16,419	0%	TAOS	24,267	1%
LEA	198,219	6%	TORRANCE	54,815	2%
LINCOLN	57,978	2%	UNION	4,194	0%
LOS ALAMOS	18,673	1%	VALENCIA	104,209	3%
LUNA	56,806	2%			

* Mora and Harding Counties use San Miguel or De Baca facilities.

Total Amount Distributed Using NMSC Formula	\$	3,479,000
NMSC Data Maintenance		30,000
Additional funds for counties with insufficient tax base		1,491,000
TOTAL APPROPRIATION	\$	5,000,000

PERFORMANCE IMPLICATIONS

Instead of requiring that the Corrections Department administer the fund, the bill creates the fund at the State Treasurer and DFA will administer the Fund to the counties for the incarceration costs of housing certain offenders. The Corrections Department agrees that the fund would be best administered by DFA or the State Treasurer. The Corrections Department reports that the bill may increase the Corrections Department's administrative or fiscal costs, as discussed below in the Administrative Implications section.

ADMINISTRATIVE IMPLICATIONS

The Corrections Department reports that the bill could have no or only a minimal administrative effect on the Department since the State Treasurer will administer the fund and pay the bills unless it routinely receives requests for large amounts of information from either the Treasurer or DFA in an attempt to ensure that the counties are properly counting the number of felony offenders they are incarcerating, this could place a negative administrative burden on the Department.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB 410 relates to SB 192 and HB 357 and duplicates HB 316. Additionally, SB 410 duplicates a provision of the General Appropriations Act for FY08 which contains a \$5,000,000 recurring, General Fund appropriation for the same purpose.

The major difference between SB 410 and SB 192 is that SB 410 contains a provision allocating 30 percent of the fund to counties other than Class A counties that are designated by DFA as needing additional resources due to inadequate base revenues. Additionally, SB 192 calls on the State Treasurer to administer the program while SB 410 administers the program through the Local Government Division of DFA.

ALTERNATIVES

A \$5,000,000 appropriation is included in the General Appropriations Act for this purpose.

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