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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/18/08

SPONSOR Cervantes LAST UPDATED \_\_\_\_\_ HB 141

SHORT TITLE Expand Legal Services to Low-Income Persons SB \_\_\_\_\_

ANALYST Propst

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$1.5	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Administrative Office of the Courts (AOC)

### SUMMARY

#### Synopsis of Bill

House Bill 141, Making an Appropriation to Expand Legal Services to Low-Income Persons Statewide and appropriates \$1.5 million from the general fund to the civil legal services fund for the Civil Legal Services Commission for the purpose of contracting for increased services providing legal assistance to low-income persons in New Mexico.

### FISCAL IMPLICATIONS

The appropriation of \$1.5 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY09 shall not revert to the general fund.

### SIGNIFICANT ISSUES

According to the Administrative Office of the Courts, civil legal aid helps low-income New Mexicans with civil legal problems, such as: domestic violence, family law, child support, child custody, landlord/tenant disputes, foreclosures, unsafe housing, TANF, social security, healthcare, Medicare, Medicaid, and predatory lending. Funds from this bill will not be used to represent people in criminal matters.

All legal services programs have financial eligibility criteria for clients. Generally families must earn under 125% of the federal poverty level (about \$25,000 for a family of four). One person in five in New Mexico, 411,000 people, meets this criterion.

Approximately 25% of civil legal aid clients are Native American and 50% are Hispanic. Many clients are single mothers.

This appropriation will go to the Civil Legal Services Commission, established by the Legislature, to distribute funds to non-profit civil legal service providers. The Commission grants funds, oversees their use, and operates with strict accountability.

## **PERFORMANCE IMPLICATIONS**

The Administrative Office of the Courts notes that, providing greater assistance to low-income persons with civil legal disputes may help the courts function more efficiently and hasten the resolution of cases. Currently, many low-income New Mexicans with civil legal matters try to navigate the legal system by representing themselves. Self-represented litigants commonly slow the legal process, file the wrong documents, do not provide the correct supporting material, and do not understand the legal process. Court hearings with self-represented litigants take longer and additional hearings are commonly needed. In Albuquerque, over half of all persons in family law matters represent themselves. That is consistent throughout the state.

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