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# FISCAL IMPACT REPORT

SPONSOR	Morales	ORIGINAL DATE LAST UPDATED	1/18/08	HB	
SHORT TITLE Legal Aid For Low-Income Persons				SB	255
			ANALY	(ST	Propst
				_	

## **APPROPRIATION (dollars in thousands)**

Appropr	iation	Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$1,500.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Similar to HB 141

**SOURCES OF INFORMATION** LFC Files

<u>Responses Received From</u> Administrative Office of the Courts (AOC)

### SUMMARY

#### Synopsis of Bill

Senate Bill 255, Making an Appropriation to Expand Legal Services to Low-Income Persons Statewide 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.

### Senate Bill 255 – Page 2

All legal services programs have financial eligibility criteria for clients. Generally families must earn less than 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.

WEP/bb