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FISCAL IMPACT REPORT

ORIGINAL DATE 1/28/08
 LAST UPDATED 2/1/08 HB _____

SPONSOR Sanchez, M

SHORT TITLE Local Government Traffic Fine Limits SB 442/aSJC/aSfI#1

ANALYST C. Sanchez

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY08	FY09	FY10		
		Indeterminable		Facilities Fund & General Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Administrative Office of the Courts (AOC)\
 Department of Corrections (DOC)

SUMMARY

Synopsis of SFI#1 Amendment

The Senate Floor amendment makes technical changes to the original bill.

Synopsis of SJC Amendment

The Senate Judiciary Committee amendment to SB 442 simply clarifies that the applicability of the limits/criteria on the new fines and costs or fees contained in the original bill would apply only to a municipality with a population of greater than 200,000 as of the last census.

Synopsis of Original Bill

Senate Bill 442 proposes to amend the nuisance abatement provisions set forth in Section 3-18-17 NMSA 1978 by providing that, with respect to any municipality (including a home rule municipality that has adopted a charter pursuant to Article 10, Section 6 of the New Mexico Constitution), penalties or fines and costs or fees imposed by an ordinance for failure to obey a traffic sign or signal (including a red light violation) or for a speeding offense or violation shall be limited as follows:

- the total amount of the assessed fines, fees and costs shall not exceed \$75.00;
- the total amount of the assessed fines, fees and costs shall be distributed to the AOC, of which:
 - 10% shall be credited to DWI drug court programs; and
 - 90% shall be transferred to the New Mexico finance authority for deposit into the metropolitan court bond guarantee fund; and
- Beginning with fiscal year 2009, the municipality shall cause an audit of the program to be conducted by the state auditor or an independent auditor.

SB 442 also proposes to enact a new section of the New Mexico Finance Authority Act that will create the “metropolitan court bond guarantee fund,” the money in which is appropriated to the authority as a credit enhancement to the distributions to the court facilities fund. The fund will serve to guarantee and secure the payment of principal, interest, premiums and expenses on bonds issued pursuant to Section 34-9-16 NMSA 1978. Upon payment in full of all such principal, interest, premiums and expenses, the authority shall certify that all obligations for the bonds have been paid in full and the AOC shall cease the transfer of the monies to the fund and, instead, transfer any further funds to the TSB.

FISCAL IMPLICATIONS

The bill will have minimal fiscal impact on the Metropolitan Court. If enacted, the Court will likely receive additional funding for its DWI/drug court. The amount and impact of such additional funding is indeterminable at this time.

While the bill proposes to amend the New Mexico Finance Authority Act to provide for a credit enhancement for the Metropolitan Court’s outstanding bonds, this provision will not have any direct fiscal implications on the Court.

Revenue that results from this statute could eventually reduce or even replace general fund monies that are used for DWI Drug Courts and the Facilities Fund.

PERFORMANCE IMPLICATIONS

Additional funding to the Metropolitan Court’s DWI/drug court may enable the Metropolitan Court to expand and enhance the services currently offered under the DWI/drug court program.

TECHNICAL ISSUES

The bill should replace references to the “metropolitan court bond guarantee fund” with “court facilities fund”.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Status Quo.

CS/mt:bb