Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

# FISCAL IMPACT REPORT

		A DDD ODDI A TION (dellesse	<del></del>		
			ANAI	LYST	Wilson
SHORT TITLE Adoption Service I		Adoption Service Requirements		SB	
SPONSOR	Park	ORIGINAL DATE LAST UPDATED		НВ	125/aHJC
		ODICINAL DATE	02/00/11		

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

Appropr	iation	Recurring	Fund	
FY11	FY12	or Non-Rec	Affected	
	NFI			

(Parenthesis ( ) Indicate Expenditure Decreases)

#### **SOURCES OF INFORMATION**

LFC Files

Responses Received From

Administrative Office of the Courts (AOC) Administrative Office of the District Attorneys (AODA) Children, Youth & Families (CYFD)

#### **SUMMARY**

### Synopsis of HJC Amendment

The House Judiciary Committee amendment to House Bill 125 in the section on unauthorized adoption facilitation penalties removes the requirement that a person who knowingly or intentionally engages in adoption services <u>for profit</u> is guilty of a misdemeanor. The amendment leaves the language stating that a person engaging in illegal adoption services <u>for compensation</u> is guilty of a misdemeanor.

The amendment adds the effective date of the bill is October 1, 2011.

#### Synopsis of Original Bill

House Bill 125 amends the Adoption Act, NMSA 1978, 32A-5-1 as follows:

The bill: (1) modifies the definition of adoption service; (2) requires an accounting of disbursements prior to a relinquishment of parental rights; (3) limits who may make payments on behalf of a prospective adoptive parent; (4) prohibits unauthorized adoption services; and (5) provides penalties and remedies for persons or entities engaging in unauthorized adoption services.

### House Bill 125/aHJC - Page 2

House Bill 125 amends several sections of the Adoption Act, NMSA 1978, 32A-5-1.

The bill expands the definition of adoption service to include:

- (1) connecting or matching birth parents with prospective adoptive parents;
- (2) providing counseling, advice or guidance related to a potential adoption; and
- (3) receiving or disbursing funds or anything of value on behalf of adoptive parents or to parents who have or may place a child for adoption.

The bill requires that, prior to approving a consent to adoption or relinquishment of parental rights, a judge must review and approve an accounting of all disbursements made by prospective adoptive parents to or on behalf of the child or the child's parents. The accounting is not required in stepparent adoptions or adoptions under the Abuse and Neglect Act, unless ordered by the court.

In addition, the bill limits payments for services relating to the adoption to the prospective adoptive parent acting alone, through an agency, or through an attorney licensed in New Mexico.

Finally, the bill adds a new section to the Adoption Act. This section makes unauthorized adoption facilitation a misdemeanor and a violation of the Unfair Practices Act.

### FISCAL IMPLICATIONS

Any fiscal impact on the judiciary would be proportional to the enforcement of this law and commenced prosecutions as well as the additional time necessary to review accounting of disbursements required by the bill. There may be an increase in the amount of work that needs to be done by the courts, thus requiring additional resources to handle increase. The AOC is currently working on possible parameters to measure resulting case increase.

#### SIGNIFICANT ISSUES

The AODA notes it is very unlikely that many people will be charged under this new misdemeanor or the Unfair Practices Act, so this amendment and new section should have little fiscal impact.

#### ADMINISTRATIVE IMPLICATIONS

CYFD can handle the provisions in this bill as part of on-going responsibilities.

DW/bym