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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/10/14

SPONSOR Campos LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Reorganize Department of Public Safety SB 301

ANALYST Chenier

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY14	FY15	FY16		
	\$28.0	\$28.0	Recurring	General Fund

(Parenthesis ( ) Indicate Revenue Decreases)

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		\$150.0	\$150.0	\$450.0	Recurring	General fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates House Bill 335

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Attorney General's Office (AGO)

Department of Public Safety (DPS)

### SUMMARY

#### Synopsis of Bill

Senate Bill 301 in section 3 would consolidate the department by making the Motor Transportation division, the Special Investigations Division and all training functions, a part of the New Mexico State Police Division. The bill also exempts former members of the Motor Transportation Division, the former Special Investigations Division and the former Training and Recruiting Division from qualifications required of all State Police officers. This exemption is created for current State Police college credit requirements, test scores for knowledge of the laws of the state of New Mexico, probation periods upon initial appointment to the State Police, and initial training.

This bill repeals Section 29-7-5.1 NMSA 1978 giving the power to the New Mexico Law Enforcement Academy Board to remove the director of the Law Enforcement Academy; repeals Section 60-4B-1 and 60-4B-2 NMSA 1978 creating the special investigations division director and enumerated powers; and, repeals Sections 65-1-7, 65-1-38 through 65-1-45 NMSA 1978 creating the Motor Transportation Division and enumerating the powers of the division including specifying that motor transportation officers are peace officers.

Section 41 of the bill further provides that all appropriations, personnel, equipment, and other property of the three reclassified divisions would transfer to the State Police Division on the bill's effective date of July 1, 2014. Section 41 also makes all contracts of the three reclassified divisions binding on the State Police Division, and directs that all references in law to those three divisions be deemed to refer to the State Police Division, again effective July 1, 2014.

### **FISCAL IMPLICATIONS**

Since this bill consolidates several existing divisions into one, the fiscal impact of the consolidation should be minimal. Officers in the Motor Transportation Division, Training and Recruiting Division, and the Special Investigations Division would become exempt from the state personnel act and become a part of the State Police pay plan. In general, officers in these divisions have lower salaries requiring the department to increase salaries to create pay parity. It is estimated that creating pay parity for all officers in DPS will cost approximately \$150 thousand. This amount is included in the department's base budget for FY15.

Section 24 provides that money in the statutorily created Law Enforcement Training and Recruiting Fund shall not revert to the general fund. Last year the department reverted \$28 thousand from this fund. The department stated that the buildings and grounds of the academy are in constant need of repair and maintenance that is not sufficiently funded through the base general fund budget. Better use of the fund will support maintenance and repair efforts.

### **SIGNIFICANT ISSUES**

The current structure does not support the efficient and most effective use of the limited law enforcement resources. The segregation of functions and budget has resulted in fragmented operations; silos in mission focus and officer skills; ineffective communications and information sharing; redundancy of functions; limited career opportunities for officers who are not cross-trained to move from one functional area to another; and, a lack of equity in commissioned officer pay. The proposed structure would be reflective of other states' Departments of Public Safety increasing efficiency and streamlining operations.

Currently the New Mexico State Police are exempt from classified system. Employees in the Special Investigations Division, the Motor Transportation Division and the Training and Recruiting Division are classified. This creates a lack of parity in pay and benefits between classified officers and State Police officers due to the fundamental organizational differences in how the pay systems function. In addition, hiring and promotion of officers is faster and more efficient in the State Police personnel system. Other parity issues include different training programs and the inability to provide the same opportunities in careers and advanced training.

In September of 2013, the Legislative Finance Committee presented A Review of the New Mexico's Motor Transportation Police Mission and Organization. This thorough review made a number of recommendations, stating that the department should:

- Commission all officers and make them exempt from the classified SPO system;
- Create equal pay for comparable positions according to a common pay gradient;
- Create one single academy to train all new entrants;
- Create a common advertising and recruitment campaign;

The bill would achieve three of these four recommendations and, based upon funding, provide the single pay structure required to provide equal pay for comparable positions. The Department will increase efficiency and more effectively streamline operations because now all commissioned law enforcement officers within DPS will be part of a single personnel system.

DPS stated that the functions of the separate divisions will continue to be accomplished by the same employees, with their original mission focus clearly maintained, as members of the New Mexico State Police. In this way, the Department intends that all current required functions of every division of DPS will still be accomplished, only under the auspices of the New Mexico State Police Division.

### **PERFORMANCE IMPLICATIONS**

DPS provided the following:

There are positive performance implications from passage of the proposed legislation. It is anticipated that lines of communication, rank structure and investigatory function will be improved. This will result in the enhanced performance of the law enforcement functions of the Department of Public Safety. The proposed legislation will result in better, more cohesive law enforcement services. In addition, the passage of the proposed legislation will support:

- more effective use of field staff as officers from formerly separate law enforcement programs can now be deployed as a team for local initiatives and activities;
- more efficient use of limited but essential administrative staff;
- a more cohesive focus for the program as a whole without sacrificing the individual mission of each functional area;
- better trained and cross trained officers that can be assigned in multiple DPS law enforcement functions;
- improved opportunity for officer advancement and career enhancement, improving officer retention;
- parity of pay and benefits for all officers, as all would move into a singular pay plan, exempt from the classified service.

EC/ds:jl