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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/22/11  
 LAST UPDATED 03/17/11    **HB** 417/aHTRC

SPONSOR Park

SHORT TITLE Local Government Corrections Fee & Fund    **SB** \_\_\_\_\_

ANALYST Sanchez, C.

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	NFI		

(Parenthesis ( ) Indicate Expenditure Decreases)

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY11	FY12	FY13		
	\$770.0	\$829.0	Recurring	Bernalillo Local Corrections Fund

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Administrative Office of the Courts (AOC)

Bernalillo County Metropolitan Courts (BCMC)

### SUMMARY

#### Synopsis of HTRC Amendment

The House Taxation and Revenue Committee (HTRC) amendment to HB 417 removes the local government corrections fee increase for counties with a metropolitan court.

Synopsis of Original Bill

House Bill 417 amends Section 33-3-25 NMSA 1978 to require the administrative office of the courts to pay the balances in the local government corrections fund to counties only and not to incorporated municipalities.

Section 35-6-1 NMSA 1978 is amended to increase the corrections fee from \$10.00 to \$20.00 in a county with a metropolitan court. This increase makes the corrections fee uniform with the corrections fee imposed in a magistrate court. The fee shall be imposed upon conviction by a metropolitan or magistrate court judge of a person violating any provision of the Motor Vehicle Code involving the operation of a motor vehicle or ordinance that may be enforced by the imposition of a term or imprisonment.

This bill amends Section 66-8-116.3 NMSA 1978 to impose a \$20.00 assessment to help defray the costs of local government corrections. The \$20.00 charge is in addition to the penalty established for each penalty assessment misdemeanor and applies to all counties with or without a metropolitan court. This \$20.00 fee would be charged to the penalty assessment misdemeanors that are mailed to the Motor Vehicle Division.

**FISCAL IMPLICATIONS**

In accordance with Section 35-6-1 NMSA, the Bernalillo County Metropolitan Court currently assesses a \$10.00 corrections fee on all persons convicted of “violating any provision of the Motor Vehicle Code involving the operation of a motor vehicle, convicted of a crime constituting a misdemeanor or a petty misdemeanor or convicted of violating any ordinance that may be enforced by the imposition of a term of imprisonment.” Passage of HB 417 would double the corrections fee that is currently assessed upon each conviction.

The average annual collections of the corrections fee under Section 35-6-1 NMSA for fiscal years 2010 and 2011 (projected) is \$370.6. If the corrections fee is increased from \$10 to \$20, the Metropolitan Court anticipates that approximately an additional \$370.6 will be collected annually for credit to the local government corrections fund.

As the additional fees that would be collected if this bill were enacted would be remitted by the Bernalillo County Metropolitan Court to the State Treasurer for credit to the local government corrections fund, no portion of the fee would be retained by, or allocated by the State Treasurer for use by, the Metropolitan Court. Therefore, the addition of this penalty assessment would not increase any revenues for the benefit of the Metropolitan Court.

**SIGNIFICANT ISSUES**

According to the AOC, the bill allows Bernalillo County to be able to obtain additional revenue from the corrections fee on violations of the Motor Vehicle Code and to be able to collect a penalty assessment corrections fee to help defray the costs of local government corrections.

Currently, violators of penalty assessment misdemeanors in Bernalillo County are exempt from having to pay any correction fee when pleading guilty to a citation filed with Motor Vehicle Division. If adopted, this bill will remove the exemption and the \$20.00 penalty assessment fee with help defray the costs of local government corrections. The projected annual revenue of the

corrections fee under Section 66-8-116.3 NMSA 1978 would range anywhere from \$400,000 to \$458,900. With new fees, it takes a little longer the first year to reap all the revenue. Thus, the annual revenue will be less in FY 2012 than in FY 2013.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

SB 277 (Increase Magistrate Court Operations Fee)

SB 465 (Local Government Corrections Fee and Fund)

**OTHER SUBSTANTIVE ISSUES**

According to the AOC, Bernalillo County is the only county within the state that is unable to collect a penalty assessment corrections fee to help defray the costs of local government corrections.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

Status Quo

CS/bym