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## FISCAL IMPACT REPORT

**SPONSOR** Candelaria **ORIGINAL DATE** 01/21/14  
**LAST UPDATED** \_\_\_\_\_ **HB** \_\_\_\_\_

**SHORT TITLE** Metro Court Bond Fund Recipients **SB** 38

**ANALYST** Jorgensen

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	\$1,200.0	Recurring	Metro Court Bond Guarantee Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY14	FY15	FY16		
	\$600.0	\$50.0	Recurring	AOC magistrate courts
	\$600.0	\$50.0	Recurring	Traffic Safety Education and Enforcement Fund

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Administrative Office of the Courts (AOC)  
 New Mexico Department of Transportation (NMDOT)  
 New Mexico Finance Authority (NMFA)

### SUMMARY

#### Synopsis of Bill

Senate Bill 38 permits distribution of funds in the Metropolitan Court Bond Guarantee Fund (MCBGF) in excess of the annual bond payments required to retire the bonds sold.

**FISCAL IMPLICATIONS**

Since enactment of the MCBGF in 2008, the Finance Authority reports the Fund has accumulated a balance in excess of \$5,900,000. Senate Bill 38 directs the balance in the MCBGF that exceeds the reserve annual bond payment (about \$4,6050,000) to be distributed annually as follows: 50 percent to the AOC for expenditures as authorized from the Magistrate and Metropolitan Court Capital fund, and 50 percent to Traffic Safety Bureau (TSB) to prevent or reduce DWI.

Enactment of Senate Bill 38 will retain in the MCBGF an amount equal to the annual bond payment. In FY 2015, the amount in the MCBGF above the reserve bond payment amount will be distributed, resulting in approximately \$650,000 to the AOC for court facilities and \$650,000 to TSB to prevent or reduce DWI statewide. In FY 2016 and thereafter, earnings and collections in the MCBGF that cause the fund balance to exceed the bond payment amount also will be distributed each year. Nuisance red light and speeding cameras in Albuquerque are not currently active, but modest collections from previous activity may generate as much as \$100,000 per year in excess of the required fund balance, resulting in a 50/50 distribution with \$50,000 to AOC and \$50,000 to TSB.

**SIGNIFICANT ISSUES**

The NMFA stated that the enactment of Senate Bill 38 will present no fiscal implications for repayment of metro court bonds.

**PERFORMANCE IMPLICATIONS**

The NMDOT stated that the estimated \$600,000 additional funds in FY15 to the TSB Education and Enforcement Fund would allow NMDOT to increase education and enforcement efforts aimed at reducing DWI.

The AOC intends to use any additional revenue generated by the enactment of Senate Bill 38 for the payment of magistrate court facility leases.

**COMPANIONSHIP, RELATIONSHIP**

There is a special appropriation in House Bill 2 which would authorize the AOC to receive additional funding related to the enactment of Senate Bill 38.