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FISCAL IMPACT REPORT

SPONSOR Fajardo ORIGINAL DATE 1/25/18
LAST UPDATED _____ HB 153
SHORT TITLE Transfer Employee Leasing Registration SB _____
ANALYST Romero

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY18	FY19		
	See Fiscal Implications		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Regulation and Licensing Department (RLD)

Workforce Solutions Department (WSD)

SUMMARY

Synopsis of Bill

House Bill 153 transfers the Employee Leasing Program from the Regulation and Licensing Department to the Department of Workforce Solutions.

FISCAL IMPLICATIONS

The Regulation and Licensing Department currently has 142 companies registered as Employer Leasing Contractors at a cost of \$1 thousand each and generated \$142 thousand in fees. Provided in the bill is a provision allowing the department to retain 15 percent or less of fees for administration of the Employee Leasing Act. While the bill transfers the program from RLD to WSD, the fees collected will as well.

SIGNIFICANT ISSUES

According to Workforce Solutions Department:

WSD is uniquely situated to handle the Employee Leasing registration process since it already maintains a database of New Mexico employers in its unemployment

insurance application. This database can be easily referenced by department personnel and is in compliance with the Employee Leasing Act to be efficiently and effectively monitored.

The Department of Workforce Solutions currently provides contractor registrations to construction contractors via a secure online website. WSD will leverage existing infrastructure to automate the manual certification process currently in place by Regulation and Licensing.

OTHER SUBSTANTIVE ISSUES

WSD notes the bill provides for the department to retain 15 percent of collected fees; however, the bill does not identify where the remaining 85 percent of fees will go.

IR/jle