Administrative Office of the Courts

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Board of Finance denies emergency funding for magistrate courts

SANTA FE _ Administrative Office of the Courts Director Artie Pepin expressed disappointment Friday that the state Board of Finance denied a request for emergency funding of $750,000 for magistrate court operations in the final weeks of the current budget year.

AOC sought the emergency funding because magistrate courts do not have enough money to cover operating expenses through June after the governor vetoed a $750,000 supplemental appropriation approved by the Legislature.

Lawmakers approved the money to address underfunding partly caused by a loss of revenues from vetoes in 2014. Lawmakers recognized that the shortfall was not the result of overspending by the magistrate courts.

"The AOC is obligated to follow the law," said Pepin. "I respectfully disagree with the Board of Finance that the AOC has the unlimited authority to spend money for purposes not permitted by law or approved by the Legislature."

“There are rules in law governing how public money can be spent and the AOC is obligated to follow those rules even when it may be politically expedient to do otherwise,” Pepin said.

He said the AOC disagreed with the Board of Finance that an unlimited amount of the cash reserves in the magistrate court warrant enforcement fund can be tapped to pay for any magistrate court expense.

That was the legal interpretation stated by the Department of Finance and Administration during the board meeting, but Pepin described it as “novel” viewpoint that hadn’t previously been suggested by officials in the executive branch of government.

Pepin told the board there are statutory restrictions on the fund that prevent its use for building leases or general operating costs of magistrate courts unless the Legislature specifically authorizes that in the state budget.

The current budget approved by the Legislature and signed by the governor allows AOC to use $250,000 from the warrant enforcement fund to cope with the current shortfall.

With those funds, Pepin said, the AOC will pay landlords half of their lease payments in June. The full amount of lease payments total about $614,000 a month.

However, the AOC will be unable to pay about $164,000 in state insurance premiums without the requested emergency funding. The AOC expects to seek funding during the 2016 legislative session to cover any unpaid expenses.

Revenue in the warrant enforcement fund comes from a $100 fee on people arrested for failing to appear at a scheduled court hearing or failing to pay required fines.

By law, according to Pepin, the fund is limited to paying for costs of the warrant enforcement program, mainly the court clerks statewide who collect fines and fees from those arrested on bench warrants issued by a judge.

The fund has a current balance of nearly $1.5 million but the Legislature allocated $700,000 of that for general magistrate court operations in the budget year that starts July 1.

About 36 court buildings are leased from private owners and a dozen from local governments.

Magistrate courts resolved about 178,000 cases last year. Case filings grew about 8 percent from 2012 to 2014.

Magistrate courts have limited jurisdiction and handle DWI cases, misdemeanors, traffic violations, civil actions up to $10,000 and hold preliminary hearings to determine probable cause on felony charges.

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