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FISCAL IMPACT REPORT

SPONSOR	Neville/Cervantex/Jaramillo/Nibert/De La Cruz	LAST UPDATED	1/28/2024
		ORIGINAL DATE	
		BILL NUMBER	Senate Joint Resolution 16
SHORT TITLE	County Official Salaries, CA	ANALYST	Hanika-Ortiz

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
SOS	No fiscal impact	\$75.0 to \$85.0	No fiscal impact	\$75.0 to \$85.0	Nonrecurring	General Fund

Parenttheses () indicate expenditure decreases.
 *Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Because of the short timeframe between the introduction of this bill and its first hearing, LFC staff has yet to receive analysis from New Mexico Counties, New Mexico Attorney General, Secretary of State, or the Department of Finance and Administration, on behalf of its Local Government Division. This analysis could be updated if that analysis is received.

Agency Declined to Respond
 Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of Senate Joint Resolution16

Senate Joint Resolution 16 (SJR16) proposes to amend Article 10, Section 1, of the Constitution of New Mexico to remove the Legislature’s obligation to set a cap on salaries for all county officers.

The joint resolution provides the amendment be put before the voters at the next general election (November 2024) or a special election called for the purpose of considering the amendment. The amendment would only be effective if approved by voters.

FISCAL IMPLICATIONS

Any budget impact for local government funds is indeterminate and likely different for each county.

Under Section 1-16-4 NMSA 1978 and the New Mexico Constitution, the Secretary of State (SOS)

is required to print samples of the text of each constitutional amendment in both Spanish and English in an amount equal to 10 percent of the registered voters in the state. SOS is required to publish the samples once a week for four weeks preceding the election in newspapers in every county in the state. Further, the number of constitutional amendments on the ballot may impact the ballot page size or cause the ballot to be more than one page, also increasing costs. The estimated cost per constitutional amendment is \$75 thousand to \$85 thousand, depending on the size and number of ballots and if additional ballot stations are needed.

Should this proposed constitutional amendment be approved by voters, New Mexico's counties would establish, without legislative setting of caps, the salary of their officers. The positions include the county commissioners, treasurer, assessor, sheriff, county clerk, and probate judge.

SIGNIFICANT ISSUES

If approved by voters, the guidelines in Sections 4-44-4 through 4-44-6 NMSA 1978 that require the Legislature set salary caps applicable to elected county officials would no longer be needed. Presumably, salaries of those county officials would be fixed by ordinance or resolution.

PERFORMANCE IMPLICATIONS

Under New Mexico Statutes, Section 4-44-12.3 states:

- A. The intent of the legislature when enacting salary increases for elected county officials is to provide for equitable salary increases.
- B. In accordance with Sections 4-44-3 through 4-44-6 NMSA 1978, the majority of a board of county commissioners may provide for salary increases for elected county officials; provided, however, that no salary increase shall take effect until the first day of the term of an elected county official who takes office after the date that salary increase is approved.

ADMINISTRATIVE IMPLICATIONS

If passed, counties would have to ensure continued transparency about officer compensation.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to House Bill 241 and Senate Bill 177 that increase salary caps of newly elected county officials, although by different amounts. As opposed to SB177, HB241 has a provision for future adjustments to track the consumer-price-index (CPI), as published by the United States Department of Labor. The bill also requires that the Local Government Division at DFA, if requested by a county, assist that county in the calculation of CPI for salary adjustment purposes.

OTHER SUBSTANTIVE ISSUES

Article IV, Section 17 of the constitution also says the compensation of any officer may not be increased or decreased during the term of office, except as otherwise provided in the constitution.