STATE OF NEW MEXICO
MAGGIE TOULOUSE OLIVER
SECRETARY OF STATE

FY2028 Budget Request

Legislative Finance Committee | November 19, 2026

Legislative Funding Brief

CALL TO ACTION: The Secretary of State's Office's historical underfunding has created an untenable scenario. The workload required to meet statutory requirements cannot be sustained by the agency's current staffing and funding levels. Persistent vacancies and lack of sufficient positions redistribute work to fewer employees, slow service, increase overtime and burnout risk, and concentrate institutional knowledge. The Office cannot further mitigate its budget deficit and must be fully funded, or it will fail to operate successfully.

This Office's request this year reflects what is necessary to support its recurring needs as well as separate one-time and capital requests and fully fund any additional February 2028 presidential primary. The request funds required capacity, to perform statewide statutory responsibilities and national critical infrastructure, not optional enhancements.

Three Funding Priorities

1 - People	2 - Contracts and Operations	3 - FY2028 Election Cycle
Category 200 | $10.778M Funds 73 base positions plus seven expansion positions, for 80 total. The positions outlined below are desperately needed to alleviate existing staffing shortfalls and pressures the agency is facing operationally. ***Conversion of 6 existing intern positions*:** • Attorney for legal review and IPRA; • Elections Training and Outreach; • Elections Senior IT Business Analyst; • Elections IT Project Manager; • Cloud Security Specialist; and • Senior IT Business Analyst. ***7 additional positions needed*:** • Elections Management Analyst Supervisor; • Elections IT Administrator; Three (3) Regional County Support Coordinators; • Application Security Specialist; and • IT Network Administrator.	**Categories 300 & 400 | $8.268M** These categories fund contracts, statewide systems, cybersecurity, postage, printing, equipment, training, licenses, and the current cost of service delivery. Postage, hosting, vendor, and equipment costs have increased while the agency has deferred or narrowed work to remain within available resources.	**2028 Early Primary | $15.000M+** If the Legislature authorizes a separate February presidential primary, it creates another full statewide election between the November 2027 regular local election and the June 2028 primary. The SOS cannot absorb this work within the recurring appropriation. The election code provides for reimbursement of direct-election expenses and only up to $15M. These expenses include county reimbursements, ballots, voter files, postage, voting-system configuration and testing, outreach, cybersecurity, temporary labor, overtime, and canvassing. 2026 election costs demonstrate that a single election costs the state between $16 - $17M in direct expenses.

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Request Overview:

$18.814M	$1.185M	$20.232M
General Fund	HAVA federal	Recurring total

Request Details:

Mechanism	Amount	Description	Call to Action
HB2 Recurring	**$20.232M**	P642 operating request plus HAVA federal authority - includes $10.778M for personnel, $3.204M for contracts, and $5.064M for other operating costs.	Fund the full recurring request to stabilize office's operational volatility.
Special Appropriation	**$4.500M**	Last year, the legislature partially funded a request to ensure voting tabulating equipment met new federal system requirements. This request would complete remaining voting-system and VVSG 2.0 work left unfunded from the prior cycle.	Approve as a separate one-time request to ensure enough voting machines remain compliant for use in future elections.
C2 Capital	**$24.470M**	• $5.771M Critical IT Systems Replacement and Cybersecurity Protection • $18.099M Statewide Election Management Database (SERVIS) replacement due to system reaching end of life. • $0.600M in security enhancements to the Overseas Voter Portal that the state is statutorily required to provide and maintain.	Staff and vendors spend more time maintaining legacy infrastructure, configuring workarounds, and managing failure exposure. Support all three capital projects to ensure the security and stability of all SOS systems.

Business Services Snapshot

35%	$9.53M	200,079	56,424
Business Services vacancy 13 of 20 filled	**FY2026 revenue generated by business services for the general fund**	**2025 business transactions**	**2025 Contacts 41,454 calls | 12,743 emails | 2,228 walk-ins**

Business Services converts staff time into public access and state revenue. A 35% vacancy rate limits same-day service and the division's ability to manage calls, counter demand, compliance work, records, and revenue-producing filings. Funding should support competitive hiring, retention, and a functional C5, C6, and C7 career ladder. Business Services generated $9.53M in FY2026, revenue that does not support the SOS budget.

Financial Accountability

SOS is working to close the gaps identified by LFC. The Office continues to strengthen internal cost control mechanisms including bolstering its county reimbursement estimates and documentation; improving contract oversight; and improving the tracking of election costs by county, vendor and election type.