NOTE: As provided in LFC policy, this report is intended only for use by the standing finance committees of the legislature. The Legislative Finance Committee does not assume responsibility for the accuracy of the information in this report when used for other purposes.

The most recent FIR version (in HTML & Adobe PDF formats) is available on the Legislative Website. The Adobe PDF version includes all attachments, whereas the HTML version does not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR:	Hobbs		DATE TYPED:	3/11/03	HB	HJR 1/aHVEC	
SHORT TITLE	E:	Runoff Elections, CA	L		SB		
ANALYST:				(ST:	Chavez		

APPROPRIATION

Appropriation	on Contained	Estimated Add	litional Impact	Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
			30.0(FY 05)	Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Secretary of State (SOS) Attorney General's Office (AGO) LFC Files

SUMMARY

Synopsis of HVEC Amendment

The House Voters and Election Amendment provides for municipal runoff elections as follows:

a) a municipality that <u>has not</u> adopted a home-rule charter may provide by ordinance for runoff elections; b) a municipality that <u>has</u> adopted a home-rule charter and <u>prior</u> to the adoption of this amendment the charter provided for runoff elections, shall hold runoff elections pursuant to the charter; or c) a municipality that <u>adopts</u> or <u>has adopted</u> a homerule charter may <u>subsequent</u> to the adoption of this amendment, provide for runoff elections as provided in its charter.

The Amendment further provides that the legislature may provide by law for runoff elections for all elections other than municipal, primary or statewide elections.

The amendment clarifies the original bill.

House Joint Resolution 1a/HVEC -- Page 2

Synopsis of Original Bill

House Joint Resolution 1 proposes an amendment to Article VII, Section V of the Constitution of New Mexico to allow municipal runoff elections. The resolution provides for the following: a) a home rule municipality with over 20,000 residents could seek approval from its populace to amend their existing home rule charter to allow for runoff elections; (b) a municipality with over 20,000 residents that becomes a home rule municipality could include runoff elections in its initial charter; and (c) the legislature could pass a law to allow other municipalities the right to conduct runoff elections.

Significant Issues

The resolution is written in a confusing manner that may result in the voters' lack of understanding and may furthermore result in their rejection of this proposed amendment.

FISCAL IMPLICATIONS

No appropriation is contained in this bill. However, a \$30.0 non-recurring impact to the general fund will likely occur in FY 05 (the next general election is in November 04) for advertising and printing costs incurred by the Secretary of State for this ballot measure. The impact to the general fund will occur in the preceding fiscal year if a special election is called prior to November 04.

TECHNICAL ISSUES

The LFC, in conjunction with the Attorney General's Office, provides the following comments:

- 1. Page 2, lines 5-6 states "may provide by amendment." Doesn't the municipality have to "propose" to its citizens this amendment to its home rule charter? "Provide" sounds like the municipality can accomplish this unilaterally.
- Page 2, lines 6, 9 use the word "amendment." The first refers to an amendment to the municipalities' home rule charter. The second refers to House Joint Resolution 1 as an amendment to the state Constitution. It is suggested that for clarification, on page 2, line 9 the words "upon the adoption of this amendment," be deleted.
- 3. Page 2, line 6 reads "amendment to its charter for runoff elections." The word "for" is awkward.
- 4. Page 2, lines 6, 7 read "runoff elections at a regular or special municipal election." Does this mean the vote on the amendment to the home rule charter will occur at a regular or special municipal election? Or does it mean runoff elections will only apply for races in regular or special municipal elections?

FC/yr