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FISCAL IMPACT REPORT

SPONSOR: Saavedra DATE TYPED: 2/7/03 HB 418

SHORT TITLE: Increase Lobbyist Registration Fee SB _____

ANALYST: Chavez

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY03	FY04			
	\$25.0-\$35.0		Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

New Mexico Commission on Higher Education (NMCHE)
Secretary of State (SOS)
LFC Files

SUMMARY

Synopsis of Bill

House Bill 418 amends Section 2-11-3 NMSA 1978 to increase the annual filing fee from \$25.00 to \$50.00 for each of the lobbyist's employers.

Significant Issues

It is noted by the Secretary of State (SOS) that there has not been a fee increase since 1993. The development of forms, review of reports, and new equipment are costly. The increase in the lobbyist registration fee would double the revenue currently received by the State of New Mexico, provided that a comparable number of lobbyists continue to register.

The Commission on Higher Education (NMCHE) has expressed a concern regarding the proposed increase. Currently, NMCHE has five registered lobbyists who are agency employees that attend committee hearings to testify on bills which are relevant to higher education in addition to their lobbying efforts. At the present funding level, it was difficult for NMCHE to pay for the current registration cost. NMCHE anticipates that raising the fee to \$50 would pose a greater fiscal difficulty not only for NMCHE, but for other state agency's who are also experiencing budget cut-backs.

To clarify NMCHE's concerns, there are two state agency designations with regard to filing fees:

1. State agencies who have employees that only testify on bills in relation to their agency *do not* have to pay an annual filing fee
2. State agencies who have employees that are authorized on a broader level to actually *lobby* are required to pay an annual filing fee

Currently, the SOS does not breakdown the number of registered lobbyists who are state agency employees that are required to pay an annual filing fee.

FISCAL IMPLICATIONS

There will be an increase in revenue of approximately \$25.0 to \$35.0 to the state general fund.

OTHER SUBSTANTIVE ISSUES

There are currently over 700 registered lobbyists with the Secretary of State as of February 3, 2003. Of those, approximately 24 are lobbyists specific for public institutions of higher education. In discussions with NMCHE, their concern is that as state employees who are not provided further compensation in addition to their salaries, state agencies should not be required to pay an annual filling fee despite their lobbying efforts.