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FISCAL IMPACT REPORT

SPONSOR Miera DATE TYPED 1/31/05 HB 131

SHORT TITLE County Assessor and Appraiser Compensation SB _____

ANALYST Hadwiger

APPROPRIATION (in \$000s)

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			Indeterminate	Recurring	County General Funds

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department (TRD)

Department of Finance and Administration (DFA)

No comments were received from the Association of Counties at the time this FIR was prepared.

SUMMARY

Synopsis of Bill

House Bill 131 would require additional compensation for county assessors and county appraisers who achieve specified appraiser certifications. Statute currently allows boards of county commissioners to provide incentive pay to assessors and appraisers who receive additional compensation: \$500 per year for holding an Appraiser 1 certificate, and an additional \$1,000 for receiving Appraiser 2, 3, and 4 certificates. Employees are therefore eligible for a total of \$3,500 in increased compensation if they earn all four certificates.

FISCAL IMPLICATIONS

The Department of Finance and Administration (DFA) indicated that HB131 would be administered by each individual county. By mandating this additional compensation, county boards of commissioners will be forced to accommodate the additional compensation in their respective budgets. Because of budgetary constraints in counties with financial difficulties, the boards of

commissioners may have difficulties in providing this additional compensation. County financial staff must be aware of future potential of compensation to be paid to assessor and staff obtaining the appraiser certificates.

OTHER SUBSTANTIVE ISSUES

According to the Taxation and Revenue Department, the Property Tax Division favors the proposed legislation because it would encourage appraisers to attain higher levels of training than they currently possess. Enhanced appraisal training tends to generate success by counties in maintaining current and correct property tax values as required by NMSA 1978, Section 7-36-16.

DFA indicated that the New Mexico Association of Counties, Assessors Affiliate is supporting HB131.

POSSIBLE QUESTIONS

1. How many and which counties currently pay the additional incentives for county assessors and appraisers?

DH/lg