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FISCAL IMPACT REPORT

SPONSOR Sanchez, M		ORIGINAL DATE 1/26/07 LAST UPDATED		HB		
SHORT TITI	LE	NM Adjutant Ger	neral Qualifications		SB	307
				ANAI	AYST	Peery-Galon

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total	NA	\$56.5	\$56.5	\$113.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION LFC Files

<u>Responses Received From</u> Department of Military Affairs (DMA) State Personnel Office (SPO) Department of Finance Administration (DFA)

No Response Received From Governor's Office

SUMMARY

Synopsis of Bill

Senate Bill 307 changes the rank requirement from Major to Colonel or higher that an appointment candidate must have previously held as an officer of the National Guard of New Mexico to be considered for appointment to the position of adjutant general, removes gender specific references, and removes language regarding provision of salary at a different pay rate than prescribed in federal law and regulations for members of the active military in the grade of major general.

FISCAL IMPLICATIONS

Removal of the language allowing for a different pay rate would require the State of New Mexico to provide salary and allowances for the Adjutant General at the federal level. DMA reports the pay and allowance would total \$162, 984 for the Adjutant General of New Mexico. The breakdown of this number is as follows: \$139,176 annual salary, \$21,504 housing allowance and \$2,304 annual subsistence allowance.

SIGNIFICANT ISSUES

DFA states the proposed legislation would take salary determination for the Adjutant General out of the hands of the State and tie the required salary to federal guidelines.

DMA notes if the proposed legislation is enacted, a change to the Governor's exempt salary schedule would be required for the Adjutant General position.

OTHER SUBSTANTIVE ISSUES

The Adjutant General of New Mexico is budgeted to receive an annual salary of \$106,457 in fiscal year 2008. The Adjutant General of New Mexico has had an increase in annual salary of \$13,016 or 13.9 percent since fiscal year 2005.

RPG/csd