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FISCAL IMPACT REPORT

ORIGINAL DATE 2/11/07
 LAST UPDATED 3/8/07 HB _____

SPONSOR Boitano

SHORT TITLE Former Legislators as Lobbyists SB 588/aSJC

ANALYST Wilson

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 819, HB 820, 821, 822, 823, HB 553 & SB 400.

SOURCES OF INFORMATION

LFC Files

Responses Received From

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

SUMMARY

Synopsis of SJC Amendment

The Senate Judiciary Committee amendment adds that the provisions of this act shall apply to members of the legislature who resign from office, are removed from office or serve their terms in office on or after July 1, 2007.

Synopsis of Original Bill

Senate Bill 588 enacts a new section of the Lobbyist Regulation Act (NMSA Sections 2-11-1 to 2-11-9) to prohibit a member of the legislature from accepting compensation as a lobbyist for a period of one calendar year after the member resigns from office, is removed from office or serves the member's term in office.

The bill also prohibits a lobbyist's employer from compensating a member of the legislature as a lobbyist for a period of one calendar year after the member resigns from office, is removed from office or serves the member's term in office.

FISCAL IMPLICATIONS

There is no fiscal impact.

SIGNIFICANT ISSUES

There may be a conflict of interest or at the very least there may be an appearance of a conflict of interest.

The National Conference of Legislators note that conflicts of interest may be the most common ethical dilemma faced by state legislators. In fact, ethics commissions and committees have reported that the largest number of requests for advice and counseling revolve around conflict of interest issues.

Conflicts of interest are not, within themselves, wrong or unusual. Actually, they are inherent in our states' citizen legislatures. Stuart Gilman, president of the Ethics Resource Center, says, "Although it might seem obvious, one has to have at least two interests to have a conflict of interest. The ability to identify conflicts of interest does not necessarily ensure that one can deal with them effectively."

Although conflicts of interest can occur in any setting or profession, they may be more common in the public sector. In the public sector, conflicts of interest typically arise when a legislator or staff member has the potential to receive a personal benefit based on his or her public position. Often, the personal benefit is a financial one.

Proponents of this bill believe that legislators should vote in all of their constituent's best interests-not just one industry or advocates group. They often state that the appearance of having a conflict of interest is as bad as actually having one.

Opponent believe that legislators- especially those in a "citizens" legislature need to make a living like everyone and should not be barred from employment in any area.

ADMINISTRATIVE IMPLICATIONS

There is no enforcement mechanism in this bill.

RELATIONSHIP

This bill relates to a package of ethics bills that include: HB 819, HB 820, 821, 822, 823, HB 553 & SB 400.

POSSIBLE QUESTIONS

Which agency will be responsible for enforcing this bill?

DW/nt