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FISCAL IMPACT REPORT

ORIGINAL DATE 01/23/13
LAST UPDATED 02/13/13 **HB** 47 & 89/HJCS

SPONSOR HJC

SHORT TITLE PRC Qualifications **SB** _____

ANALYST Clark

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

Relates to and conflicts with SB 8 (See RELATIONSHIP, CONFLICT)

SOURCES OF INFORMATION

LFC Files

Responses Received From
 Public Regulation Commission (PRC)

Other Responses
 Think New Mexico

SUMMARY

Synopsis of Bill

The House Judiciary Committee substitute for House Bill 47 and House Bill 89 requires that to be elected or appointed as a PRC Commissioner, a person must possess qualifying levels of education, experience, or a combination of the two. The bill specifies what levels of each qualify.

Candidates running for the PRC must provide documentation demonstrating that they meet these qualifications to the Office of the Secretary of State when they file their other candidacy paperwork. The bill gives very specific guidance to the Office of the Secretary of State, specifying exactly how many hours constitute one year of experience, and how many years of education count for each degree.

Think New Mexico reports:

This eliminates any uncertainty about whether, for example, a year of part-time work counts the same as a year of full-time work, or whether someone who spent six years earning a bachelor's degree in a related field should receive credit for all six years while someone who spent four years earning an identical degree receives only four. By listing some specific fields of work or study that are relevant, but not limiting candidates to only those listed fields, the bill is specific enough to give guidance to the Secretary of State yet flexible enough to include relevant professions or majors that may have been overlooked or that are developed in the future.

Sitting PRC commissioners are grandfathered in, as the bill allows anyone holding office on or after January 1, 2011 to run for reelection.

This bill requires the PRC commissioners to complete at least 80 hours of continuing education in their first year and at least 40 hours in subsequent years. Courses must be certified by the National Association of Regulatory Utility Commissioners or by the relevant licensing or professional association for law, engineering, or other relevant courses.

The PRC commissioners who fail to satisfy these continuing education requirements will have their salaries withheld until they complete them.

SIGNIFICANT ISSUES

This bill implements the requirement of the New Mexico constitutional amendment approved in 2012 to increase the qualifications of the PRC commissioners. The amendment was approved by over 535 thousand New Mexico voters -- a higher number that have ever voted in favor of a New Mexico constitutional amendment.

There are five PRC commissioners who are elected from five districts that cover the state. They have the responsibilities for regulating:

- business corporations;
- public utilities, including electric, gas, and water companies;
- transportation companies, including common and contract companies;
- transmission and pipeline companies, including telephone, telegraph, and information transmission; and
- insurance companies and others engaged in risk assumptions.

The Fire Marshal is also under the direction of the PRC commissioners.

RELATIONSHIP, CONFLICT

Relates to and conflicts with SB 8. This bill also sets increased qualifications for an elected or appointed PRC Commissioner but requires a college degree and relevant work experience rather than allowing qualification with one of the two.

HB 47 grandfathers in current commissioners and allows them to run for reelection even if they do not meet the educational and work experience requirements. Additionally, HB 47 specifies the documentation required to ensure that a candidate is qualified and requires continuing education for all commissioners.

TECHNICAL ISSUES

The bill specifies what documentation commissioners must provide to prove they have fulfilled the educational or experience requirements necessary to be eligible to hold the office as well as documentation to certify the continuing education requirements.

OTHER SUBSTANTIVE ISSUES

Think New Mexico provided the following for the legislature to consider when legislating increased educational and professional qualifications:

The New Mexico Constitution establishes educational and professional qualifications for elected offices including the Attorney General, Supreme Court justices, appellate judges, and district court judges. Similar to these elected officials, the PRC commissioners perform quasi-judicial duties. Among other legal duties, the PRC commissioners are required to follow the rules of evidence in their hearings, avoid ex parte communications, and make their rulings by applying the relevant law to the evidence in the record.

JC/bm:svb