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FISCAL IMPACT REPORT

SPONSOR Pirtle **ORIGINAL DATE** 02/13/21
LAST UPDATED _____ **HB** _____
SHORT TITLE Allow Counties to Secede From NM, CA **SJR** 15
ANALYST Hanika-Ortiz

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$150.0- \$200.0		\$150.0- \$200.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Attorney General (NMAG)

No Responses Received From

New Mexico Counties

SUMMARY

Synopsis of Bill

Senate Joint Resolution 15 (SJR15) proposes to refer to voters an amendment to Article 1 of the New Mexico constitution to establish procedures to allow counties to petition to form a state or join an adjoining state.

SJR15 proposes to add an entirely new section that

- Allows a county to petition the Legislature, and by the approval of the U.S. Congress, to change the state boundaries.
- Counties will be deemed to have **formed a new state** if the following conditions are met and certified by the Secretary of State (SoS):
 - (1) A minimum of 15 percent of electors from three contiguous counties sign a petition requesting Congress to admit that new state into the union; and
 - (2) County commissions of these counties unanimously resolve to join with at least two other contiguous counties to form a new state and petition Congress to admit them to the union as a new state.

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- Counties will be deemed to have **joined an adjoining state** if the following conditions are met and certified by the SOS:
 - (1) A minimum of 15 percent of electors from three contiguous counties, one of which borders the adjoining state, sign a petition requesting the Legislature to petition Congress to allow them to become part of that adjoining state; and
 - (2) County commissions of these counties unanimously resolve to join with at least two other contiguous counties, one of which borders the adjoining state, and petition the Legislature to allow them to become part of the adjoining state.

If passed, SJR15 would be submitted to the voters of New Mexico for their approval or rejection at the next general election or at any special election that may be called for this purpose.

FISCAL IMPLICATIONS

Under Section 1-16-4 NMSA 1978 and the New Mexico Constitution, the SOS is required to print samples of the text of each constitutional amendment, in both Spanish and English, in an amount equal to 10 percent of the registered voters in the state. The SOS is also required to publish them once a week for four weeks preceding the election in newspapers in every county in the state. The estimated cost per constitutional amendment is \$150 thousand-\$200 thousand depending on the size and number of ballots and if additional ballot stations are needed.

The loss of counties would affect the state revenue and expenditures, but the loss or gain would be highly dependent on the specific counties.

SIGNIFICANT ISSUES

NMAG noted consideration must be given to whether any proposed secession would violate any provision of New Mexico's Enabling Act, a 1910 act of Congress that, among other things, identified public lands for transfer to the state and imposed certain conditions. The people of New Mexico expressly consented to the provisions of the Enabling Act. *See* N.M. Const. art. XXI, § 9.

AHO/al