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## FISCAL IMPACT REPORT

**SPONSOR** Gonzales/Borrego **LAST UPDATED** \_\_\_\_\_  
**ORIGINAL DATE** 2/13/23  
**BILL**  
**SHORT TITLE** County Assessor Certification Pay **NUMBER** Senate Bill 324  
**ANALYST** Graeser

### REVENUE (dollars in thousands)

Estimated Revenue					Recurring or Nonrecurring	Fund Affected
FY23	FY24	FY25	FY26	FY27		
	No fiscal impact	No fiscal impact	No fiscal impact	No fiscal impact	Recurring	General Fund
	No fiscal impact	No fiscal impact	No fiscal impact	No fiscal impact	Recurring	Local Governments

Parenthesis ( ) indicate revenue decreases.

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	Will increase salaries of assessors and assessor's office employees.			Recurring	County General Funds (Assessors office employee compensation)

Parenthesis ( ) indicate expenditure decreases.

### Sources of Information

LFC Files

#### Responses Received From

Regulation & Licensing Department (RLD)

#### No Response Received

Taxation and Revenue Department/Property Tax Division (TRD/DFA)

Department of Finance and Administration/Local Government Division (DFA/LGD)

## SUMMARY

### Synopsis of Senate Bill 324

Senate Bill 324 would allow county commissioners to provide additional compensation to assessors and to employees in assessor's offices based on the level of certification that employee had achieved. These amounts are in addition to the statutory amounts established in 4-44-4 through 4-44-5 NMSA 1978:

Certificate Category	Current Additional Amount	Proposed Additional Amount
Appraiser 1	\$500	\$750
Appraiser 2	\$1,000	\$1,750
Appraiser 3	\$1,000	\$3,000
Appraiser 4	\$1,000	\$3,500

These additional amounts have been frozen since enacted by Laws 1969, ch. 269 , § 3 and amended in 1977, ch. 138, § 1.

The effective date of this bill is July 1, 2023.

## FISCAL IMPLICATIONS

Each county commission may not deviate from the salary ranges established in Sections 4-44-4 through 4-44-5 NMSA 1978. However, the additional amounts proposed in this bill are discretionary. With the previous, relatively low levels of incentive, assessors and employees in assessor’s offices had little financial incentive to upgrade certification levels. These proposed levels, however, increase the annual additional amounts as certification levels are increased. It is hard to imagine that county commissions would not honor these statutory additional amounts that encourage competence, training and professionalism in one of the most important functions of county government.

## SIGNIFICANT ISSUES

The base amounts for elected assessors are established in in Sections 4-44-4 through 4-44-5 NMSA 1978:

- Class A county assessor, eighty-six thousand six hundred twenty-six dollars (\$86,626); assessor;
- Class B county with valuation over \$300 million -- seventy-five thousand seven hundred thirty-three dollars (\$75,733); and
- Class B counties with valuation > \$75 million but < \$300 million -- sixty-four thousand eight hundred forty-four dollars (\$64,844).

These amounts were increased pursuant to legislation effective July 1, 2018.

There are no statutory requirements for salaries of employees in county assessor’s offices.

## PERFORMANCE IMPLICATIONS

The state does not monitor performance of county assessors, except indirectly. Taxation and Revenue Department/Property Tax Division periodically requires assessors to provide sales/assessment ratio studies. With the enactment of 27-38-12.1 NMSA 1978, effective January 1, 2004, real estate sales brokers or title companies are required to report the value of residential real property sales transactions to the county assessors. This has given assessors a valuable tool for improving the accuracy of the assessment process. Most counties have adopted computerized mass appraisal systems. The combination of technology and better sales information have considerably improved the accuracy and fairness of the system, but it has posed substantial technical challenges for assessors and their staff. It is certainly appropriate to reward financially

employees and assessors who have upgraded skills demanded by modernization of the craft of assessing properties.

LG/ne/al