

LFC Requester:	Torres
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:
Original **Amendment**
Correction **Substitute**

Date 2/6/2024
Bill No: SB 108a

Sponsor: Muñoz & Rodriguez
Agency Name and Code 370 – Secretary of State
Number: _____
Person Writing Analysis: Lindsey Bachman
Short Title: DISTRIBUTION TO ELECTION FUND
Phone: 505-479-2626 **Email:** Lindsey.bachman@sos.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: SB 108 amends 1-11-19 NMSA 1978 which defines and establishes uses for the State Election Fund.

As amended, SB 108 creates a transfer to the Election Fund from the General Fund based on a certification from the Secretary of State to the Department of Finance and Administration 90 days after a statewide election. The amount transferred would equal either the certified costs of administering and conducting the election or \$15 million, whichever amount is lesser.

The bill has an effective date of July 1, 2024.

FISCAL IMPLICATIONS

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

SB 108 as amended will help stabilize the SOS’s annual budget requests. The number of statewide elections varies each fiscal year. In odd-numbered fiscal years, there is one General Election; in even-numbered fiscal years, there is one Regular Local Election (RLE) and one Primary Election. The approximate cost of administering two statewide elections in one fiscal year is \$20 million.

The Election Fund will continue to contain funds for paying the costs of conducting and administering statewide elections required by the Election Code; reimbursing the counties for the costs of conducting and administering statewide elections required by the Election Code; paying the administrative costs of the office of the secretary of state for administering elections required by the Election Code and for administering the election fund; and carrying out all other specified provisions of the Election Code not already covered by another fund administered by the secretary of state.

In 2023, the SOS conducted rulemaking to establish the procedure for election grants, reimbursements and reporting between the SOS and county clerks for the purposes of paying

statewide election costs. The codified rule, 1.10.36 NMAC Election Fund Grants, Reimbursements and Reporting, includes requirements for expense documentation and memorandums of understanding procedures before and after each election.

The SOS complies with the Model of Accounting Principles (MAPS), published by the Department of Finance and Administration (DFA), as well as other state and federal requirements. All expenditures are subject to internal expenditure tracking and audits as well as separate oversight approval from DFA in the SHARE financial system.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

As the SOS is statutorily responsible for all costs associated with the administration of statewide elections, the Office's budget request will continue to fluctuate dramatically on an annual basis.

AMENDMENTS