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FISCAL IMPACT REPORT

SPONSOR <u>Pettigrew</u>	LAST UPDATED _____
	ORIGINAL DATE <u>2/1/2024</u>
	BILL <u>House Joint</u>
SHORT TITLE <u>County Official Salaries, CA</u>	NUMBER <u>Resolution 13</u>
	ANALYST <u>Hanika-Ortiz</u>

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
SOS	No fiscal impact	\$75.0 to \$85.0	No fiscal impact	\$75.0 to \$85.0	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.
 *Amounts reflect most recent analysis of this legislation.

Relates to House Bill 241 and Senate Bill 177.

Sources of Information

LFC Files

Agency Analysis was Solicited but Not Received From

New Mexico Counties
 Secretary of State, Judicial agencies
 Department of Finance and Administration
 New Mexico Attorney General

Agency Declined to Respond

Administrative Office of the Courts (AOC)

SUMMARY

Synopsis of Choose an item.

House Joint Resolution 13 (HJR13) proposes to amend Article 10, Section 1, of the Constitution of New Mexico to remove the Legislature’s obligation to fix salaries for all county officers.

The joint resolution provides the amendment be put before the voters at the next general election (November 2024) or a special election prior to that time called for the purpose of considering the amendment. The amendment would only be effective if approved by voters.

FISCAL IMPLICATIONS

The budget impact for local governments is indeterminate and likely different for each county.

Under Section 1-16-4 NMSA 1978 and the New Mexico Constitution, the Secretary of State (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. SoS is also required to publish the samples once a week for four weeks preceding the election in newspapers in every county in the state. The estimated cost per constitutional amendment is \$75 thousand to \$85 thousand depending on the size and number of ballots and if additional ballot stations are needed.

Should this proposed constitutional amendment be approved by voters, New Mexico's counties would establish, without legislative setting of caps, the salary of their officers. The positions include the county commissioners, treasurer, assessor, sheriff, county clerk, and probate judge.

SIGNIFICANT ISSUES

If approved by voters, the guidelines in Sections 4-44-4 through 4-44-6 NMSA 1978 that require the Legislature set salary caps applicable to elected county officials would no longer be needed. Presumably, salaries of those county officials would be fixed by ordinance or resolution.

PERFORMANCE IMPLICATIONS

Under New Mexico Statutes, Section 4-44-12.3 (2017) also states:

- A. The intent of the legislature when enacting salary increases for elected county officials is to provide for equitable salary increases.
- B. In accordance with Sections 4-44-3 through 4-44-6 NMSA 1978, the majority of a board of county commissioners may provide for salary increases for elected county officials; provided, however, that no salary increase shall take effect until the first day of the term of an elected county official who takes office after the date that salary increase is approved.

ADMINISTRATIVE IMPLICATIONS

If passed, counties should ensure continued transparency about elected officer compensation.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to House Bill 241 and Senate Bill 177 that increase salary caps of newly elected county officials, although by different amounts. As opposed to SB177, HB241 has a provision for future adjustments to track the consumer-price-index (CPI), as published by the U.S. Department of Labor. The bill also requires that the Local Government Division at DFA, if requested by a county, to assist that county in the calculation of CPI for salary adjustment purposes.

Duplicates Senate Joint Resolution 16

OTHER SUBSTANTIVE ISSUES

Article IV, Section 17, of the constitution says the compensation of any officer may not be increased or decreased during the term of office, except as otherwise provided in the constitution.

AHO/al/hg/ss