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FISCAL IMPACT REPORT

ORIGINAL DATE 02/02/12

SPONSOR Feldman LAST UPDATED _____ HB _____

SHORT TITLE Reimbursements to Legislators, CA SJR 6

ANALYST Chabot

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY12	FY13	FY14	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
		\$104.0		\$104.0	Nonrecurring	General Fund
			\$1,120.0	\$1,120.0	Recurring	General Fund
Total		\$104.0	\$1,120.0	\$1,224.0	Nonrecurring/Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 116

SOURCES OF INFORMATION

LFC Files

Responses Received From

Secretary of State (SOS)

SUMMARY

Synopsis of Bill

Senate Joint Resolution 6 proposes to amend Article 4, Section 10 of the New Mexico Constitution to provide up to \$10.0 thousand per year per legislator to reimburse actual expenses related to constituent services and other legislative duties not otherwise paid by per diem and mileage. The amendment is to be submitted to the people for approval or rejection at the next general election or any special election held prior to the general election.

FISCAL IMPLICATIONS

The SOS reports that in accordance with Section 1-16-4 NMSA 1978, upon receipt of the certified proposed constitutional amendment or other question from the Secretary of State, the county clerk shall include it in the proclamation to be issued and shall publish the full text of each proposed constitutional amendment or other question in accordance with the constitution of New Mexico.

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Although the county clerk includes the proposed amendments in the clerk's proclamation, it is the responsibility of the State to pay for the costs associated with the publication per Section 1-16-13 NMSA 1978, including printing samples of the text of each constitutional amendment in both Spanish and English in an amount equal to ten percent of the registered voters of the state. There are currently 1.7 million registered voters in the state. Voters whose election mail is returned as undeliverable will be sent the proper notice under federal law in 2012, and if they do not vote in the next two federal elections, may be purged in 2015. Under these timelines, the voter roll is expected to increase until the purge in 2015.

The SOS reports that in 2010, the publication cost was \$520,000 for 5 constitutional amendments, or approximately \$104,000 per amendment. Although the SOS is continually seeking ways to reduce publication costs, it believes the 2010 figure is a reasonable projection for 2012 costs, given the increasing number of voter registrations.

The estimated recurring cost to the general fund if this amendment is approved by the voters is \$1.12 million based on 112 legislators receiving \$10.0 thousand each.

SIGNIFICANT ISSUES

New Mexico legislators receive per diem expenses for each day's attendance during legislative sessions and committee meetings at the U.S. Internal Revenue Service standard mileage rate and the per diem rate for Santa Fe. The current rate is 0.555 cents per mile and \$154 per day.

According to data published by the National Conference of State Legislators, New Mexico is the only state not paying legislators. Four of these states pay salaries but no per diem. The remaining 45 states pay both salaries and per diem. Only one state is identified as paying for expenses in addition to salaries.

According to Legislative Council Service (LCS), there is no report recording expenses by legislator for constituent services. However, legislators may use any available campaign funds for expenses reasonably related to performing the duties of the office including mail, telephone and travel expenditures to serve constituents.

ADMINISTRATIVE IMPLICATIONS

Since the joint resolution specifies "actual expenses related to constituent serves and legislative duties," the workload of LCS would increase in processing expense vouchers for these expenses which presumably would be submitted immediately after the expense occurred.

RELATIONSHIP

Senate Joint Resolution 6 is related to SB 116 which would eliminate paying for legislators expenses from campaign funds contingent on the passage by the voters of SJR 6.

GAC/svb