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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 02/11/14

**SPONSOR** Ortiz y Pino      **LAST UPDATED** \_\_\_\_\_      **HB** \_\_\_\_\_

**SHORT TITLE** Urban Counties & County Charters, CA      **SJR** 22

**ANALYST** Cerny

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

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		>\$ 46.0		>\$ 46.0	Nonrecurring	Election Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates HJR 12

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Office of the Attorney General (AGO)

Department of Finance and Administration (DFA)

### SUMMARY

#### Synopsis of Bill

Senate Joint Resolution 22 amends Article 10, Section 10 of the New Mexico Constitution which addresses the creation of urban counties.

The bill proposes three primary changes:

- 1) removes references to the date of the section's last amendment and allows for an up-to-date calculation of county population, as opposed to population at the time of the last amendment, in order to determine whether a county may be considered under the provisions of the section;
- 2) changes the number of votes needed to adopt a proposed county charter from a majority of all eligible, qualified voters to a majority of those voting, thus making it less difficult to obtain a voting majority in favor of a proposed charter; and
- 3) clarifying the language describing the powers granted to urban counties by removing several superfluous word and adding a pair of clarifying terms to the section.

The substantive changes are limited to the population calculation, allowing counties with growing populations to become eligible for urban county charters, and reducing the required majority vote, easing the electoral threshold required to adopt a charter.

### **FISCAL IMPLICATIONS**

Under Section 1-16-13 NMSA 1978 and the NM 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 ten 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. In 2012, the cost for the 2012 General Election ballots was \$46 thousand per constitutional amendment. However, if the ballot size is greater than one page, front and back, it would increase the cost of conducting the general election. In addition to the cost of the ballot, there will be added time for processing voters to vote and would mean additional ballot printing systems would be required to avoid having lines at voting convenience centers.

### **SIGNIFICANT ISSUES**

If enacted, this constitutional amendment will be submitted to voters for their approval or rejection as the next general election or at any special election prior to that date that may be called for that purpose.

SJR 22 effectively would:

- (1) Remove the requirement that the urban county had to have a population of at least 300,000 at the time of the passage of the constitutional amendment. This would allow counties who meet the 300,000 population threshold in the future to pursue becoming an urban county.
- (2) Remove the requirement that a charter commission needed to be appointed by January 1, 2001; the effect of this amendment would be to allow Bernalillo County to pursue becoming an urban county again and at any time (although if a charter is rejected by the voters, one year must elapse after the election before another charter commission can be appointed).

SJR 22 is narrowly drawn. As a practical matter, only one political subdivision would meet the requirements of this bill for the foreseeable future: Bernalillo County.

Amended Section 10 would apply only to counties that are less than one thousand five hundred square miles in area and have a population of three hundred thousand or more. Only four New Mexico counties are less than 1,500 square miles in area. They are: Bernalillo County (670,968), Los Alamos County (18,159), Curry County (49,938) and Valencia County (76,361). Statistics noted in parentheses are 2012 estimated population, provided by US Census Bureau on its website <http://quickfacts.census.gov/qfd/states/35/35061.html> .

Los Alamos County in 1964 became a home rule, incorporated county under a constitutional amendment ( N.M. Const., Art. 10, Sec. 5), so has no need to organize as an urban county under Article 10, Section 10.

### **Senate Joint Resolution 22– Page 3**

Curry County and Valencia County are not likely reach the three hundred thousand population threshold required to be an urban county in the near future.

### **OTHER SUBSTANTIVE ISSUES**

DFA analysis states that the powers of an urban county are the same as those of a home rule municipality. It also notes that this resolution continues the trend of differentiating between municipalities and counties with respect to eligibility for home rule powers. Municipalities of any size, population, or population density may, with voter approval, practice home rule (N.M. Const., Art. 10, Sec. 6C).

### **DUPLICATION**

Duplicates HJR 12 Urban Counties and County Charters, CA

### **AMENDMENTS**

AGO analysis suggests that here is an inconsistency in the bill with regard to voting requirements with the use of the term “majority” in Subsection A(3) (lines 9-10, page 2) and then again in Subsection B (lines 4-5, page 3).

Subsection B addresses, among other functions, the process for approving and assessing taxes in urban counties. The current law requires that any tax imposed by a governing body of an urban county be “approved by a majority vote.” This language should be changed to clarify the whether the majority need be of the number of qualified voters in the urban county or, mirroring the proposed amendment in Subsection A(3), “a majority of those voting.”

CAC/ds