Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (<u>www.nmlegis.gov</u>) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR	Cervantes	ORIGINAL DA LAST UPDAT		HB					
SHORT TITI	LE Constitut	ional Revision Commission		SB	672				
ANALYST Sanogo APPROPRIATION (dollars in thousands)									
Appropriation			Recurring		Fund				
			Keeuring	,	runu				
]	FY15	FY16	or Nonrecuri	,	Affected				

(Parenthesis () Indicate Expenditure Decreases)

\$100.0

<u>REVENUE</u> (dollars in thousands)

Nonrecurring

Cash Balance

	Estimated Revenue	Recurring	Fund	
FY15	FY16	FY17	or Nonrecurring	Affected
\$100.0			Nonrecurring	Legislative Council

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files Attorney General's Office (AGO) Department of Finance and Administration (DFA)

SUMMARY

SB 672 would create an independent commission to propose constitutional amendments to the Legislature. The bill creates a 17 member commission, with 15 voting members and two nonvoting members (the chief justice of the supreme court and the attorney general, or their designees). SB 672 contains an emergency clause and a delayed repeal date of April 1, 2016.

FISCAL IMPLICATIONS

The appropriation of \$100 thousand contained in this bill is a nonrecurring expense to the Legislative Council cash balances. Any unexpended balance remaining at the end of FY16 shall revert to the general fund.

Senate Bill 672– Page 2

SIGNIFCANT ISSUES

Since constitutional amendments are introduced without difficulty each legislative session, the Department of Finance and Administration (DFA) reports that it does not find a clear reason why a commission would be necessary. The agency also states that,

The legislation is unclear about where the new commission would reside. The new commission is described as "independent" which could involve the creation of a new SHARE [Statewide Human Resources, Accounting, REporting] business unit, or the new commission could be administratively attached to an existing SHARE business unit.

...Assistance from non-employee contractors may be required in order to complete the necessary tasks immediately as specified by the "emergency" language in the legislation. The bill does not provide any funding for resources required to complete the administrative tasks necessary to set up the new commission in SHARE.

PERFORMANCE IMPLICATIONS

DFA estimates that the administrative tasks associated with setting up the new commission in SHARE would require a considerable amount of staff time from the agency's financial control division. This would reduce the financial control division's ability to process its normal workload and comply with the division's statutory responsibilities.

TECHNICAL ISSUES

Since the appropriation is from legislative cash balances, any unexpended balance remaining at the end of FY16 should revert back to Legislative cash balances.

AIS/bb