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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/06/21

SPONSOR Ivey-Soto LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Conservancy District Election Procedures SB 284

ANALYST Hoffmeister

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

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	Indeterminate but minimal	Indeterminate but minimal	Indeterminate but minimal	Indeterminate but minimal	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Administrative Office of the Courts (AOC)

Secretary of State (SOS)

### SUMMARY

#### Synopsis of Bill

SB 284 makes changes to Sections 73-1-13, 73-1-16, and 73-1-17 NMSA 1978 relating to the election of board of directors of artesian conservancy districts. The bill repeals the existing procedure for an artesian conservancy district's board of directors to establish its own method and procedure for electing members and instead makes the election of directors subject to the Local Election Act. The bill also removes directors' existing per diem allowances in statute of no less than \$5 and no more than \$150 and instead allows directors to be reimbursed pursuant for per diem and mileage costs under the Per Diem and Mileage Act.

There is no effective date of this bill. It is assumed that the effective date is 90 days following adjournment of the Legislature.

### FISCAL IMPLICATIONS

SB 284 makes changes to how members of artesian conservancy district boards are elected by subjecting them to the Local Election Act. The Secretary of State (SOS) would need to identify and add the artesian conservancy districts to the statewide voter registration and election management system (SERVIS) and associate those voting districts to qualified voters in those

districts. Currently, according to public files of the Office of the State Auditor, there is one artesian conservancy district in the state, encompassing parts of two counties. SOS does not expect adding these will result in a fiscal impact to the general fund.

Laws 2019, Chapter 212 (House Bill 407) amended the Local Election Act to create an election fund, administered by SOS, through which the state reimburses counties for election costs. Counties containing all or part of an artesian conservancy district may incur some minimal additional costs to update election information and ballots to reflect the inclusion of those districts in local elections. Should this be the case, there may be a minimal additional cost to the election fund.

SB 284 also changes how directors can be reimbursed for their services by subjecting them to the Per Diem and Mileage Act. Any costs associated with changing reimbursement of directors under the Per Diem and Mileage Act would be borne by district budgets, which are primarily supported by local property tax levies and assessments and not the state general fund.

### **SIGNIFICANT ISSUES**

The Local Election Act (Laws 2018, Chapter 79, House Bill 98) established uniform procedures for conducting local elections in odd-numbered years, starting in 2019 except for conservancy districts, for which the Act takes effect July 1, 2022 for the 2023 elections. However, Laws 2018, Chapter 79 did not include artesian conservancy districts among the districts for which this change will take effect. SB284 adds artesian conservancy districts to the local entities and special districts subject to the Local Election Act, but does not specify the date at which this would occur. It is assumed that the effective date is 90 days following adjournment of the Legislature, or June 18, 2021. This would make the first election of artesian conservancy district directors occur in the November 2021 local elections instead of the 2023 local elections with other conservancy districts.

While Laws 2018, Chapter 79 created a local election fund for the state to reimburse counties for election costs supported by local assessments, Laws 2019, Chapter 212 (House Bill 407) amended the Election Code to eliminate those assessments as a source of revenue and reconstituted the fund as the election fund, with the cost of local election reimbursements covered entirely by the state.

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