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FISCAL IMPACT REPORT

SPONSOR: Altamirano DATE TYPED: 03/16/01 HB _____
 SHORT TITLE: Increase Salaries of Elected State Officers SB 450/aSFC/aSFl#1
 ANALYST: Gonzales

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY03		
			\$ 375.0	Recurring	GF; State Lands Maint.

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files
 State Land Office
 Public Regulation Commission
 Office of the Attorney General

SUMMARY

Synopsis of SFl#1 Amendment

This amendment increases the annual compensation proposed by the original bill for the Commissioner of Public Lands and for Public Regulation Commissioners from \$90,000 to \$100,000. This would cost approximately an additional \$75.0.

Synopsis of SFC Amendment

The Senate Finance Committee amendment strikes the date the bill would apply for elected state official terms that begin on or after January 1, 2003.

Synopsis of Original Bill

Senate Bill 450 increases the salaries of the following elected state officers: governor, secretary of state, state auditor, state treasurer, attorney general, commissioner of public lands, public regulation commissioners, and the lieutenant governor. The increases would apply to those officers whose terms begin on or after January 1, 2003. The bill states the increase shall be paid from the general fund except the increase for the commissioner of public lands shall be paid from the land maintenance fund.

Significant Issues

The Office of the Attorney General reports the last time these elected officials received a salary increase was when Sections 8-1-1 and 8-3-3 NMSA 1978 were amended in 1989. Prior to the decade of the 1990s, salaries of the members of the Executive Department received routine increases in the 1970s and 1980s; increases were authorized in 1971, 1975, 1977, 1980, 1981, 1986 and 1989. Although these elected officials have not experienced a salary increase since 1989, during the last 12 years salaries of high-level employees in other sectors of state government have had periodic increases and salaries of comparable positions in the private sector have grown exponentially.

FISCAL IMPLICATIONS

There is no appropriation contained in this bill; however, the bill states the increase shall be paid from the general fund except the increase for the commissioner of public lands shall be paid from the land maintenance fund.

For a full fiscal year, the additional general funding necessary for the increase is approximately \$300.0 \$22.0 from the land maintenance fund. For FY03, the half year funding would cost approximately \$150.3 from the general fund and \$11.0 from the land maintenance fund. These funds would need to be requested for the FY03 operating budget appropriation request and would be considered recurring to both the general and land maintenance funds.

JMG/njw:ar