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FISCAL IMPACT REPORT

LAST UPDATED _____
ORIGINAL DATE 3/5/25

SPONSOR Block

BILL
NUMBER Senate Bill 483

SHORT TITLE Election Day as Holiday

ANALYST Hilla

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

| Agency/Program | FY25 | FY26 | FY27 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|------------------|------------------|----------------------|----------------------|----------------------|---------------------------|-------------------|
| Cost to Counties | No fiscal impact | \$301.3 to \$2,000.0 | \$301.3 to \$2,000.0 | \$602.6 to \$4,000.0 | Recurring | Other state funds |

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From

Secretary of State (SOS)
New Mexico Attorney General (NMAG)
Indian Affairs Department (NMAG)
Department of Public Safety (DPS)

Agency Analysis was Solicited but Not Received From

New Mexico Municipal League
New Mexico County Clerks Affiliate

SUMMARY

Synopsis of Senate Bill 483

Senate Bill 483 (SB483) establishes Election Day, the first Tuesday in November, to the legal holiday designations in the state, allowing for state employees to have the day off and still receive full compensation. This does not apply to employees needed to supervise and administer elections on election day, including employees of the Secretary of State (SOS), local governments, Indian nations, tribes or pueblos, or law enforcement.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns if enacted, or June 20, 2025.

FISCAL IMPLICATIONS

Pursuant to 10-12-4.15 NMSA 1978, employees required to work on the day a holiday is observed shall be compensated at two and a half times their hourly rate of pay for all hours

actually worked on the holiday. Following 1-2-16 NMSA 1978, compensation for poll workers shall not be paid less than the federal minimum hourly wage rate (\$7.25/hour), equivalent to but shall not be paid more than \$400/day. Section 1-2-12 NMSA 1978 outlines that each polling location is required to have one presiding judge, two election judges, and one election clerk; however, county clerks may adjust the number of clerks needed based on anticipation of voter turnout. It is important to note that counties may have more than the four staff required by statute to maintain election sites, but this fiscal analysis only assumes the cost of the staff required by statute.

Considering the existing pay structure for election board staff, statutory requirements for holiday pay increases, and the statutory minimum personnel at a polling location, this could increase the pay to a minimum range of \$144.96 (\$18.12 per hour for eight hours) to \$1,000 per employee per day, leading to a total increase of \$579.48-\$4,000 for the minimum required staff per polling place per day should SB483 pass. LFC staff estimate approximately 520 polling locations open on the day of the general election. Considering the cost of the four required staff at two and a half times the regular pay multiplied by the number of polling sites open on election day, this creates an estimated fiscal impact of \$301.3 thousand to \$2 million for the cost of the general election as a holiday for minimum staffing costs.

This analysis assumes this cost occurs in both FY26 and FY27 as there will be a local election on November 4, 2025, and a general election in November 2026. This analysis assumes this as a recurring cost given that the language in SB483 considers Election Day as the first Tuesday in November, which would cover both the General Election and local elections as there will always be a November election every year.

It is unclear whether counties or SOS would absorb this cost. Laws 2024, Chapter 24, establishes a new \$15 million maximum distribution from the tax administration suspense fund to the SOS's election fund, which would otherwise contribute to the general fund. SOS certified the costs of the 2024 general election to cost a little over \$15 million. By statute, SOS must pay poll workers, however it is unclear if SOS would also assume the costs of SB483, or if counties would have to pay election workers the difference for holiday pay. Considering the 2024 general election cost of slightly over \$15 million, SB483 would increase total election costs beyond the election fund's \$15 million cap should SOS have to cover the new costs for holiday pay. Therefore, it is assumed that the additional cost would fall onto counties given the statutory restrictions on the election fund. Notably, certain counties may not have the available funds to assume additional costs should SB483 pass, which could significantly impact county fund balances on a recurring basis.

SIGNIFICANT ISSUES

SOS states that 14 other states have designated Election Day as a state holiday, with five of the states requiring paid time off that day. By statute, state employees may utilize two hours to vote, with certain guidelines. SOS notes that legislation in 2023 established every general election and regular local election as a school holiday for students and staff.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Partially duplicates Senate Bill 200, which creates State Holiday to Vote on election day.

TECHNICAL ISSUES

SOS recommends page 3, line 8 to read “H. Election day, the first Tuesday after the first Monday in November”, adding:

2 U.S. Code § 7 and Article 20, Section 6, of the New Mexico Constitution establishes Election Day for general elections as Tuesday after the first Monday in November in each even-numbered year. In New Mexico, Regular Local Elections also occur on the “first Tuesday after the first Monday in November of each odd-numbered year” pursuant to 1-22-3 NMSA 1978. While it is true that some elections will be held on the first Tuesday in November, it is not true that all first Tuesdays will comply with the “first Tuesday following the first Monday” requirement of federal law and the New Mexico Constitution because some Novembers will begin on a Tuesday.

EH/hj/SL2