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FISCAL IMPACT REPORT

SPONSOR HGEIC ORIGINAL DATE 2/5/16
LAST UPDATED _____ HJR 3/HGEICS

SHORT TITLE Salary for State Legislators, CA SB _____

ANALYST Jorgensen

ESTIMATED ADDITIONAL BUDGET IMPACT (dollars in thousands)

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
	NFI	\$104.0	\$0	\$104.0	Nonrecurring	General Fund
	NFI	\$2,296.0	\$4,592	\$6,888.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

House Joint Resolution 3 proposes to amend Article 4 of the New Mexico Constitution to pay state legislators a salary limited to the median household income in New Mexico for the most recent calendar year.

If approved by voters, the provisions of this legislation would be applicable on January 1, 2017.

FISCAL IMPLICATIONS

According the U.S. Census Bureau, the median household income for New Mexico in 2015 was \$41 thousand dollars. The cost of providing all 112 state legislators an annual salary of \$41 thousand is \$4.6 million. Because the legislation would become effective January 1, 2017, the state would be required to pay legislators salary totaling \$2.3 million for the last 6 months of fiscal year 2017.

Additionally, the Secretary Of State estimates the cost of putting a constitutional amendment on the ballot to be \$104 thousand based on 2010 actual expenditures.

SIGNIFICANT ISSUES

According to the National Conference of State Legislatures, New Mexico is the only state that does not provide state legislators with a base salary. (<http://www.ncsl.org/research/about-state-legislatures/2015-state-legislator-compensation.aspx>)

Following approval of this constitutional amendment, legislator salaries would need to be appropriated through House Bill 1.

CJ/jo