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

| | | | ORIGINAL DATE | 2/9/17 | | |
|------------|-----|---------------------|-----------------------|--------|----|-----|
| SPONSOR | Smi | th | LAST UPDATED | | HB | 226 |
| | | | | | | |
| SHORT TITI | LE | Minor Party Candida | ate Nominating Signat | ures | SB | |

ANALYST Esquibel

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY17 | FY18 | FY19 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|-------|------|---------|---------|----------------------|------------------------------|------------------|
| Total | | Minimal | Minimal | Minimal | Recurring | General Fund |

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

<u>Responses Received From</u> Secretary of State's Office (SOS)

SUMMARY

Synopsis of Bill

House Bill 226 (HB226) would amend sections of the election code regarding the required number of signatures on nominating petitions for minor party and independent candidates. The bill would change the formula used to calculate the number of nominating petition signatures and would result in a lower amount of signatures required for minor party and independent candidates.

The bill proposes signature requirements for minor party candidates would be changed from not less than 1 percent of the total number of votes cast for Governor at the last preceding general election at which a Governor was elected to, instead, the average of the sum of the total number of signatures required for submission by a candidate of each major party for the office sought in that primary election.

The bill would amend the formula for determining the number of nominating petition signatures required for independent presidential candidates from 3 percent of the registered voters in each congressional district to, instead, the number of registered qualified electors in each of the congressional districts equal to not less than 2 percent of the total number of votes for President cast in each district at the last preceding presidential election.

The bill would amend the formula for determining the number of nominating petition signatures for independent candidates from at least 3 percent of the total number of votes cast in the state to, instead, no less than the average of the sum of the total number of signatures required to be submitted by each major party candidate for the office sought in the immediately preceding primary election. This proposed change would affect independent candidates for the following offices: U.S. Senator or any other statewide elective office, U.S. Representative, member of the Legislature, Public Regulation Commission, District Judge, District Attorney, member of the Public Education Commission, and magistrate or county office.

FISCAL IMPLICATIONS

The Secretary of State's Office (SOS) indicates under the provisions of the bill information technology (IT) system changes would be required for the election management system to automate the calculation of the required petition counts. However, the necessary modifications could be completed under the SOS' existing IT maintenance contract without additional cost.

The SOS also notes lowering the qualification threshold on required signatures could possibly result in more candidates and a longer ballot. Longer ballots take longer to print, longer to fill out, and longer to tabulate which all lead to utilization of more resources such as more ballot-ondemand systems, more voting booths, and ensuring lines and voting times are managed appropriately. All of these items would have a minimal fiscal impact on the Secretary of State's Office should the bill be enacted.

SIGNIFICANT ISSUES

The Secretary of State's Office (SOS) provided the table below illustrating an example of nominating petition signature requirements under current law compared to nominating petition signature requirements under the provisions of HB226.

| Office | NM SOS | NM SOS | Sen. Dist. 3 | Sen. Dist. 3 |
|------------------------|------------|------------|--------------|--------------|
| Candidate Party | 2016 | HB226 | 2016 | HB226 |
| | Signatures | Proposed | Signatures | Proposed |
| | | Signatures | | Signatures |
| Democratic | 5,015 | 5,015 | 106 | 106 |
| Republican | 2,577 | 2,577 | 28 | 28 |
| Minor Party | 5,128 | 3,796* | 108 | 67* |
| Independent | 15,384 | 3,796* | 323 | 67* |

*SOS notes these projected amounts of nominating petition signatures are calculated based on the formula described in HB226 and 2016 major party candidates' required amounts of signatures.

TECHNICAL ISSUES

The Secretary of State's Office (SOS) writes current law does not require minor party or independent candidates to obtain nominating petition signatures from voters that are of their same party affiliation. This allows for these candidates to solicit signatures from a larger pool of voters. House Bill 226 is silent on this issue and may create an unintentional difference between major party candidate nominating petition requirements.