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FISCAL IMPACT REPORT

SPONSOR Steinborn/Moores ORIGINAL DATE 1/25/18
 LAST UPDATED 1/30/18 HB _____

SHORT TITLE Nominating Process for Board of Regents SJR 1/aSRC

ANALYST Amacher

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Indeterminate Minimal Fiscal Impact			Nonrecurring	Election Fund
			See Narrative	See Narrative	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Higher Education Department (HED)

New Mexico Attorney General (NMAG)

Secretary of State (SOS)

SUMMARY

Synopsis of SRC Amendment

The Senate Rules Committee amendment makes clear the list provided by the nominating committee shall include “*at least three names*” from which the Governor may nominate members of the Board of Regents. A new section was also included in the amendment providing an effective date of July 1, 2019. The resolution is to be submitted for approval by the people of the state in the next general election (November 2018) or any special election called for that purpose.

Synopsis of Original Senate Joint Resolution

Senate Joint Resolution 1 proposes an amendment to Article 12, Section 13 of the state constitution to provide for nominating committees for all appointed and reappointed members of board of regents of state educational institutions. In effect, SJR 1 would require the Governor to nominate members of the Board of Regents from a list provided by a nominating committee established by law. In addition, the Legislature would determine the appointment, terms,

powers, and duties of the nominating committees; provided that no more than fifty percent of the nominating committee shall be of the same political party. The resolution is to be submitted for approval by the people of the state in the next general election (November 2018) or any special election called for that purpose.

FISCAL IMPLICATIONS

The Secretary of the State's (SOS) Office supports and understands the legislature's prerogative to place constitutional amendments before the voters of the state. For the purposes of determining the cost involved, the SOS notes that, under Section 1-16-13 NMSA 1978, the SOS is required to print the full text of each proposed constitutional amendment, in both Spanish and English, in an amount equal to 10 percent of the registered voters in the state. In order to comply with this requirement for the 2016 general election, the SOS printed approximately 129,000 copies of the "Voter Guide" at a total cost of \$19,041. Printing costs differ depending upon the number and length of proposed constitutional amendments.

The SOS is also constitutionally required to publish the full text of each proposed constitutional amendment once a week for four weeks preceding the election in newspapers in every county in the state. In 2016, the SOS spent \$245,918 for the required newspaper publications which included printing one 1.5 page (332 words) constitutional amendment at a total cost of \$15,803 (the rest of the publication cost was for printing the full general obligation bond, as required in that bill each year). This publication cost is dependent upon the number and length of the constitutional amendments that are passed.

Furthermore, the number of constitutional amendments that pass may also impact the page size of the ballot, or if the ballot size is caused to become greater than one page, front and back, which may increase the cost of producing the ballots for the general election. In addition to the cost of the ballot, there may be time added to the voting process, which would require additional ballot printing systems in order to ensure a smooth and efficient voting process within the bounds of national best practices.

The Higher Education Department notes any fiscal impact that may occur to HED or state agencies depends on how the Legislature chooses to structure and staff the nominating committees.

PERFORMANCE IMPLICATIONS

The NMAG notes there may be cause for concern when a vacancy arises in the nominating committee. As proposed, no more than 50 percent of the committee shall be members of the same political party. There is a concern that if one member of the nominating committee resigns, the committee would be out of compliance with the constitution until another member is appointed.

JMA/al/sb