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FISCAL IMPACT REPORT

ORIGINAL DATE 3/4/19

SPONSOR Lopez LAST UPDATED _____ HB _____

SHORT TITLE ABQ/Bernalillo Water Authority Board Election SB 543

ANALYST Hawker

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See fiscal implications				

Parenthesis () indicate expenditure decreases

Conflicts with HB 407.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Secretary of State (SoS)

SUMMARY

Synopsis of Bill

Senate Bill 543 amends Section 72-1-10 NMSA 1978 establishing following the general election of 2020, the board of directors of the Albuquerque-Bernalillo County Water Utility Authority (ABCWUA) shall consist of five directors elected from the same five districts as the Bernalillo county commissioners. The directors shall serve staggered terms with selection by lot after the election determining which three directors will serve four year terms and which two will serve two year terms. After the initial two year terms, all directors shall serve four year terms.

Directors are entitled to receive per diem and mileage in accordance with the Per Diem and Mileage Act.

FISCAL IMPLICATIONS

There is not a direct cost to the SoS associated with placing these offices on a ballot. If the election is administered by the ABCWUA, the ABCWUA would bear the cost. If the offices are to be placed on the General Election ballot, or if separate legislation allows the placement of the offices on the Local Election ballot, they would be part of the cost of that election.

SIGNIFICANT ISSUES

According to SoS: the legislation does not set out procedures for the election of the five board of directors for the ABCWUA. Detail related to which election would be used to elect such offices is omitted from the bill. These specifications would determine how individuals can declare candidacy for the office, subsequently provide qualification criteria for the qualification of each declaration of candidacy, and who would be responsible for administering the election.

CONFLICT

Conflicts with HB 407 which amends the Local Election Act. HB 407 does not accommodate the election proposed in SB 543.

TECHNICAL ISSUES

It is unclear in which election the offices would be elected as SB 543 does not specify which election, it states “following the general election of 2020” but does not stipulate the offices would be on the general election ballot.

SoS notes the determination of whether prospective candidates must be registered to vote within the district they are seeking office for, and which population would be eligible to vote on the selection of board members should be specified. Viable options for both questions are: 1) registered voters of the county commission district for which the candidate seeks office or 2) subscribers of the water utility who reside in the county commission district for which the candidate seeks office.

OTHER SUBSTANTIVE ISSUES

The ABCWUA provides water and wastewater services to the greater Albuquerque metropolitan area. It has an annual operating budget of over \$170 million with over 600 employees. It has over \$5 billion in assets.

A political subdivision of the state, as provided in Section 72-1-10 NMSA 1978, ABCWUA is governed by a seven member board of directors: the Mayor of Albuquerque, three Albuquerque City Council members, who are appointed by the Albuquerque City Council, and three Bernalillo County Commissioners, who are appointed by the Bernalillo County Commission. City Councilors and County Commissioners on the board serve one year terms.

VKH/al