

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 (www.nmlegis.gov).

FISCAL IMPACT REPORT

SPONSOR SRC
ORIGINAL DATE 03/05/21
LAST UPDATED
HB
SHORT TITLE Conservancy & Irrigation Dist. Salaries
SB 425/SRCS
ANALYST Hanika-Ortiz

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See fiscal implications			Recurring	OSF

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Attorney General (NMAG)

SUMMARY

Synopsis of Bill

The Senate Rules Committee substitute proposes a new paragraph to Section 73-9-14 NMSA 1978 to provide that a board of directors of an irrigation district shall not hire an employee or issue a contract for employee services at a salary level that exceeds that of the State Engineer as established pursuant to Section 72-2-1 NMSA 1978 (which states the State Engineer’s salary is set by the governor). The bill also makes a number of nonsubstantive stylistic changes to this section. SB425/SRCS also proposes a new section to the Conservancy Act of New Mexico to impose these same limitations on salary agreements and employment contracts entered into or renewed on or after July 1, 2021, the effective date of this bill, for irrigation and conservancy districts.

FISCAL IMPLICATIONS

NMAG noted the bill would place a condition (a salary cap) on an authority previously granted by the Legislature to irrigation and conservancy districts (to hire and contract).

It’s not clear if the “salary level” for contracted employee services must fall under the hourly wage or total cost of compensation, which includes employer-funded benefits and per diem for travel.

AHO/al