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FISCAL IMPACT REPORT

SPONSOR Tallman ORIGINAL DATE 03/07/21
LAST UPDATED _____ HB _____
SHORT TITLE Ranked Choice Voting, CA SJR 22
ANALYST Nichols

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Constitutional Amendment		\$150.0 - \$200.0		\$150.0 - \$200.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

National Conference of State Legislatures (NCSL)

Responses Received From

Secretary of State (SOS)

SUMMARY

Synopsis of Bill

Senate Joint Resolution 22 would ask voters to amend Article 7, Section 5, of the New Mexico Constitution to enact ranked-choice voting (RCV) for all nonpartisan elections, including municipal elections, and provide the option for RCV for all partisan elections. The resolution also strikes language allowing for municipal runoff elections.

If the Legislature does not provide for RCV for a partisan election, the candidate who receives the highest number of votes would be elected. In the case of governor and lieutenant governor, the joint candidates receiving the highest number of votes would be elected.

SJR22 calls for the proposed constitutional amendment to be submitted to voters at the next general election, or at an earlier special election called for that purpose.

FISCAL IMPLICATIONS

Under Section 1-16-4 NMSA 1978 and the New Mexico Constitution, the Secretary of State (SOS) is required to print samples of the text of each constitutional amendment, in both Spanish and English, in an amount equal to 10 percent of the registered voters in the state. SOS is also required

to publish them once a week for four weeks preceding the election in newspapers in every county in the state. The estimated cost per constitutional amendment is \$150 thousand – \$200 thousand depending on the size and number of ballots and if additional ballot stations are needed.

If the constitutional amendment were to pass, there would likely be some additional administrative costs for both SOS and municipalities to implement new voting procedures. SOS notes existing voting software already supports RCV.

RCV would likely reduce overall election costs because it removes the need, in some municipalities, to conduct a second, runoff election in cases where a candidate does not receive at least 50 percent of the vote.

SIGNIFICANT ISSUES

To successfully amend the constitution, a majority of legislators in both the House and Senate must vote in favor of the amendment. SOS must publish the amendment as specified by Article 19, Section 1, and then a majority of voters must vote in favor of the amendment in the next general election.

If the constitutional amendment passes, the Legislature would have to amend sections of the Election Code to conform with RCV. Many municipalities would also need to amend their municipal codes or city charters to conform.

SOS notes RCV is already successfully used in municipal elections in Santa Fe and Las Cruces and existing election software and voting systems owned by the state and used in all nonpartisan elections fully support RCV.

According to SOS, RCV is a cost-effective method of voting because it removes the need, in some cases, to conduct a second, runoff election when a candidate does not receive at least 50 percent of the vote. Currently, many municipalities in New Mexico, including Albuquerque, conduct runoff elections.

ADMINISTRATIVE IMPLICATIONS

If RCV were implemented, SOS would have to review and possibly update the process for post-election audits and recounts to conform with new voting procedures.

OTHER SUBSTANTIVE ISSUES

With RCV, voters rank all the candidates for a given office by preference, selecting their first choice, second choice, third choice etc. The votes are tallied based on the first choice on every ballot. If no single candidate wins a first-round majority of the votes, then the candidate with the lowest number of votes is eliminated and another round of vote tallying commences. If a voter's first choice is eliminated, then the vote goes to the second choice, and so on. Eventually one candidate receives over 50 percent of votes and wins the election. RCV is also known as “instant-runoff voting” because it achieves a similar result as traditional runoff elections, but with only one election.

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Currently, Alaska and Maine are the only states that use RCV for all congressional and statewide elections. Many large cities in the United States also use RCV. The National Conference of State Legislatures (NCSL) notes RCV is also widely used in private associations, including more than 50 American colleges and many political party elections.

According to NCSL, RCV helps to ensure the candidate with the broadest support wins. In a traditional voting system, a candidate can win in a plurality election with several candidates even if the candidate receives less than a majority of votes. RCV can also encourage candidates to appeal to a broader population of voters in hopes of attracting second- or third-place rankings, potentially reducing political polarization. RCV may also increase voter access and turnout, especially for military and overseas voters who may find it difficult to vote in a second, runoff election. NCSL notes, because RCV is unfamiliar to many voters, it typically requires more voter education and potentially has a higher incidence of improperly completed ballots.

AN/rl