

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the New Mexico Legislature. 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 New Mexico Legislative Website (www.nmlegis.gov).

FISCAL IMPACT REPORT

SPONSOR Rubio/Martinez/Ely **ORIGINAL DATE** 1/31/22
LAST UPDATED _____ **HJR** 10
SHORT TITLE Public Officer Salary Commission, CA **SB** _____
ANALYST Jorgensen

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY22	FY23	FY24	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	See Fiscal Implications					

(Parenthesis () Indicate Expenditure Decreases)

Conflicts with SJR8.

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Attorney (NMAG)

Office of the Governor (OG)

Office of the State Auditor (OSA)

SUMMARY

Synopsis of Bill

House Joint Resolution 10 (HJR10) proposes a constitutional amendment to create a public officer salary commission to establish salaries for the governor, lieutenant governor, attorney general, secretary of state, state treasurer, state auditor, commissioner of public lands, judges and justices, legislators, district attorneys, and other public officers as provided by law.

The commission would be made up of seven members, no more than four of whom may be members of the same political party.

Appointments to the commission would be made as follows:

Appointing Entity	Appointments
Governor	2
Chief Justice	2
President Pro tempore, Senate	1
Speaker of the House	1
Commission members	1

Current state officers, current employees of state government, and current or former registered lobbyists are prohibited from serving on the commission.

The commission would set salaries every two years and provide public notice of the salaries it established no later than December 1 of the year preceding the effective date of the salary to be paid.

FISCAL IMPLICATIONS

HJR10 allows the commission to begin setting salaries beginning July 1, 2024. This is outside the time period shown on the estimated additional operating budget table. Additionally, there is no way to know what salaries the commission may approve. For these reasons, the bill is scored as having no fiscal impact between FY22 and FY24 and the cost is unknown in FY25 and thereafter.

HJR10 establishes the Public Officer Salary Commission as a state agency, but does not mandate staffing for the agency. It is unlikely this agency would require full-time staff support to set salaries every two years.

Under Section 1-16-4 NMSA 1978 and the New Mexico Constitution, 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. The 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 \$125 thousand-\$150 thousand depending upon the size and number of ballots and if additional ballot stations are needed.

SIGNIFICANT ISSUES

Currently, these salaries are set by the Legislature. Enactment of the provisions of HJR10 would remove this power from the Legislature and place it with the newly-established commission.

The Office of the Governor reports:

If the Commission were of a similar size to the Ethics Commission it would need an annual operating budget of between \$500 thousand and \$1 million, which would need to be established through the General Appropriations Act or other enabling legislation. One key difference, however, is that the work of the Ethics Commission is constant, while that of the Commission may infrequent enough that it does not require full-time staff.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HJR10 conflicts with SJR8 which seeks to amend the constitution to allow the State Ethics Commission to “review and establish the salaries of all elected state officers every two years.”