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FISCAL IMPACT REPORT

SPONSOR Rubio/Garratt/ Sariñana/Herrera/ Ortez ORIGINAL DATE 1/27/22 LAST UPDATED _____ HM 26

SHORT TITLE Study Legislative Sessions and Salaries SB _____

ANALYST J. Torres

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY22	FY23	FY24	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		100.0		100.0		

(Parenthesis () Indicate Expenditure Decreases)

Relates to SJM8, Salaries for Public Officials, CA

SOURCES OF INFORMATION

LFC Files

Response Received From
University of New Mexico (UNM)

SUMMARY

Synopsis of Memorial

HM26 requests that the UNM Bureau of Business and Economic Research, together with the Legislative Counsel Service (LCS), survey legislative and legislator needs; and study legislator compensation and the modification of legislative sessions, scope of bills, and staffing.

New Mexico Constitution Article 4, Sections 5 and 10 limit the length of legislative sessions to 30 days in even-numbered years and 60 days in odd-numbered years and limit legislator compensation to per diem and mileage. The 1966 report of the state's bipartisan first constitutional revision commission recommended that the constitution be amended to provide that the annual session begin in March, not exceed 60 days, and that legislators be paid salaries and allowances prescribed by law. The 1996 commission also recommended a constitutional amendment providing for adequate legislator compensation. A 2007 report recommended amending the constitution to allow for a 15 day extension of both sessions and the creation of a legislative commission to set legislative compensation. Joint resolutions were introduced in both houses during the 54th and 55th sessions to amend New Mexico Constitution Article 4, Section 5 to extend the length and scope of bills considered in even-numbered years. These joint resolutions also provided for a repeal of New Mexico Constitution Article 4, Section 10 and an

enactment of a replacement provision seeking to either establish a “public officer salary commission” or to have legislator salaries established by the state ethics commission.

There is no effective date of this memorial. It is assumed that the effective date is 90 days following adjournment of the Legislature.

FISCAL IMPLICATIONS

UNM provided the following:

The total cost of this study includes estimates of UNM Bureau and Economic Research (BBER) staff salaries, student hourly compensation, fringe benefits for staff and students, and other direct costs including printing, materials, and travel costs associated with completing and presenting the research.

Total outyear costs are \$100,000 as documented in the table below.

Position	Salary	Estimated Time Required (months)	Compensation
Acting Director	85,983	2.5	17,913
Research Scientist 2	50,750	9	38,062
Senior Program Manager	68,475	2	11,412
Unit Administrator	48,720	1	4,060
Student Researcher	11.50/hour	4	1,840
Total Compensation			73,287
Fringe Benefits	35% for full-time staff	1% for student employees	25,025
Other Direct Costs			1,688
Total Project Cost			100,000

The results of the requested survey and study may have a significant fiscal impact if the New Mexico Constitution is amended as requested.

SIGNIFICANT ISSUES

Legislative needs are year-round. Legislator services require informed deliberation and decision-making in effectively representing a growing number of constituents. Legislators also require a year-round staff. Policy issues and budgetary considerations are becoming much more complex. New Mexico is the only state in the nation that does not pay legislators a salary.

As noted in HM26 and summarized herein, attempts to call for this constitutional amendment date back to at least 1966 and have not yet been successful.

UNM provided the following:

Forty-one (41) states currently pay their legislators an annual salary, averaging \$39,216. New Mexico's current legislators are compensated on a per diem basis and there has been discussion that their offices may be understaffed. Specifically, potential costs to the State should it choose to change from per diem to a combination of per diem and salaried compensation and should it more generously fund legislative staffing will be analyzed.

UNM Bureau and Economic Research (BBER) will work directly with the Legislative Council Service (LCS) to develop survey and interview instruments designed to meet all the memorial's requirements. Data collection will need to begin immediately upon funding of the study, July 2022, to meet the rigorous schedule outlined in the legislation.

The expected results will be a better understanding of Legislative needs and the costs and benefits to the State should it enact changes to meet those needs. To ensure a robust needs analysis, participation across party lines and from Legislators throughout the state will be necessary.

This study will assess Legislative compensation, staffing, and session length, all of which have direct public policy impacts as it could impact Legislative operations. There are no unintended consequences to this work as its goal is to examine potential needs, costs, and benefits. It is informational in nature.

RELATIONSHIP

Relates to SJM8.

TECHNICAL ISSUES

UNM provided the following:

No major technical issues except it might be advisable to include the underlined language in the final paragraph:

BE IT FURTHER RESOLVED that copies of this memorial be transmitted to the governor, the co-chairs of the New Mexico legislative council, the chair and vice chair of the legislative finance committee, the director of the legislative council service and the director or acting director of the university of New Mexico bureau of business and economic research.

JT/acv