

LFC Requester: _____

**AGENCY BILL ANALYSIS
2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO
AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov
(Analysis must be uploaded as a PDF)**

SECTION I: GENERAL INFORMATION

{Indicate if the analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:
Original **Amendment** _____
Correction _____ **Substitute** _____

Date Prepared _____
Bill Number: SENATE BILL 135

Sponsor: Sen. Wirth
Short Title: REIMBURSEMENT FOR CERTAIN LEGISLATORS

Agency Name and Code DFA-341
Number: _____
Person Writing Mark Melhoff
Phone: _____ **Email** Marks.melhoff@dfa.n

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

- Senate Bill 135 (SB 135) proposes changes to the reimbursement rules for legislators' out-of-state travel.
 - SB 135 bill allows reimbursement for out-of-state travel on legislative business for legislators who are not on a primary or general election ballot.
- The new bill exempts legislators from this restriction, allowing them to be reimbursed for out-of-state travel regardless of their election status.
 - Previously, elected public officers, including legislators, were not eligible for reimbursement if they had not filed for reelection or were defeated in an election.
- The bill maintains that reimbursement is subject to approval and proper documentation of travel expenses.

FISCAL IMPLICATIONS

- The fiscal implications of SB135 primarily revolve around the reimbursement policies for out-of-state travel for legislators.
 - The bill allows reimbursement for out-of-state travel on legislative business for legislators who are not on a primary or general election ballot. This provision could potentially increase state expenditures as it expands the eligibility for travel reimbursements to a broader group of legislators who might not have been eligible under previous rules.
- Overall, the fiscal impact on the state's budgets will depend on the number of legislators who qualify for and utilize these reimbursements, as well as the frequency and cost of the approved travel.

SIGNIFICANT ISSUES

N/A.

PERFORMANCE IMPLICATIONS

N/A.

ADMINISTRATIVE IMPLICATIONS

- The Department of Finance and Administration (DFA) anticipates minimal if any, administrative implications due to the passage of SB135.
 - DFA's Financial Controls division provides financial oversight for travel reimbursements for the state. Depending on the number of legislators who qualify for and utilize reimbursements under SB135's changes, there could be an increase in the accounting and financial oversight responsibilities of DFA's Financial Controls division.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A.

TECHNICAL ISSUES

- Increasing this amount to \$5,000 will lessen the burden on state agencies, travelers, and agency heads.

OTHER SUBSTANTIVE ISSUES

N/A.

ALTERNATIVES

N/A.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Legislators will continue to be prohibited from seeking reimbursement of out-of-state travel expenses if they have not filed a declaration of candidacy for reelection, have been defeated in a primary or general election, or must seek a three-fourths majority vote of the Legislative Council.

AMENDMENTS

The Financial Control Division of DFA recommends the following changes to SB135:

- Update § 10-8-5 (H), NMSA 1978's threshold for :
 - H. [~~Any~~] A person who is not an employee, appointee or elected official of a county or municipality and who is reimbursed under the provisions of the Per Diem and Mileage Act in an amount that singly or in the aggregate exceeds [one]

five thousand five hundred dollars [~~(\$1,500)~~] (\$5,000) in [~~any~~] one year [~~shall~~] is not [~~be~~] entitled to further reimbursement under the provisions of that act until the person furnishes in writing to the person's department head or, in the case of a department head or board or commission member, to the governor or, in the case of a member of the legislature, to the New Mexico legislative council, an itemized statement on each separate instance of travel covered within the reimbursement, the place to which traveled and the executive, judicial or legislative purpose served by the travel."

- Due to inflationary increases in travel costs, the current threshold of \$1,500 is very low and creates an unnecessary administrative burden on public officials and employees for routine travel costs. Increasing § 10-8-5 (H)'s threshold amount to \$5,000 will lessen the administrative burden on state agencies, public officials, public employees, and agency heads.