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FISCAL IMPACT REPORT

SPONSOR Martinez ORIGINAL DATE 2/21/19
 LAST UPDATED _____ HB 214

SHORT TITLE Completed Audits To Board Of Finance SB _____

ANALYST Jorgensen

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	See Fiscal Implications	See Fiscal Implications	See Fiscal Implications	See Fiscal Implications		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Educational Retirement Board (ERB)
 Public Employees Retirement Association (PERA)
 State Investment Council (SIC)
 State Treasurer's Office (STO)

SUMMARY

Synopsis of Bill

House Bill 214 proposes new language to the Audit Act which would require the educational retirement board (NMERB), State Treasurer's Office (STO), public employees retirement association (PERA) and the state investment council (SIC) shall present their current annual financial audit report to the state board of finance for review within six months after the report is due to the state auditor.

FISCAL IMPLICATIONS

The affected agencies currently produce and publicly post their financial audits annually. Therefore, HB214 is unlikely to impose additional costs.

SIGNIFICANT ISSUES

It is unclear from HB214 what the review would entail and what criteria the State Board of finance would use for such a review. However, if the review by the State Board of Finance requires a presentation by the agencies or additional information, the review may cause an

additional labor burden on the affected agencies.

STO already presents an annual audit to the board of finance.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB214 is identical to HB50 and relates to SB57 which requires additional information and audit review to the State Auditor.

CJ/gb