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FISCAL IMPACT REPORT

SPONSOR Hochman-Vigil/Ely/ **ORIGINAL DATE** 2/15/19
Figueroa/Akhil **LAST UPDATED** 2/28/19 **HB** 542/aHSEIC
SHORT TITLE Law Enforcement and C.O. Loan Repayment **SB** _____
ANALYST Gaussoin

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY19	FY20		
	\$250.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB172.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

Department of Public Safety (DPS)

No Responses Received

Corrections Department (NMCD)

SUMMARY

Synopsis of HSEIC Amendment

The House State Government, Elections and Indian Affairs Committee amendment to House Bill 542 changes references to “licensed” law enforcement officers to “certified” law enforcement officers, the term used in law and administrative code. It also adds “certified and commissioned” to a reference to law enforcement correctional officers regarding eligibility for the program.

Synopsis of Original Bill

House Bill 542 appropriates \$250 thousand from the general fund to the to-be-created law enforcement and correctional officer loan repayment fund for the purpose of repaying student loan debt incurred by law enforcement and correctional officers.

The bill would create the Law Enforcement and Correctional Officer Loan Repayment Act and provides the funds would be allocated with a preference to making awards to officers who graduated from a New Mexico college and serve in an area of need. HED would manage the fund and the program.

Recipients who did not meet the minimum two-year service requirement or other conditions of their agreement with HED would be required to pay a penalty equal to an amount up to three times the value of the award.

FISCAL IMPLICATIONS

The appropriation of \$250 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY20 shall not revert to the general fund.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

SIGNIFICANT ISSUES

Many police agencies in New Mexico and the Corrections Department do not require officers to have any college credit. The State Police requires candidates have 30 hours of college credit and graduate from the agency academy. Officers then have two years to acquire another 30 hours of college credit to meet the 60 hours required by law. Candidates can substitute experience in the military or another law enforcement agency for the college requirement.

HED notes the bill combines two careers with different educational requirements into one program. However, while correctional officers are less likely to use the program because they are less likely to have college debt, a repayment program might be an incentive to get better educated candidates.

ADMINISTRATIVE IMPLICATIONS

HED's Financial Aid Division currently administers loan repayment programs for attorneys practicing in public service, employees within certain positions at the Children, Youth and Families Department, healthcare professionals, teachers, and minority faculty at public postsecondary institutions. Additional duties related to the bill could be accomplished with existing staff.

However, HED indicates it might need outside help from other government agencies or a private contractor to meet the bill's requirement that it provide recipients with help finding jobs in areas of need.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB172 would create a Student Loan Bill of Rights and require student loan servicers to be licensed in the state.

TECHNICAL ISSUES

The bill uses “licensed” law enforcement officers throughout. The term is not in the Law Enforcement Training Act or administrative code. The proper word is “certified.”

HED suggests some of the information to be included in an annual report to the governor and Legislature is protected by the Family Educational Rights and Privacy Act.

HFG/gb/al