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FISCAL IMPACT REPORT

SPONSOR Romero, GA ORIGINAL DATE 01/25/21
LAST UPDATED _____ HB 25
SHORT TITLE LESC Study of Public & Post-Secondary Ed. SB _____
ANALYST Becerra

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	No Fiscal Implications					

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 25 (HB25) expands the scope of the Legislative Education Study Committee (LESC) to study any subject related to public schools or higher education laws, policies, and costs. The bill also removes the gendered pronoun “his” from language referring to the committee’s director.

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

FISCAL IMPLICATIONS

There are no anticipated fiscal implications of HB25.

SIGNIFICANT ISSUES

The Higher Education Department responded to HB25 stating:

HB25 has the potential to indirectly create duplicative reporting requirements for New

Mexico's public Higher Education Institutions (HEIs) if the Legislative Education Study Committee (LESC), the Legislative Finance Committee (LFC), and the New Mexico Higher Education Department (NMHED) do not coordinate their reporting requirements and data requests.

In recent years, the NMHED has been responsive to all requests from the LESC for data, information, and departmental presentations on higher education topics outside the scope of teacher training and certification.

The Public Education Department responded to HB25 stating:

While not explicitly named in statute, the finance and operations of HED and New Mexico public institutions of higher education, along with laws affecting them, are implicitly within the purview of the legislative finance committee (LFC), as detailed in Section 2-5-3 NMSA 1978, which states the LFC shall, “examine the laws governing the finances and operation of departments, agencies and institutions of New Mexico and all of its political subdivisions, the effect of laws on the proper functioning of these governmental units, the policies and costs of governmental units as related to the laws;”

It is unclear whether giving the LESC authority to study higher education issues would be a duplication of efforts, since the LFC and its staff presumably already do so.

ADMINISTRATIVE IMPLICATIONS

Roles and responsibilities of LFC and LESC as it pertains to higher education would have to be clearly specified in order to eliminate potential duplication of efforts by LFC and LESC staff.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The LESC would continue to be statutorily limited to higher education issues related to teacher preparation.

POSSIBLE QUESTIONS

The Higher Education Department responded to HB25 asking for clarification, stating that:

NMHED and higher education institutions currently report to the LFC for budgetary approval with clear accountabilities and outcomes specified in HB2. There are some unresolved questions over the implications of HB25 were it to pass:

- Would LESC gain any budgetary authority and oversight of higher education?
- Would this mean that the budget for higher education would be included in HB3?
- Would it remain in HB2 as well?
- What would happen if there were substantive conflicts between the two?
- If so, how would those conflicts be resolved?
- Would both LESC and LFC specify outcomes and reporting requirements to higher education institutions and to NMHED?

MB/sb/rl