

<b>LFC Requester:</b>	<b>Sunny Liu</b>
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**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO**

**[AgencyAnalysis.nmlegis.gov](http://AgencyAnalysis.nmlegis.gov) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.gov)**

*(Analysis must be uploaded as a PDF)*

**SECTION I: GENERAL INFORMATION**

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

**Date Prepared:** 2/13/2025 *Check all that apply:*  
**Bill Number:** HB 388 Original  Correction   
 Amendment  Substitute

**Sponsor:** Dow, Montoya, Henry, Vincent **Agency Name and Code:** New Mexico Education Trust  
**Short Title:** LOW-INCOME EDUCATION OPPORTUNITY ACCOUNT **Number:** Board 94900  
**Person Writing:** Natalie Cordova **Phone:** 505-476-3862 **Email:** Natalie.cordova@etb.nm.gov

**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
	\$100,580	Non	General Fund

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
None.				

(Parenthesis ( ) indicate revenue decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>	None.					

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: SB 286 and HB 387  
Duplicates/Relates to Appropriation in the General Appropriation Act

### **SECTION III: NARRATIVE**

#### **BILL SUMMARY**

Synopsis: The bill introduces enacting low-income education opportunity accounts for eligible students in New Mexico. The bill sets forth eligibility requirements, allowable uses, procedures and application requirements, describes the review commission, and includes funding appropriations.

#### **FISCAL IMPLICATIONS**

Any fiscal implications to the New Mexico Education Trust Board Education Savings Program (529) are estimated as insignificant. If passed, this legislation may reduce the number of NM account owners opening or funding a 529 account for the purpose of utilizing funds for K-12 tuition, though not likely to be a significant amount.

**SIGNIFICANT ISSUES** -None identified.

**PERFORMANCE IMPLICATIONS** - None identified.

**ADMINISTRATIVE IMPLICATIONS** - None identified.

**CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP** – Similar to HB 387 and SB 286. Section G on page 6 contains language regarding reversion to the general fund, but appears to contradict Section 10A on page 18 and Section 11.B. on page 19 noting balances shall not revert to the general fund or any other fund.

**TECHNICAL ISSUES** - None identified.

**OTHER SUBSTANTIVE ISSUES** - None identified.

**ALTERNATIVES** - None identified.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL** - None identified.

**AMENDMENTS** – N/A