

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

**WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:**

[LFC@NMLEGIS.GOV](mailto:LFC@NMLEGIS.GOV)

*and*

[DFA@STATE.NM.US](mailto:DFA@STATE.NM.US)

*{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}*

**SECTION I: GENERAL INFORMATION**

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

*Click all that apply:*

Original     Amendment      
Correction     Substitute   

Date 2025-02-11

Bill No: HM18

<b>Sponsor:</b> <u>Dow, Rebecca</u>	<b>Agency Name and Code</b>	NMHED
<b>Short Title:</b> <u>CPA WORKFORCE CRISIS SOLUTIONS</u>	<b>Number:</b>	
	<b>Person Writing</b>	<u>Chisholm, Mark</u>
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
N/A	N/A	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

N/A	N/A	N/A	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

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

	<b>FY25</b>	<b>FY26</b>	<b>FY27</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	N/A	N/A	N/A	N/A	N/A	N/A

(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**

House Memorial 18 (HM18) cites the decline nationally and in New Mexico in the certified public accountant (CPA) workforce and asks that the State Auditor convene an inter-agency CPA Talent Pipeline Task Force to expand and support CPA and audit professionals, examine the shortage of those professionals, and propose solutions. HM18 offers several possible solution areas, including identifying accounting as a STEM subject. The task force is to include one representative from the Office of the State Auditor (OSA); one representative from the Department of Finance and Administration (NMDFA); one representative from the New Mexico Public Accountancy Board; one representative from the New Mexico Public Education Department (NMPED); one representative from the New Mexico Higher Education Department (NMHED); one representative from the New Mexico Department of Workforce Solutions (NMDWS); and representatives from stakeholders, including the American Institute of Certified Public Accountants, the Center for Audit Quality, and the National Pipeline Advisory Group.

The task force is to report its findings and recommendations to the Governor and Legislative Finance Committee (LFC) by November 1, 2025, with copies to the Governor, the State Auditor, the Secretary of NMDFA, the Secretary of the New Mexico Public Accountancy Board, the Secretary of NMPED, the the Secretary of NMHED, the Secretary of DFA, and the chair of LFC

NMHED's analysis of this bill focuses on the higher education implications of the proposed legislation. Additional insight may be obtained from other agencies' analyses.

#### FISCAL IMPLICATIONS

This request does not include any additional appropriation to help cover the increased costs and workload associated with the work of the CPA Talent Pipeline Task Force.

#### SIGNIFICANT ISSUES

Eligibility to take the CPA Exam in New Mexico is dependent on a student having at least a bachelor's degree and 150 total credit hours, with 30 hours being in accounting. This is equivalent to a master's degree. Both New Mexico State University (NMSU) and the University of New Mexico (UNM) offer master's degrees and bachelor's degrees in accounting. Eastern New Mexico University (ENMU) offers a bachelor's degree in accounting. Both ENMU and New Mexico Highlands University (NMHU) offer Master's of Business Administration with a concentration in accounting.

The University of the Southwest also offers a Masters in Accounting, and several national online universities can enroll students from New Mexico and deliver degrees in accounting, including Southern New Hampshire University, Grand Canyon University, Purdue Global, the University of Arizona Global Campus, Arizona State University, American Public University, Walden University, and National University.

The website, <https://www.mastersinaccounting.info/new-mexico/>, reports better than a 70% pass rate for master's in accounting graduates from NMSU and UNM.

NMHED does include a classification of science, technology, engineering, and mathematics (STEM) programs in the higher education funding formula, Instruction and General (I&G) funding. That performance measure also includes a list of programs that are of high need in the state. While accounting is not currently classified as STEM, it is identified as an area of high need, so there is already a performance incentive built into the funding formula to attach extra value to degrees in accounting.

#### PERFORMANCE IMPLICATIONS

N/A

#### ADMINISTRATIVE IMPLICATIONS

N/A

#### CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

N/A

AMENDMENTS

N/A