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FISCAL IMPACT REPORT

SPONSOR <u>House Judiciary Committee</u>	LAST UPDATED <u>2/18/2025</u>	ORIGINAL DATE <u>1/22/2025</u>
SHORT TITLE <u>Community Governance Attorneys Changes</u>	BILL NUMBER <u>CS/CS/House Bill 24/HRDLCS/HJCS</u>	ANALYST <u>Jorgensen</u>

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
CGA	No fiscal impact	No fiscal impact	No fiscal impact			
Total	No fiscal impact	No fiscal impact	No fiscal impact			

Parentheses () indicate expenditure decreases.
 *Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From
 University of New Mexico (UNM)

SUMMARY

Synopsis of HJC Substitute for House Bill 24

The House Judiciary Committee substitute for House Rural Development, Land Grants and Cultural Affairs Committee substitute for House Bill 24 (HB24) amends the current Community Governance Attorney Act. The act currently authorizes a tuition waiver program for law students working as a community governance attorney for small political subdivisions and unincorporated communities. HB24 makes the following changes to the program:

- Transfers responsibility for advertising the program to students from the Higher Education Department to the University of New Mexico (UNM) School of Law;
- Raises the maximum salary for community governance attorneys from \$50 thousand, to up to “entry-level salary rate paid by the legal service provider”;
- Requires that one of the three governor appointees to the commission be a “current or past member of the acequia commission”;
- Moves the responsibility for administering contracts with legal service providers from the Community Governance Attorney Commission to the UNM School of Law;
- Transfers the responsibility for selecting the students who participate in the program from the Higher Education Department to the Community Governance Attorney Commission;
- Expands the definition of eligible legal service providers to include to “organizations whose mission includes providing a range of legal services to low-income New Mexicans”;
- Allows matching funds to come from the state.

The effective date of this bill is July 1, 2025.

FISCAL IMPLICATIONS

HB24 does not have a fiscal impact because it does not obligate an increase in the number of tuition waivers to be awarded. The bill removes a requirement that entities entering contracts for community governance attorneys must provide matching funds from nonstate sources. Removing this requirement will allow state funds to be used for these contracts but does not require additional state appropriations. For this reason, there is no additional fiscal cost to implementation.

SIGNIFICANT ISSUES

UNM reports:

Expanding the definition of legal service providers to include state agencies will greatly expand the number of eligible legal service providers. For example, the Department of Justice's Treaty of Guadalupe Hidalgo Division would be an ideal placement for participants in the Community Governance Attorney Program.

Additionally, UNM notes several benefits of the bill, including making administration of the program more efficient by allowing UNM to advertise the program to students and by relieving the Community Governance Attorney Commission of the responsibility of administering the contracts. Additionally, the bill would place student selection of community governance attorneys under the purview of the board.

CJ/rl/hg/sgs