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FISCAL IMPACT REPORT

LAST UPDATED _____
ORIGINAL DATE 1/28/25

SPONSOR Lundstrom

BILL

SHORT TITLE Law Enforcement Training at Some Schools **NUMBER** House Bill 48

ANALYST Jorgensen

REVENUE* (dollars in thousands)

Type	FY25	FY26	FY27	FY28	FY29	Recurring or Nonrecurring	Fund Affected
Existing Training Progs.	No fiscal impact	\$300.0	\$300.0	\$300.0	\$300.0	Recurring	Law Enforcement Protection Fund
Eligible Training Progs	No fiscal impact	\$1,600.0	\$1,600.0	\$1,600.0	\$1,600.0	Recurring	Law Enforcement Protection Fund
Tribal and Local Law Enforcement	No fiscal impact	(\$1,900.0)	(\$1,900.0)	(\$1,900.0)	(\$1,900.0)	Recurring	Law Enforcement Protection Fund

Parentheses () indicate revenue decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Agency Analysis Received From

Department of Finance and Administration (DFA)
 New Mexico Independent Community Colleges (NMICC)
 New Mexico Municipal League (NMML)
 University of New Mexico (UNM)

SUMMARY

Synopsis of House Bill 48

House Bill 48 (HB48) amends provisions of the law enforcement protection fund (LEPF) to make Western New Mexico University and all branch and community colleges eligible to receive \$100 thousand for faculty salary, benefits, and other instructional materials and related course expenses.

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

FISCAL IMPLICATIONS

HB48 makes Western New Mexico University and all branch and community colleges eligible to receive \$100 thousand for faculty salary, benefits, and other instructional materials and related course expenses. There are currently three post-secondary institutions with certified satellite academies: Central New Mexico Community College, New Mexico Junior College, and Western New Mexico University. These institutions would be eligible to receive \$100 thousand. The bill also permits \$100 thousand to be paid to any branch or community colleges with law enforcement programs certified by the New Mexico law enforcement academy. HB48 makes 16 additional higher education institutions eligible to receive funding should they begin a certified law enforcement program. This is reflected in the potential law enforcement protection fund cost of \$1.6 million for eligible training programs.

The LEPF receives revenue from taxes and fees on insurance products and makes distributions per statute. The distributions include:

1. Flat distributions to local law enforcement entities
2. Flat distributions to university law enforcement entities
3. Flat distribution to New Mexico law enforcement academy
4. Per-officer distribution to tribal police departments
5. Per-officer distribution to local law enforcement (including school district and university police)
6. Per officer distribution to local law enforcement for school resource officer training
7. Flat distribution to law enforcement training created by HB48.

Statute provides that, should the funding in the law enforcement protection fund be insufficient to meet all distributions, the per-officer distributions for tribal and municipal law enforcement shall be reduced. For this reason, should the increased revenue to the existing training programs reduce the fund's ability to make full distribution, the amount of the shortfall will come from tribal and local law enforcement distributions as shown in the table. Balances over \$100 thousand remaining in the law enforcement protection fund at the close of a fiscal year revert to the law enforcement retention fund which is used to provide salary increases for law enforcement officers statewide.

SIGNIFICANT ISSUES

The New Mexico Municipal league reports:

The potential reduction to the certified officer allocation amount would directly impact local governments' police funding. In FY25, municipalities received \$3.7 million through the certified officer allocation, and counties received \$2 million in FY25. A reduction in this funding stream impacts the financial resources that local law enforcement agencies rely on to address crime and support public safety.

Law enforcement training programs receive tuition from students or sponsoring law enforcement entities and the law enforcement academies may set program tuition and fees as they see fit. The Local Government Division of the Department of Finance and Administration, which administers the fund notes:

Salary and Benefits are currently not an allowable expense in the LEPF for law

enforcement officers as this expense is operational and should be budgeted through the entity's fiscal agent, i.e. county or municipality. Similarly, the faculty salary and benefits at a higher education institute should remain as an expense in their operating budget and not rely on a special fund that was designed to help law enforcement gain the equipment and training needed to reduce crime. Because advance law enforcement officer training is an eligible expense the higher education institutions can provide the accredited training course for a per officer cost that covers the training materials and related course expenditures.

OTHER SUBSTANTIVE ISSUES

UNM-Gallup notes:

UNM-Gallup is seeking recurring funding to operate a police academy on its campus. Funding is needed to start and maintain the program, including faculty salaries, benefits and instructional costs. If passed, HB48 would allow UNM-Gallup to start a law enforcement training program on their campus to grow their own law enforcement for Gallup and surrounding communities. UNM-Gallup currently has space on their campus to accommodate the program.

UNM further states: Currently, UNM-Los Alamos, UNM-Valencia, and UNM-Taos do not have law enforcement training programs at their campuses. This funding may be used in the future to establish such programs at these campuses, but as of time of writing this FIR, these campuses do not plan to establish a program.

CJ/rl/SL2/sgs