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## FISCAL IMPACT REPORT

SPONSOR:	Coll	DATE TYPED:	02/03/00	HB	HJR 1
SHORT TITLE:	Public School Support Appropriations			SB	
				ANALYST:	Burch

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
			\$ 17.0	Nonrecurring	GF

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC files

Corrections Department

State Department of Public Education

## **SUMMARY**

### Synopsis of Bill

The joint resolution proposes to add a new section to the New Mexico Constitution to limit the annual increase of general fund and land grant permanent fund income appropriations for operational expenses for adult corrections to no more than the appropriation increase provided for public school support.

### Significant Issues

The proposal highlights a policy issue about allocating resources for education versus allocating resources for the adult prison system. The Corrections Department reports that tying its appropriations to public schools could limit the department's future expansion and development, particularly if the school systems had a decline in enrollment and the prison systems saw an increase in the number of inmates. In the last 10 years, corrections general fund appropriations exceeded public school support four times: in FY94, FY95, FY96 and FY97. See Attachment for details.

## **FISCAL IMPLICATIONS**

It costs approximately \$17.0 for the Secretary of State to place an item on the ballot. The next general election will be in November 2000.

## **TECHNICAL ISSUES**

The terms used in the bill, "public school support" and "adult corrections" could be very open to interpretation and probably need to be defined in state statute should the constitutional amendment be adopted.

## **OTHER SUBSTANTIVE ISSUES**

The bill includes limitations on percentage increases of income from the land grant permanent fund. Some land grant permanent fund income is bonded out for facility improvements. Since the proposal is limited to appropriations for operations, the amendment should not impair the agency's ability to pay its debt.

DKB/gm

Attachment