

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

SPONSOR Garcia, M.J. DATE TYPED 2/14/04 HB \_\_\_\_\_

SHORT TITLE NMSU Board of Regents Officer Elections SB 65

ANALYST Baca

### APPROPRIATION

| Appropriation Contained |      | Estimated Additional Impact |               | Recurring or Non-Rec | Fund Affected |
|-------------------------|------|-----------------------------|---------------|----------------------|---------------|
| FY04                    | FY05 | FY04                        | FY05          |                      |               |
|                         |      |                             | See Narrative |                      |               |

(Parenthesis ( ) Indicate Revenue Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Commission on Higher Education (CHE)

### SUMMARY

#### Synopsis of Bill

Senate Bill 65 amends §21-8-4 NMSA 1978 to require that the Board of Regents of NMSU shall meet, organize and elect officers, a president, a secretary and a treasurer in Las Cruces during the last week in March and hold their respective offices until their successors are duly elected and qualified. The treasure and secretary shall execute good and sufficient bond of not less that \$20 thousand with two or more sureties who are residents of the state with the bond to be approved by the Governor and filed with the Secretary of State.

#### Significant Issues

According to NMSU, the major purpose of the bill is to ensure the Board of Regents holds its organizational meeting in Las Cruces so faculty, students and the public could attend the meeting without having to travel.

### FISCAL IMPLICATIONS

The costs accruing to this bill include the mileage and per diem expenses for the regents, and those associated with branch college administrator and faculty invited to attend the meeting or who elect to be present. These and related expenses for the conduct of the meeting are those

normally incurred whenever the Regents meet.

**TECHNICAL ISSUES**

In its analysis, the CHE suggests that the sentence, “two or more sufficient sureties who are residents of the state” be rephrased. Apparently, residents cannot issue surety bonds. Only licensed companies, who meet full licensure requirements by the New Mexico Insurance Division under the “Surety Bond Act”, can issue surety bonds. Also the Risk Management Division of the General Services Department can issue surety bonds. Might they be able to cover the Secretary and Treasurer of the NMSU Board of Regents? Do they currently provide the surety bond coverage?

**LB/dm:yr**