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FISCAL IMPACT REPORT

ORIGINAL DATE 2-10-06

SPONSOR Altamirano LAST UPDATED _____ HB _____

SHORT TITLE Hispanic Affairs Act SB 498

ANALYST Segura

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$250.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

No Responses Received From

Cultural Affairs Department (CAD)

Human Services Department (HSD)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY06	FY07	FY08		
	\$250.0		Recurring	Hispanic Affairs Fund

(Parenthesis () Indicate Expenditure Decreases)

SUMMARY

Synopsis of Bill

Senate Bill 498 requests that the Legislature enact the Hispanic Affairs Act.

FISCAL IMPLICATIONS

Senate Bill 498 appropriates \$250.0 from the general fund and is recurring. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

SIGNIFICANT ISSUES

Senate Bill 498 appropriates general fund to pay the costs of establishing the office, hiring staff and carrying out the provisions of the Hispanic Affairs Act. The appropriation is for fiscal year 2007 and subsequent fiscal years and is not reverting. The legislation creates the “Office of Hispanic Affairs” and is administratively attached to the Human Services Department. Senate Bill 498 also creates the “Office of Hispanic Affairs Fund”.

According to PED, there is currently no one agency at the state level that provides the services that will be covered in the act. For the 2005-2006 academic school years, 54 percent of the student population attending public school districts is Hispanic or Latino. Academic achievement and dropout data show a significant gap between Latino students and other student groups in New Mexico public schools who are performing at a higher level. Educational research has shown that, in order to reduce this gap, efforts must come from different educational entities, parents and community groups.

The Office of Hispanic Affairs would serve as a catalyst to coordinate and invigorate activities that will improve the academic achievement of Hispanic students in the public schools. Support and create opportunities for Hispanic students to attend programs of higher education. Align state efforts of public and private entities dealing with issues important to Hispanics.

PERFORMANCE IMPLICATIONS

If enacted, Senate Bill 498 would impact relations of all units of state government.

RS/nt:mt