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FISCAL IMPACT REPORT

			ORIGINAL DATE	2/9/2009		
SPONSOR	Mie	ra	LAST UPDATED	2/27/2009	HB	334/aHEC
SHORT TITLE		School Board Member Conflicts of Interest SB				
				ANAI	YST	Aguilar
					-	

<u>APPROPRIATION</u> (dollars in thousands)

Appropr	iation	Recurring or Non-Rec	Fund Affected
FY09	FY10		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB-364

SOURCES OF INFORMATION LFC Files

<u>Responses Received From</u> Public Education Department (PED) Attorney General's Office (AGO)

SUMMARY

Synopsis of HEC Amendment

The House Education Committee amendment to House Bill 334 allows members of a local school board to be employed by a local school district outside the district governed by the school board on which they sit.

The amendment also allows members of a governing body of a charter school to be employed by a local school district, or serve on its board, as long as such local school district is outside the geographical area in which the charter school is located.

SIGNIFICANT ISSUES

The Attorney General's Office notes that while the amendment to House Bill 334 appears to harmonize the limitations placed on local school board members and members of the governing body of a charter school, there still exists a discrepancy. Under the amendment, local school board members are prohibited from being employed by the school district in which they sit, but members of a governing body of a charter school would not be prohibited from being employed by the pertinent charter school.

Synopsis of Original Bill

House Bill 334 provides that employees of public schools and charter schools would be prohibited from serving on local boards of education while they are employed by a public school or a charter school. The bill would also prohibit members of the governing council of a charter school from serving on local boards of education at the same time that they are serving on the governing council of a charter school.

HB-334 declares an emergency.

FISCAL IMPLICATIONS

None Noted.

SIGNIFICANT ISSUES

The bill appears to restrict employment at any school district or charter school statewide for anyone who serves on a local school board. It is unclear if this is the intent of the bill. If so, such a severe restriction may have considerable impact on the pool of available candidates to serve on school boards particularly in small and rural communities.

PED notes that this bill might be seen as an infringement of the public school employees', charter school employees' and governing council members' rights to participate in the political process under the Fourteenth Amendment of the U.S. Constitution's due process clause. It is unclear how serving as a board member in a district different than where the board member is employed either by another school district or charter school would be a conflict of interest.

TECHNICAL ISSUES

The Attorney General's Office notes that House Bill 334 does not appear to expressly conflict with other laws. However, it should be noted that the bill does not equally restrict local school board members and members of a governing body of a charter school. Under the bill, local school board members are prohibited from being employed by any local school district or a charter school. Members of a governing body of a charter school, however, are not prohibited from being employed by either a local school district or a charter school.

PA/mt