

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 (www.nmlegis.gov). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 02/26/13

SPONSOR Jeff LAST UPDATED _____ HB 484

SHORT TITLE School Board Member Stipend SB _____

ANALYST Roberts

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$232.5	\$232.5	\$465.0	Recurring	School District & Charter School Operating Budgets

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Response Received From
Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 484 amends the Public School Code (Section 22-5-5 NMSA 1978) adding language stipulating that a local school board will vote, by majority, to determine a stipend amount to be received by local board members, not to exceed seventy-five dollars (\$75.00). The board member will only receive the stipend at the conclusion of the local school board meeting and may either elect to receive or waive the receipt of the stipend. The absence of an election will constitute a waiver of the stipend. The bill further provides that the members of a local school board are to receive no other compensation, perquisite or allowance.

FISCAL IMPLICATIONS

The PED notes that many individual school board members currently receive per diem from their school districts to attend board meetings. The total amount spent statewide for board member per diem on single day meetings during FY12 was \$233 thousand. The total amount of stipends will be approximately the same amount. This may create an additional burden on the operational funds of those small rural districts with declining enrollment that are on emergency supplemental.

SIGNIFICANT ISSUES

The PED reports that one unintended consequence of this bill is that school boards may elect to hold more meetings than is really needed to conduct the business of the district. Further, elected school board positions are unpaid positions and all candidates know or should know this when running for election. While provisions contained in this bill call the payment a stipend it is a form of compensation beyond per diem.

MIR/blm