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FISCAL IMPACT REPORT

SPONSOR Steinborn & Keller **ORIGINAL DATE** 02/04/14
LAST UPDATED _____ **HJR** 7

SHORT TITLE State School Regent Nominating Boards **SB** _____

ANALYST Hartzler-Toon

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		>\$46.0		>\$46.0	Nonrecurring	Election Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

SUMMARY

Synopsis of Bill

House Joint Resolution 7 adds a new section to Article 12 of the Constitution that establishes one or more regent nominating committees to provide the governor with lists of names for appointments to any of the boards of regents of state educational institutions listed in Article 12. The section states that the Legislature shall provide by law for the appointment, terms, powers and duties of the nominating committees. Further, HJR 7 requires this amendment to be placed on the ballot of the next general election or any other special election prior to that date called for general purposes.

Institutions enumerated in Section 11, Article 12 of the Constitution include

- Eastern New Mexico University
- New Mexico Highlands University
- New Mexico Institute of Mining and Technology
- New Mexico State University
- Northern New Mexico College
- University of New Mexico
- Western New Mexico University
- New Mexico Military Institute
- New Mexico School for the Blind and Visually Impaired

- New Mexico School for the Deaf

FISCAL IMPLICATIONS

House Joint Resolution 7 makes no appropriation.

Under Section 1-16-13 NMSA 1978 and the NM constitution, the SOS is required to print samples of the text of each constitutional amendment, in both Spanish and English, in an amount equal to ten percent of the registered voters in the state. The SOS is also required to publish them once a week for four weeks preceding the election in newspapers in every county in the state. In 2012, the cost for the 2012 General Election ballots was \$46,000 per constitutional amendment. However, if the ballot size is greater than one page, front and back, it would increase the cost of conduction the general election. In addition to the cost of the ballot, there will be added time for processing voters to vote and would mean additional ballot printing systems would be required to avoid having lines at voting convenience centers.

SIGNIFICANT ISSUES

Under Section 13, Article 12 of the Constitution, “the governor shall nominate and by and with the consent of the senate shall appoint the members of each board of regents” for each institution, including the student regent members where applicable. This joint resolution would insert the Legislature more directly in the regent appointment process by establishing a nominating committee/s to generate lists of regent candidates for the governor’s consideration.

HED notes that HJR 7 does not identify how the nominating committee is selected, how long members serve. Should HJR 7 result in the constitution being amended, the Legislature is required to enact a statute defining the appointment, terms, powers and duties of the nominating committees.

PERFORMANCE IMPLICATIONS

According to the Association of Governing Boards of Colleges and Universities (AGB), a number of states have established nominating committees to generate lists of regent candidates. “Nonpartisan advisory or nominating committees to recruit, screen, and recommend board candidates are an important new tool in ensuring that the best candidates are considered for these important governance positions.” Such committees have been created by both the executive and legislature.

The AGB also reports on “best practices” that legislatures and governors should consider when establishing criteria for the appointment, terms, powers and duties of such nominating committees.

ADMINISTRATIVE IMPLICATIONS

If passed by both chambers, the Secretary of State would be required to place the subject of HJR 7 on the ballot of the next general election or special election for a general purpose.

CONFLICT

HED suggests the constitutional amendment may be inconsistent with Article XII, Section 13, describing the governor's power to appoint regents. While HJR 7 provides a mechanism for nominating regent candidates for the governor's consideration, the joint resolution does not expressly challenge the governor's appointment power nor limit the governor's consideration of regent candidates to a list offered by the nominating committee.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The governor will continue to appoint candidates for regent positions, and the Legislature's role will continue to be limited to the senate's consent of such candidates.

THT/ds