

LFC Requester:	Sunny Liu
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AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Date Prepared: 2/13/2025 *Check all that apply:*
Bill Number: HB 387 Original Correction
 Amendment Substitute

Sponsor: Dow, Terrazas, Mason, Montoya **Agency Name and Code:** New Mexico Education Trust Board 94900
Short Title: EDUCATION OPPORTUNITY ACCT ACT **Person Writing:** Natalie Cordova
Title: OPPORTUNITY ACCT ACT **Phone:** 505-476-3862 **Email:** Natalie.cordova@etb.nm.gov

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
\$100,580		Non	General Fund

(Parenthesis () indicate expenditure decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		
None.				

(Parenthesis () indicate revenue decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	None.					

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: SB 286 and HB 388
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: The bill introduces education opportunity accounts for eligible students in New Mexico. The bill sets forth oversight, allowable uses, procedures and application requirements, describes the review commission, and includes funding appropriations.

FISCAL IMPLICATIONS

Any fiscal implication to the New Mexico Education Trust Board Education Saving Program (529) is estimated as low to insignificant impact. If passed, this legislation may reduce the number of NM account owners opening or funding a 529 account for the purpose of utilizing funds for K-12 tuition. Depending on use, if enacted, the legislation could also have a positive impact on 529 account funding if general funds are made available for private tuition, which may allow families to save more of their personal funds in 529 accounts for future education expenses.

SIGNIFICANT ISSUES -None identified.

PERFORMANCE IMPLICATIONS - None identified.

ADMINISTRATIVE IMPLICATIONS - None identified.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP – Relationship to SB 286 and HB 388. Section G on page 6 contains language regarding reversion to the general fund, but appears to contradict Section 10A on page 17/18 and Section 11.B. on page 18/19 noting balances shall not revert to any other fund or the general fund.

TECHNICAL ISSUES - None identified.

OTHER SUBSTANTIVE ISSUES - None identified.

ALTERNATIVES - None identified.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL - None identified.

AMENDMENTS – N/A