

N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

BILL SUMMARY

House Joint Resolution 11 (HJR11) proposes to repeal Art. 9, Sec. 14 of the Constitution of New Mexico, the Anti-Donation Clause, and Art. 4, Sec. 31, prohibiting charitable, educational, and benevolent appropriations to a person or entity not under full control of the state. Replaces these provisions with an alternate approach: the state, a county, school district, or municipality may make donations of public funds to private persons or entities if the donation is used to accomplish a public purpose, i.e., for the benefit of the public health, safety, or welfare. Before public funds can be donated to any private person or private entity, implementing legislation would need to be enacted by the New Mexico Legislature.

If enacted, the proposal to amend the Constitution of New Mexico would be submitted to the people at the next general or prior special election.

The New Mexico Higher Education Department's (NMHED's) analysis of this bill focuses on the higher education implications of the proposed legislation. Additional insight may be obtained from other agencies' analyses.

FISCAL IMPLICATIONS

There is no appropriation associated with HJR11. If the Constitution of New Mexico was amended as proposed, then the New Mexico Legislature could choose to appropriate funds to

private entities, such as private colleges or universities, including those that classify as non-profit. This could potentially reduce funding for public postsecondary institution or create additional competition between public and private higher education institutions.

SIGNIFICANT ISSUES

Anti-donation clauses are often found in state constitutions and are there to prevent governments from using public funds to benefit private entities. Some states, however, have modified their constitutions to allow use of public funds in cases where there is a determination of an overall benefit to the public. This proposed amendment does make it clear that such use of public money would only be allowed when there was public purpose that benefits the public health, safety, or welfare of New Mexico. In addition, each chamber of the New Mexico Legislature must approve any such use.

PERFORMANCE IMPLICATIONS

N/A

ADMINISTRATIVE IMPLICATIONS

N/A

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If HJR11 is not enacted, then voters would not have the option of amending the Constitution of New Mexico as proposed.

AMENDMENTS

N/A

