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# FISCAL IMPACT REPORT

<b>SPONSOR</b> Lur	dstrom <b>DATE TYPED</b>	3/6/05 <b>HB</b>	67/aHEC
SHORT TITLE Branch Community College Board		ority SB	
		ANALYST	Williams

## **APPROPRIATION**

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	NFI				

(Parenthesis ( ) Indicate Expenditure Decreases)

#### **SOURCES OF INFORMATION**

LFC Files

Commission on Higher Education (CHE)

New Mexico Association of Community Colleges (NMACC)

#### **SUMMARY**

## **Synopsis of HEC Amendment**

The amendment provides for community college boards to participate in the selection process of branch community college directors. The amendment removes the reference to "elected" to address the existence of appointed board members. Searches for community college directors would be conducted jointly by the board of regents at the parent institution and the community college board. Selection of the director would be made by the board of regents, after consultation with the local board.

# Synopsis of Original Bill

House Bill 67 expands existing statute to require joint selection of a branch community college director by the board of a branch community college and the board of regents of the parent institution. Both bodies must consent to the appointment. The new requirement would not apply to existing agreements or contracts entered into prior to the date of enactment of the bill.

### Significant Issues

NMACC notes inconsistency in the current provisions of written operating agreements with respect to appointment of the executive director. The provisions of this proposed statutory change

### House Bill 67/aHEC -- Page 2

are already practiced in four branch campus agreements reviewed, but not in two others. Another campus reported that there was no current operating agreement.

## FISCAL IMPLICATIONS

The bill has no fiscal impact.

## **TECHNICAL ISSUES**

Would consent of both bodies be required to dismiss a branch community college director?

## **OTHER SUBSTANTIVE ISSUES**

CHE indicates:

The board and board of regents of the parent institution shall enter into a written agreement with: (1) the higher education institution to have full authority and responsibility in relation to all academic matters; (2) the higher education institution to honor all credits earned by students as though they were earned on the parent campus; (3) the course of study and program offered; (4) the cooperative use of physical facilities and teaching staff; (5) consideration of applications of local qualified people before employing teachers of the local school system; and (6) the detailed agreement of financing and financial control of the branch community college.

The agreement shall be binding upon both the board of the branch community college and the board of the parent institution; however it may be terminated by mutual consent or it may be terminated by either board upon six months' notice. If the branch college has outstanding general obligation or revenue bonds, neither the board nor the board of regents may terminate the agreement until the outstanding bonds are retired.

AW/yr:rs