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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/25/08  
 LAST UPDATED 1/31/08      HB 234/aHEC

SPONSOR Gardner

SHORT TITLE New Mexico Activities Association Programs      SB \_\_\_\_\_

ANALYST Haug

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$50.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplication Senate Bill 322

### SOURCES OF INFORMATION

LFC Files

Responses Received From  
 Public Education Department (PED)

### SUMMARY

#### Synopsis of HEC Amendment

The House Education Committee removes references to the New Mexico Activities Association and clarifies that costs incurred must be for school activities.

#### Synopsis of Original Bill

House Bill 234 appropriates \$50.0 from the general fund to the Public Education Department to defray costs incurred by the New Mexico Activities Association for printing and trophies related to athletics and other activities.

### FISCAL IMPLICATIONS

The appropriation of \$50.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2009 shall revert to the general fund.

## **SIGNIFICANT ISSUES**

The PED states:

- A consequence of this bill would be the substitution of state monies for private monies.
- Currently the NMAA is absorbing the cost of printing, trophies and medals with the fees that are assessed to schools for being members of the NMAA, ticket sales at the extracurricular events and corporate sponsorships.
- Every student athlete on a championship team receives a medal commemorating the achievement. For example: Mayfield High School's championship football team had 75 members on the team; costs would vary from year to year depending on the number of athletes on championship teams.

## **ADMINISTRATIVE IMPLICATIONS**

The PED notes that HB 234 creates PED oversight responsibilities for the distribution of the funds; maintaining fund accounting; and monitoring to ensure that the funds are expended in accordance with the intentions of the Legislature. It is estimated that it would take approximately 40 hours of time by an Education Administrator O ( $\$22.74 \times 40 + 30\% \text{ Benefits} = \$1,182$ ) to develop, administer and monitor either a Joint Powers Agreement or Memorandum of Understanding between PED and NMAA for distribution of the funding.

## **DUPLICATION**

House Bill 234 and Senate Bill 322 are duplicates.

GH/nt