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FISCAL IMPACT REPORT

| SPONSORH | Begaye | ORIGINAL DATE LAST UPDATED | 02/15/11 | НВ | 459 |
|-------------|------------------|----------------------------|----------|-----|------|
| SHORT TITLE | School Board App | roval Of Superintendent | Recs | SB | |
| | | | ANAL | YST | Haug |

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY11 | FY12 | FY13 | 3 Year Total Cost | Recurring or Non-Rec | Fund Affected |
|-------|------|------|------|----------------------|----------------------|------------------|
| Total | | NFI | NFI | | | |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates HB 460

SOURCES OF INFORMATION

LFC Files

Responses Received From
Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 459 proposes to include in the powers and duties of local school boards, the power to approve or disapprove the local superintendent's recommendation for employment, salary and term of contract for "districtwide administrators" or to delegate that function to the local superintendent. A districtwide administrator is defined as a person who is engaged in districtwide administrative functions for more than one-half of the person's employment time.

The bill proposes to limit contracts for districtwide administrators so as not to extend past the contract term of the local superintendent, unless otherwise approved by the local school board.

The bill changes the definition of "local superintendent" under the public school code from the "chief executive officer" of a school district to the "chief instructional leader" of a school district.

FISCAL IMPLICATIONS

House Bill 459 contains no appropriation and has no fiscal implications.

House Bill 459 – Page 2

SIGNIFICANT ISSUES

The PED states:

Section 22-5-14 NMSA 1978 currently provides that the local superintendent has the power to "employ, fix the salaries of, assign, terminate or discharge all employees of the school district." In 2003, the Legislature in House Bill 212, removed the local school board's authority over these matters and assigned them to the local superintendent, who acted as the chief executive officer of the school district.

This bill attempts to reassign the hire and fire authority to the local school board, but only in regards to districtwide administrators.

Assigning the power to hire and fire districtwide administrators to the local school board may make employment decisions at local school districts less efficient since school boards do not meet on a day-to-day basis and could only make these decisions when a quorum meets. This may cause difficulties in situations where an administrator may need to be hired or fired quickly. Further, the process for hiring and firing may be prolonged since a majority of board members would have to come to an agreement as to the hiring and firing of districtwide administrators rather than resulting from the decision of just one superintendent.

This bill may cause an indirect chilling effect on transparency to the public since personnel matters which involve the discussion of hiring, dismissal or resignation are not conducted in the open pursuant to the Open Meetings Act, and school boards must close a meeting to the public to discuss hiring or firing of individual administrators of the school district. Although such executive sessions are legal under the Open Meetings Act, it may create board meetings in which school districts may be spending more time in closed session to discuss individual employment decisions. There are statutory requirements not to discuss other matters in executive session that school boards would have to adhere to. Nonetheless, the appearance to the public may be that local school boards are doing more work behind closed doors and away from the eyes of the public.

DUPLICATION, CONFLICT

House Bill 459 and House Bill 460 are duplicates. House Bill 459 conflicts with House Bill 86 which would apply to all school employees.

GH/bym