

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: HB 484

51st Legislature, 1st Session, 2013

Tracking Number: .192137.1

Short Title: School Board Member Stipend

Sponsor(s): Representative Sandra D. Jeff

Analyst: James Ball

Date: February 26, 2013

Bill Summary:

HB 484 amends the *Public School Code* to:

- allow a local school board by majority vote to provide a stipend not to exceed \$75 to its members for attending school board meetings;
- allow a member to waive receipt of a stipend; and
- requires the school board to pay the stipend from the school district's operational funds.

Fiscal Impact:

HB 484 does not contain an appropriation.

Substantive Issues:

According to the Internal Revenue Service website, a stipend is defined as a fixed sum of money paid periodically for services or to defray expenses. Income from stipends is reportable for tax purposes.

Technical Issues:

HB 484 may conflict with statutory requirements describing the powers and duties of local school boards in 22-5-4 NMSA 1978: "*A local school board shall have the following powers or duties: (J) except for expenditures for salaries, contract for the expenditure of money according to the provisions of the Procurement Code.*"

This section would appear to require that any stipends awarded by local school boards would have to be accomplished by means of contracts entered into under the provisions of the *Procurement Code* and could not simply be authorized by a vote of the board. Even under specific exemptions from the *Procurement Code* set forth in statute, it would appear unlikely that a "local public body" such as a school board could contract with itself.

According to the Public Education Department (PED) bill analysis, many individual school board members currently receive per diem from their school districts to attend board meetings. PED states that the total amount spent statewide for school board member per diem in FY 12 was \$232,517.

Background:

Due to the large area of some of New Mexico's school districts, some school board members might be required to travel significant distances at their own expense in order to attend board meetings.

The current statute providing that school board members shall serve without compensation was adopted in 1967.

Committee Referrals:

HEC/HAFC

Related Bills:

None as of 2/26/2013.