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FISCAL IMPACT REPORT

ORIGINAL DATE 2/16/17

SPONSOR Steinborn **LAST UPDATED** _____ **HB** _____

SHORT TITLE School Board of Regents Nominating Committees **SJR** 9

ANALYST Dulany

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total			\$50.0-\$100.0	\$50.0-100.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 162

SOURCES OF INFORMATION

LFC Files

Responses Received From

- Higher Education Department (HED)
- Eastern New Mexico University (ENMU)
- New Mexico Military Institute (NMMI)
- New Mexico School for the Blind and Visually Impaired (NMSBVI)
- New Mexico School for the Deaf (NMSD)
- New Mexico State University (NMSU)

SUMMARY

Synopsis of Joint Resolution

Senate Joint Resolution 9 amends the Constitution of New Mexico to require the Governor to nominate regents for New Mexico’s higher education institutions from a list provided by a nominating committee established by law. No member of the board of regents shall be reappointed unless nominated in accordance with the provisions of SJR 9. The nominating committees are to provide lists of names for appointments for members of the board by the Governor to each board of regents of the state educational institutions enumerated in Article XII, Section 11 of the Constitution of New Mexico. Each nominating committee is to include members of the faculty and student body of the educational institution and residents of the county in which the main branch of the educational institution is located.

Senate Joint Resolution 9 – Page 2

The Legislature is to provide by law for the appointment, terms, powers, and duties of the nominating committees; provided that no more than 50 percent of the nominating committee shall be members of the same political party.

FISCAL IMPLICATIONS

Section 1-16-13 NMSA 1978 requires the Secretary of State (SOS) to print the full text of each proposed constitutional amendment, in both Spanish and English, in an amount equal to 10 percent of the registered voters in the state. SOS is also constitutionally required to publish the full text of each proposed constitutional amendment once a week for four weeks preceding the election in newspapers in every county in the state. LFC staff estimate each constitutional amendment may cost from \$50 thousand to \$100 thousand in printing and advertising costs based on 2016 actual expenditures.

Subsection G of the joint resolution (page 4, lines 9 though 20) contemplates a nominating committee for each institution enumerated in Article XII, Section 11 of the New Mexico constitution. These include:

- University of New Mexico;
- New Mexico State Univeristy;
- New Mexico Highlands University;
- Western New Mexico University;
- Eeastern New Mexico University;
- New Mexico Institute of Mining and Technology;
- New Mexico Military Institute;
- New Mexico School for the Blind and Visually Impaired;
- New Mexico School for the Deaf; and
- Northern New Mexico College.

With the exception of NMMI, NMSBVI, and NMSD, the nominating committees for each institution would need to be convened once every two years to nominate a student regent, as student regents are appointed to two-year terms.

The next general election will take place in 2018. Assuming the Legislature establishes the nominating committees by law during the 2019 legislative session, the committees would likely begin meeting during or after FY20.

The law enacted to establish the nominating committees may provide for mileage and per diem for members of the nominating committees. It is unclear which state entity would incur such costs, whether it be the Governor's office or the educational institutions. Other costs incurred by the committees may include advertising vacant board positions, office materials, and staff time.

Although the exact cost of the nominating committees is unknown at this time, a comparison to an existing nominating organization – the Judicial Nominating Commission (JNC) – may help in understanding potential fiscal impact. Administratively attached to the University of New Mexico (UNM) School of Law, JNC is composed of New Mexico judges, attorneys, and citizens. The commission is chaired by the UNM School of Law dean. JNC receives an annual appropriation of about \$21 thousand. If the committees contemplated in SJR 9 are similar in size and composition, a similar cost for each committee could be assumed.

SIGNIFICANT ISSUES

SJR 9 requires that no more than 50 percent of the membership of a nominating committee may be members of the same political party. This would require an even number of members on the nominating committee or at least one member of each nominating committee to decline to state a political party on his or her voter registration form if the nominating committee comprises an odd number of members. NMMI notes concerns that if one member of the nominating committee resigns, the committee would be out of compliance with the constitution until another member is appointed.

NMSD notes concerns that SJR 9 would add administrative complexities to the current system. The school suggests the current system “does not assign board members in a timely fashion,” and NMSD board appointments are routinely delayed, leaving standing members serving past their terms. If the provisions of SJR 9 further delay the appointment of board members, according to NMSD, regent positions may be left vacant, which could impact the ability of the school to conduct business.

RELATIONSHIP

SJR 9 relates to SB 162, which would require at least two members of the NMSU Board of Regents to have a background or education related to agriculture.

ALTERNATIVES

Noting its support for more inclusion of the institution’s community, NMSD suggests a requirement that 50 percent of NMSD’s board be deaf or hard of hearing. The school suggests this would allow the board to be more representative of the community NMSD serves.

TD/sb/al