

**LEGISLATIVE EDUCATION STUDY COMMITTEE  
BILL ANALYSIS**

**Bill Number:** HB 268a

**50th Legislature, 1st Session, 2011**

**Tracking Number:** .183573.1

**Short Title:** Recycle Plans in School Districts

**Sponsor(s):** Representative Antonio “Moe” Maestas and Others

**Analyst:** James Ball

**Date:** February 21, 2011

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**AS AMENDED**

**The House Education Committee amendments:**

- **change the title and provisions in the bill to allow rather than require school districts to adopt recycling plans; and**
- **require that net proceeds, rather than all proceeds, from the sale of recyclable materials be used to fund fine arts education programs.**

**Original Bill Summary:**

HB 268 creates a new section of the *Public School Code* requiring school districts to adopt recycling plans by July 1, 2013. The bill further requires that the plans:

- address the collection, processing, marketing, disposition, and sale of recyclable materials from public schools; and
- provide that all proceeds from the sale of recyclable materials be used to fund the arts education program.

**Fiscal Impact:**

HB 268 does not contain an appropriation.

**Original Fiscal Issues:**

The Public Education Department’s (PED) analysis of HB 268 indicates that school districts would need to collect, clean, store, and transport the recyclable materials. These expenses could exceed the proceeds from the sale of the materials and result in a net cost to districts.

The Fiscal Impact Report (FIR) of the Legislative Finance Committee states that:

- because HB 268 does not appropriate any additional funds to school districts, the districts would have to pay for the implementation of these recycling programs from their existing operating budgets or obtain grants for funding;
- assuming that operating budgets are already fully allocated by the school districts, the initial implementation of the recycling programs could come at the cost of reduced funding to other activities;

- the remaining cost of the program would still have to be funded from the operating budget or grants, just as the implementation costs were;
- this could result in a de facto transfer of funds from certain operational activities toward fine arts education; and
- the collection and expenditure of the proceeds by the school districts would be subject to the stipulations of 22-8-37 NMSA 1978 regarding the collection and handling of funds generated locally.

In stating that proceeds from the sale of recyclable materials shall be used to fund fine arts programs, an assumption could be made that the recycling program will be the sole source of that funding. The term “support” might be more appropriate.

### **Technical Issues:**

While HB 268 requires school districts to adopt a recycling plan, the bill does not actually require the plan to be implemented.

It is unclear whether and how charter schools would be involved in the plan adopted by a school district.

### **Substantive Issues:**

According to PED, the New Mexico Recycling Coalition has a hub and spoke model for recycling statewide, which works by creating regional recycling processing centers within larger communities that serve as hubs and encourages smaller communities or spokes to deliver their recyclables to these hubs. The hub and spoke provides the most efficient means of gathering and processing recyclables, from both a capital and operational cost perspective. Hub and spoke systems greatly reduce transportation requirements and increase overall efficiency of program operations.

The attached map shows the current and proposed hub locations in New Mexico.

### **Background:**

Current statute requires that each postsecondary educational institution in New Mexico prepare and submit updated recycling plans biennially to the Secretary of the General Services Department. Since 1992, each institution has implemented a collection program for recyclable materials, including at a minimum, high-grade paper, corrugated paper, and glass.

### **Related Bills:**

None as of 2/15/2011.