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FISCAL IMPACT REPORT

SPONSOR Espinosa **ORIGINAL DATE** 02/09/11
LAST UPDATED _____ **HB** 264
SHORT TITLE School Board Election, Appointment Limits **SB** _____
ANALYST 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)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

Attorney General (AGO)

SUMMARY

Synopsis of Bill

House Bill 264 amends the public school code by limiting current school district employees or contractors or former (within the past 2 years) school district employees or contractors from being appointed or elected to school boards.

FISCAL IMPLICATIONS

House Bill 264 contains no appropriation and has no fiscal implication.

SIGNIFICANT ISSUES

The AGO comments that the legal issue raised by HB 264 has to do with the broad sweep of the limitation imposed, by limiting school employees or contractors from sitting on any school boards. It is not clear from HB 264 whether a narrower limitation, such as limiting school employees and contractors from sitting on the school board in the school district that employs them, and whether this narrower limitation would accomplish the same legislative goals.

According to the PED:

This bill would address misconduct by contractors who might attempt to benefit in their businesses should they become a school board member, which addresses conflict of interest. Note that Section 22-21-1, NMSA 1978 of the Public School Code makes it a 4th degree felony for a school board member to directly or indirectly sell or be a party to any transaction to sell items to the district or to work under a contract with their district.

Additionally, Section 22-5-5, NMSA 1978 of the Public School Code provides that a member of a school board shall serve without compensation and cannot be employed by their district in any capacity during their school board term.

GH/svb