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Current and previously issued FIRs are available on the NM Legislative Website (www.nmlegis.gov).

# FISCAL IMPACT REPORT

SPONSOR	SHPAC		ORIGINAL DATE LAST UPDATED		НВ	
SHORT TITLE		Gov's Leadership Diversity Network				245/SHPACS
				ANAI	YST	Esquibel

# **ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	FY21	FY22	FY23	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
SPO Staff		\$67.0	\$67.0	\$134.0	Recurring	General Fund
Legislative Council Cost		\$4.2	\$4.2	\$8.4	Recurring	General Fund
Education, Judicial, and Private Sector Costs		Unknown	Unknown	Unknown	Recurring	General Fund and Private Funds
Total		\$71.2	\$71.2	\$142.4	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act of 2021 Relates to Senate Bill 230, Institutional Racism in State Agencies

### SOURCES OF INFORMATION

LFC Files

Responses Received From
Administrative Office of the Courts (AOC)
Attorney General's Office (NMAG)
State Auditor (OSA)
State Personnel Office (SPO)

#### **SUMMARY**

### Synopsis of Bill

The Senate Health and Public Affairs Committee substitute for Senate Bill 245 (SB245/SHPACS) adds a deadline of December 31, 2021, for the Legislative Council, State Personnel Office (SPO), Administrative Office of the Courts (AOC), Public Education Department (PED, and university boards of regents to develop or adopt a training curriculum for cultural awareness training. The

# Senate Bill 245/SHPACS – Page 2

substitute requires any training curriculum implemented to be approved by the "Governor's Leadership Development Network." After the curriculum is approved by the network, then all legislative, judicial, and executive employees, and all public and charter schools will be required to ensure that every employee receive training at least once every two years.

SB245/SHPACS also removes the definition of "cultural awareness training" set forth originally in each of the sections of law establishing the training requirement.

The bill would create the "Governor's Diversity Leadership Network" administratively attached to the Governor's office and comprised of members from the private sector, government, and education. The proposed network would support state and local private and public efforts to diversify workplaces and eliminate cultural prejudices by implementing a business and professional certification program to certify employers' and employees' successful completion of a cultural competency program.

SB245/SHPACS would also require the Legislative Council, State Personnel Office, Administrative Office of the Courts, higher education boards of regents, and Public Education Department to select or develop an appropriate cultural awareness curriculum and provide cultural awareness training at least once every two years for all legislative employees, including session staff; all state employees, whether exempt or classified; all judges and judicial employees; all employees of special schools and public post-secondary educational institutions; and all public school personnel.

The effective date of the proposed legislation would be July 1, 2021.

#### FISCAL IMPLICATIONS

The bill does not include an appropriation.

The State Personnel Office reports it would require additional funding to hire one full-time equivalent employee (FTE) within its Training Division. The FTE would help develop a cultural awareness curriculum for state employees, update the curriculum as necessary, and regularly train state agencies to conduct the cultural awareness training for their employees. The FTE would be a coordinator-classroom technology position at pay band 70 plus benefits totaling \$67 thousand.

The Legislative Council Service in 2020 contracted out for anti-harassment training for all legislative employees at a cost of \$4.2 thousand. This amount of \$4.2 thousand gives an indication of the minimum cost of training legislative employees when a program curriculum already exists and educated trainers are available to contract with in the marketplace.

# **SIGNIFICANT ISSUES**

SB245/SHPACS would require the SPO develop a cultural awareness curriculum that could be used by state agencies in the executive branch that will foster cross-cultural relationships and help create an active cultural diversity network throughout the state. State Personnel would also train state agencies as needed on how to conduct the cultural awareness training for their own employees. Each state agency will be required to verify to SPO that it has held cultural awareness training for its employees and that every employee of the state agency has satisfactorily completed the training at least once every two years. This places the additional responsibility on the State

# Senate Bill 245/SHPACS – Page 3

Personnel Office of tracking every state employee's cultural awareness training each biennium.

SB245 also provides no information about the consequences of a state employee failing to satisfactorily complete cultural awareness training or what State Personnel's responsibility would be in such circumstance.

### **ADMINISTRATIVE IMPLICATIONS**

The State Personnel Office (SPO) indicates it would need one additional FTE in its Training Division to help absorb the new duties required by SB245.

#### RELATIONSHIP

Senate Bill 245 relates to Senate Bill 230 (SB230), Institutional Racism in State Agencies. SPO reports SB230 would place additional responsibilities on the State Personnel Office to develop and provide anti-institutional racism training for all classified employees.

The cultural awareness training proposed in SB245, with its emphasis on "strategies for recognizing and counteracting unconscious bias" and "the value of diversity and inclusion in the workplace," overlaps with the anti-institutional racism training the State Personnel Office would be responsible for developing pursuant to SB230.

NMAG reports Senate Bill 245 also relates to:

- House Bill 43. Black Education Act:
- House Bill 131, Assistant Secretary of Hispanic Education; and
- Senate Bill 148, Diversity Commission.

# **TECHNICAL ISSUES**

Office of Attorney General indicates SB245 does not establish the number of training hours required to meet minimum standards for training, leaving the decision whether to provide an hourlong or days-long session every two years to individual public entities.

Additionally, the composition of the network members responsible for developing a library of resources to be made to public and private entities for cultural diversity training is not provided in detail but, instead, is left to the discretion of the Governor, who appoints its members.

RAE/rl/al