

**LEGISLATIVE EDUCATION STUDY COMMITTEE  
BILL ANALYSIS**

**Bill Number:** SB 253

**51st Legislature, 1st Session, 2013**

**Tracking Number:** .191090.1SA

**Short Title:** NMSU Manufacturing Sector Development Program

**Sponsor(s):** Senator Joseph Cervantes

**Analyst:** James Ball

**Date:** February 6, 2013

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**Bill Summary:**

SB 253 makes an appropriation to support the Manufacturing Sector Development Program (MSDP) at New Mexico State University (NMSU).

**Fiscal Impact:**

\$88,000 is appropriated from the General Fund to the Board of Regents of NMSU for expenditure in FY 14. Unexpended or unencumbered funds revert to the General Fund.

**Fiscal Issues:**

According the Higher Education Department (HED), NMSU submitted a request for \$88,000 in additional funding to HED for review. HED submitted its funding recommendation for higher education to the Department of Finance and Administration and the Legislative Finance Committee. HED recommended funding at the FY 13 level.

HB 11, *General Appropriation Act of 2013*, contains for MSDP:

- \$388,700 from the General Fund;
- \$396,500 from other state funds; and
- \$2.603 million from federal funds.

According to NMSU, SB 253 represents an approved funding request of the NMSU Board of Regents. The requested funds will be used to broaden stakeholder engagement to advance the state's economy and meet statewide needs by:

- improving the growth, sustainability, and competitiveness of businesses;
- enhancing retention and recruitment of career opportunities;
- enhancing the growth of high-wage employment opportunities; and
- providing outreach programs for K-16 educational attainment statewide.

**Substantive Issues:**

In keeping with the land-grant mission of NMSU, the MSDP contributes to the delivery of engineering-based outreach services to businesses, governmental and non-governmental entities,

and provides innovative educational science, technology, engineering, and math programs that prepare tomorrow's leaders, innovators, and entrepreneurs.

NMSU notes that the funds in SB 253 will support additional employment of engineering students to assist in delivery of engineering extension services. Engagement of engineering students also supports retention of these students within their respective degree programs.

**Background:**

NMSU states that in 2012, two existing programs were reorganized and merged into a single entity called MSDP in the College of Engineering at NMSU. MSDP is an outreach program under the college's Engineering New Mexico Resource Network which provides services to a diverse group of stakeholders. As the oldest and largest engineering program in the state, the College of Engineering is dedicated to enriching the state's economic competitiveness through the advancement of innovation, entrepreneurship and enhanced career opportunities required to meet the changing needs of the 21<sup>st</sup> Century.

NMSU further states that in FY 12, 81 businesses received technical engineering assistance that contributed to business retention and expansion. The program is the only university-based entity in the state to provide businesses with mechanical design of specialized equipment, assessment, and validation of existing technical design, prototype development, and process automation. This assistance has contributed to the economic viability of the respective small and medium businesses.

**Committee Referrals:**

SEC/SFC

**Related Bills:**

SB 142 *NMSU Carlsbad Manufacturing Development*

SB 254 *NMSU Arrowhead Center*

HB 11 *General Appropriation Act of 2013*