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FISCAL IMPACT REPORT

ORIGINAL DATE 01/31/13

SPONSOR Anderson LAST UPDATED _____ HB 244

SHORT TITLE UNM Venture Space Incubator Program SB _____

ANALYST Roberts

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
	\$250.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)
University of New Mexico (UNM)

SUMMARY

Synopsis of Bill

House Bill 244 appropriates \$250 thousand dollars from the general fund to the Board of Regents of the University of New Mexico to create and implement the venture space incubator program.

FISCAL IMPLICATIONS

The appropriation of \$250 thousand dollars contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2014 shall revert to the general fund.

SIGNIFICANT ISSUES

The University of New Mexico (UNM) reports that the LoboSpace Small Business Incubator connects three space-related constituencies within the state of New Mexico: 1) the university space engineering and science research community, 2) the small space business community, and 3) government labs and other organizations engaged in space research and operations. LoboSpace is a direct partnership between UNM School of Engineering and the Philips

Technology Institute, which arises from and builds on the broader Educational Partnership Agreement that was enacted by UNM and the Air Force Research Laboratory (AFRL) in April 2011. LoboSpace is principally located at the UNM Configurable Space Microsystems Innovations and Applications Center located in Albuquerque.

Currently, this program leverages off of the existence of the COSMIAC, a federally-supported research center at the university that has an existing base of expertise in space systems technology and applications. Through the AFRL-UNM Educational Partnership Agreement, UNM and COSMIAC have valuable access to unique laboratory facilities at AFRL's Space Vehicles Directorate, and the VSI will provide space-oriented entrepreneurs access to COSMIAC and AFRL facilities. Entrepreneurs working with UNM faculty and students will benefit from this uniquely valuable access to these facilities.

LoboSpace works with university faculty and students to develop opportunities for students to engage in entrepreneurial realization of products arising from high-technology research, primarily through providing financial support for interdisciplinary space-related design projects for undergraduate and graduate students. The incubator provides resources and technical advice for students and faculty to pursue creation of new businesses through existing federal and state SBIR and STTR opportunities leading to long-term product development. The incubator provides small businesses with the information and contacts needed to develop space systems products to enable the further enhancement of space systems produced by the large prime contractors to enable future space missions associated with the government labs in New Mexico. Furthermore, LoboSpace outreach activities to the K-12 and general public communities expand the number of young people who choose to pursue STEM-related careers.

ADMINISTRATIVE IMPLICATIONS

The Board of Regents of the University of New Mexico would be responsible for administering the funds to create the venture space incubator program.

OTHER SUBSTANTIVE ISSUES

UNM submitted a request to the HED for this program in the research and public service project process for review. The HED did not request funding for this program for FY14 nor did the Department of Finance and Administration or the Legislative Finance Committee recommend funding for this project.

MIR/svb