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FISCAL IMPACT REPORT

SPONSOR Lundstrom/Johnson ORIGINAL DATE 3/07/17
LAST UPDATED _____ HB 424/aHEC
SHORT TITLE Sharing of College Physical Facilities SB _____
ANALYST Dulany/Chabot

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See Fiscal Implications				

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 412

SOURCES OF INFORMATION

LFC Files

Responses Received From

Eastern New Mexico University (ENMU)

University of New Mexico (UNM)

Central New Mexico Community College (CNM)

Western New Mexico University (WNMU)

SUMMARY

Synopsis of HEC Amendment

The House Education Committee amendment to House Bill 424 adds community colleges and technical and vocational colleges to the definition of educational institutions.

Synopsis of Bill

House Bill 424 requires higher education institutions to share physical facilities whenever it is reasonably feasible to do so. The bill provides for procedures for requesting and gaining permission to use another institution's facilities, with procedures to appeal to the Higher Education Department (HED). Finally, HB 424 provides the Secretary of Higher Education the authority to require educational institutions to share physical facilities for instructional purposes.

FISCAL IMPLICATIONS

Sharing of physical facilities is likely to result in reduced costs to higher education institutions, although the exact cost-savings is unknown at this time. In 2016, New Mexico State University (NMSU) entered into an agreement with Central New Mexico Community College (CNM) for NMSU's Albuquerque Center. Previously, NMSU's Albuquerque Center occupied a 40 thousand square-foot facility; however, the new location uses 11.7 thousand square feet on CNM's Montoya campus.

The Santa Fe Higher Education Center lists five institutions that use the facility – Santa Fe Community College (SFCC), Institute of American Indian Arts, New Mexico Highlands University (NMHU), NMSU, and the University of New Mexico (UNM) – although it is unclear whether UNM continues to offer programs at the Santa Fe campus.

It is unclear whether institutions sharing facilities for instructional purposes under the provisions of HB 424 would impose rental or other usage fees.

CNM suggests HB 424 may result in unforeseen fiscal implications for institutions leasing space to another institution. In the event two institutions fail to reach an agreement on the cost of the space, CNM reports, HED may be able to require an institution to lease its space at a cost it deems unreasonable.

SIGNIFICANT ISSUES

Assuming the definition of “educational institution” includes branch campus community colleges, HB 424 contemplates sharing of facilities between institutions enumerated in Article XII, Section 11 of the Constitution of New Mexico:

- UNM;
- NMSU;
- NMHU;
- Western New Mexico University;
- ENMU;
- Northern New Mexico College;
- New Mexico Institute of Mining and Technology;
- New Mexico Military Institute;
- New Mexico School for the Blind and Visually Impaired; and
- New Mexico School for the Deaf.

This excludes seven community colleges established pursuant to the Community College Act:

- CNM;
- San Juan College;
- Clovis Community College;
- Luna Community College;
- New Mexico Junior College;
- Mesalands Community College; and
- SFCC.

An institution seeking to share a facility for instructional purposes may be creating an off-campus instructional center, which requires legislative approval. Section 21-1-26.9 NMSA 1978 mandates no new public post-secondary educational institution, branch campus, or off-campus instructional center shall be created except as specifically created by the Legislature. HED is required to review any proposal for the establishment of a new public postsecondary educational institution or campus and submit its recommendation to the Legislature.

WNMU points out provisions in current statute regarding the higher education funding formula specifying HED may include factors in the funding formula that, among other items, “encourage the sharing of expertise, equipment and facilities and development of joint instructional programs, research and public service projects.” The current higher education funding formula does not directly reward institutions for sharing physical facilities.

ADMINISTRATIVE IMPLICATIONS

As required by the Constitution of New Mexico, the Legislature provides for the control and management of all higher education institutions by a board of regents for each institution. Subsection G of HB 424 (page 3, lines 2-4) grants the Secretary of Higher Education authority to require institutions to share physical facilities for instructional purposes. Such authority by the Secretary of Higher Education may present a challenge to the authority of each board of regents to control and manage its respective institution.

UNM reports HB 424 would require creation of new coding in the enterprise registration and scheduling system used by UNM to document non-UNM use of classroom space. UNM states additional measures would be needed for the use of equipment.

UNM further notes additional agreements would need to be established, along with the development of policies and procedures, to address physical access to instructional spaces on the university’s campus, including keyed or electronic access.

RELATIONSHIP

HB 424 is nearly identical to SB 412.

TD/jle

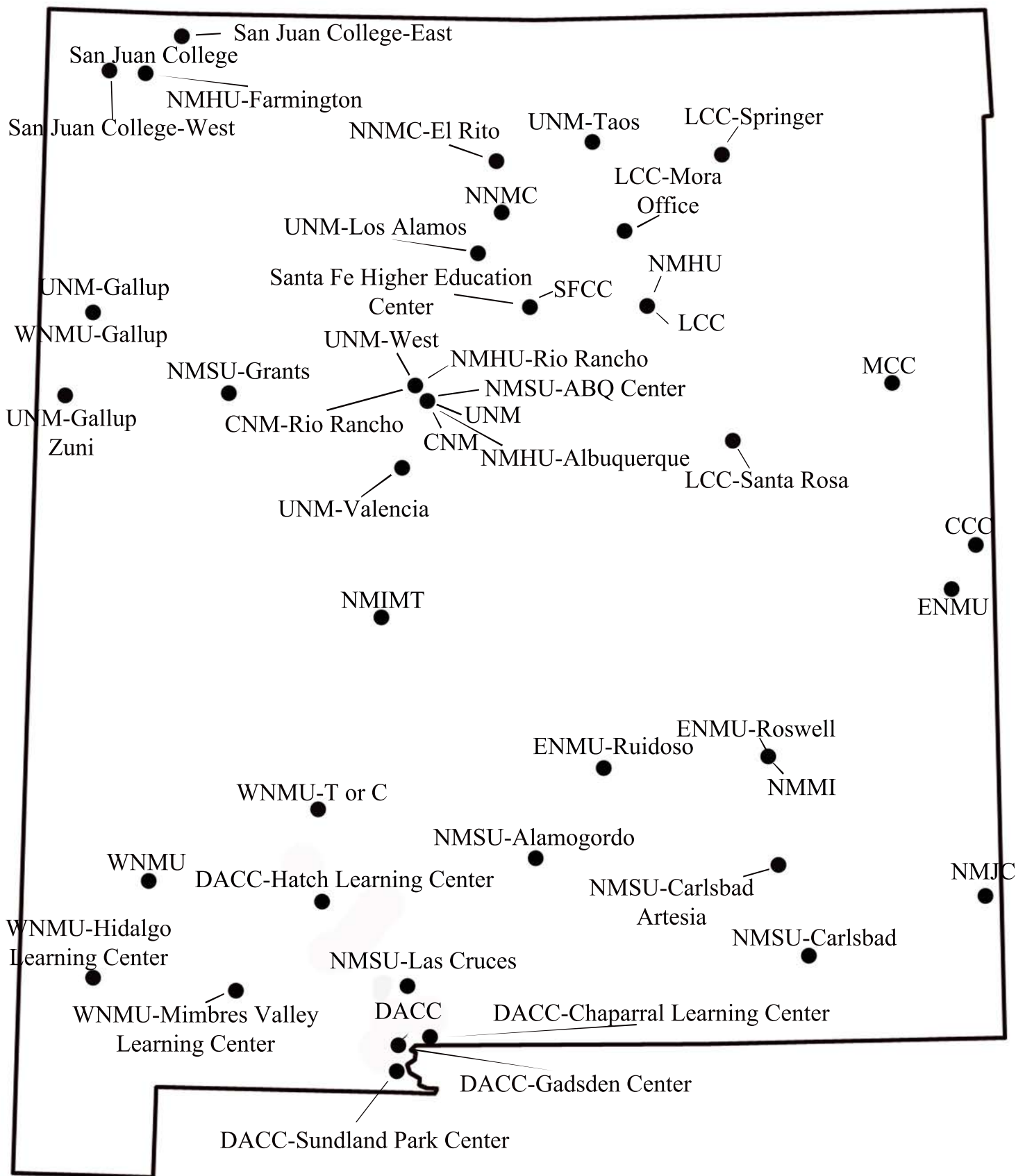
Space Utilization for New Mexico Higher Education Institutions

Institution Type	Institution	Institution reported Building Renovation and Replacement-eligible Gross Square Feet Per Parsons (3DI) 2006	Institution Eligible Instructional and General (I&G) Gross Square Feet 2015	2015 Fall Semester FTE (less online FTE)	2015 Fall Semester I&G Sq. Ft./FTE
Research University	New Mexico Institute of Mining and Technology	851,904	983,272	1,781	552
	New Mexico State University	2,970,141	3,171,137	11,254	282
	University of New Mexico (including Health Sciences Center)	5,146,904	6,150,211	17,747	347
	Subtotal Space and FTE and Average Square Feet/FTE	8,968,949	10,304,620	30,782	393
Comprehensive University	Eastern New Mexico University	1,039,186	878,777	2,533	347
	New Mexico Highlands University	719,742	698,838	2,098	333
	Northern New Mexico College	359,025	380,064	584	651
	Western New Mexico University	535,394	545,930	2,237	244
	Subtotal Space and FTE and Average Square Feet/FTE	2,653,347	2,503,609	7,451	394
Branch Community Colleges	ENMU-Roswell	498,062	517,468	1,174	441
	ENMU-Ruidoso	40,000	54,882	192	286
	NMSU-Alamogordo	190,976	237,244	547	434
	NMSU-Carlsbad	142,314	171,004	688	248
	NMSU-Dona Ana	380,537	545,984	4,267	128
	NMSU-Grants	118,578	120,292	238	505
	UNM-Gallup	167,799	299,101	1,560	192
	UNM-Los Alamos	75,462	76,488	66	1,159
	UNM-Valencia	142,033	178,876	518	345
	UNM-Taos	N/A	103,226	680	152
	Subtotal Space and FTE and Average Square Feet/FTE	1,755,760	2,304,565	9,930	389
Independent Community Colleges	Central New Mexico Community College	1,215,597	1,756,703	8,370	210
	Clovis Community College	311,561	348,599	1,030	338
	Luna Community College	353,924	353,924	433	817
	Mesalands Community College	113,535	143,115	250	572
	New Mexico Junior College	427,643	428,561	1,013	423
	San Juan College	870,500	880,086	3,275	269
	Santa Fe Community College	503,673	657,825	2,442	269
	Subtotal Space and FTE and Average Square Feet/FTE	3,796,433	4,568,813	16,813	414
	New Mexico Military Institute	740,149	396,698	546	727
	New Mexico School for the Deaf	254,339	196,613	132	1,489
New Mexico School for the Blind and Visually Impaired	150,500	225,235	-	-	
Total Space and FTE and Average Square Feet/FTE	18,319,478	20,500,153	65,653	452	

Source: HED

New Mexico Higher Education Institution Sites

Preliminary



As of April 2016

Academic Year 2014-2015 University and Branch Campus Sites

(Preliminary)

Institution/Site	Year Established	Location	Within CC Taxing District?	Within CC Geographic Service Area?	Total Building Gross Sq. Ft.	Head Count	UG FTE	GR FTE	Total Student FTE	Faculty/Staff FTE	Annual Budget
New Mexico Tech	1889	Socorro	N/A	N/A	1,200,000	2,107	1,389	298	1,687	858.0	\$84,527,875
New Mexico Tech-Albuquerque Site <2>	1985	Albuquerque	N/A	N/A	18,572	N/A	N/A	N/A	N/A	N/A	\$133,274
ENMU Main Campus	1927	Portales	N/A	N/A	1,125,102	5,887	3,434	598	4,031	544.0	\$57,932,000
ENMU-Roswell	1969	Roswell	Yes	Yes				N/A			
ENMU-Ruidoso	2005	Ruidoso	Yes	Yes	61,957	822	396	N/A	396	56.0	\$3,344,919
NMSU Main Campus	1888	Las Cruces	N/A	N/A	3,171,049	18,246	11,411	1,940	13,351	967.3 / 2542.3	\$304,179,983
NMSU-Alamogordo	1958	Alamogordo	Yes	Yes	237,244	3,521	1,151		1,151	70 / 96.5	\$15,764,041
NMSU-Carlsbad	1950	Carlsbad	Yes	Yes	164,004	3,078	905		905	54.6 / 77	\$10,001,457
NMSU-Carlsbad Artesia Site		Artesia	No	Shared	7,000						
NMSU-Carlsbad Loving Site					<3>						
Dona Ana Community College	1973	Las Cruces	Yes	Yes	516,223	10,984	5,204	N/A	5,204	269.6 / 258.2	\$35,510,203
DACC Chaparral Site	2012	Chaparral	Yes	Yes	6,700	26.0	2.6	N/A	2.6	<4>	<4>
DACC East Mesa Site	2003	Las Cruces	Yes	Yes	199,408	5,126.0	1,509.5	N/A	1,509.5	<4>	<4>
DACC Hatch Site	2012	Hatch	Yes	Yes	6,853	53.0	8.8	N/A	8.8	<4>	<4>
DACC Mesquite Site					Closed in 2015						
DACC Gadsden Education Center	2000	Anthony	Yes	Yes	29,206	1,262.0	402.4	N/A	402.4	<4>	<4>
DACC Sunland Park Site	1996	Sunland Park	Yes	Yes	32,538	493.0	189.5	N/A	189.5	<4>	<4>
DACC White Sands Site					<5>						
Workforce Development Center	1998	Las Cruces	Yes	Yes	32,474	201.0	43.8	N/A	43.8	<4>	<4>
NMSU-Grants	1968	Grants	Yes	Yes	120,292	1924	472	N/A	472	11.5 / 43.5	\$4,724,625
UNM Main Campus			N/A	N/A							
UNM-Gallup	1968	Gallup	Yes	Yes	341,221	5,199	3,311	N/A	3,311	197.1	\$18,240,393
UNM-Gallup Zuni Site <6>	2002	Zuni	No	Yes	24,932	254	111	N/A	111	4.0	\$382,698
UNM-Los Alamos	1956	Los Alamos	Yes	Yes	77,728	965	402	N/A	402	83.0	\$5,060,652
UNM-Los Alamos Bernalillo Site					Closed in 2012						
UNM-Taos											
UNM-Valencia	1981	Los Lunas	Yes	Yes	183,048	2364	1230	N/A	1230	153.0	\$15,040,440
UNM-Health Sciences Center											
NMHU Main Campus											
NMHU-Albuquerque Site											
NMHU-Espanola Site											
NMHU-Raton Site					Closed in 2014						
NMHU-Rio Rancho Site					Closed in 2014						
NINMC Main Campus	1969	Espanola	N/A	N/A	309,565	1052	707	-	707	350.0	\$17,878,977
NINMC-EI Rito Campus <7>	1909	EI Rito	N/A	N/A	167,812						
WNMU Main Campus	1893	Silver City	N/A	N/A	587,672	1,571	959.8	55.2	1,015.0	363.4	\$30,147,815
WNMU-Deming (Mimbres) Site	2002	Deming	N/A	N/A	29,106	258	117.6	3.3	120.9	15.9	\$290,139
WNMU-Gallup Site	1988	Gallup	N/A	N/A	12,600	97	22.5	15.8	38.3	5.1	\$267,685
WNMU-Lordsburg Site	2010	Lordsburg	N/A	N/A	6,000	78	19.2	0.0	19.2	3.0	\$72,406
WNMU-T or C Site	1994	Truth or Consequences	N/A	N/A	6,000	67	29.1	0.8	29.9	5.2	\$100,023

Source: Institutional Surveys

<1> Some institutions elected to report faculty and staff separately. In this case, figures will be displayed " # of faculty / # of staff"
 <2> New Mexico Tech reports the Albuquerque office does not serve New Mexico Tech students, but the facility houses office space for four Bureau of Geology field employees, two Office of Admissions employees, as well as space for New Mexico MESA Inc. and Upward Bound.
 <3> According to NMSU, the NMSU-Carlsbad Loving Site is not a stand alone campus but rather dual credit taught in high schools.
 <4> NMSU reports DACC does not track or have a mechanism to identify all faculty/staff FTE by individual campus. Many faculty/staff perform services at more than one campus, and the institution does not separate budgets or track all expenditures by campus.
 <5> According to NMSU, the DACC White Sands Site was housed at White Sands Missile Range facilities and has not been utilized in at least four years.
 <6> According to UNM-Gallup, the UNM Board of Regents has transferred the UNM-Gallup Zuni site to the Zuni Nation effective June 30, 2016 at which time all UNM-Gallup operations at the site will cease.
 <7> NINMC reports the college is not holding any classes or operating any business at the EI Rito campus.

Academic Year 2014-2015 Community College Sites (Preliminary)

Institution/Site	Year Established	Location	Within CC Taxing District? (Y/N)	Within CC Geographic Service Area? (Y/N)	Total Building Gross Sq. Ft.	Head Count	UG FTE	GR FTE	Total Student FTE	Faculty/Staff FTE <1>	Annual Budget
Central New Mexico Community College Main Campus	1964	Albuquerque	Yes	Yes	1,077,159	14,274	6,402	N/A	6,402	600/951	\$134,844,413
CNM-Montoya Site	1979	Albuquerque	Yes	Yes	247,434	4,600	1,842	N/A	1,842	<2>	<2>
CNM-Rio Rancho Site	1991	Rio Rancho	Yes	Yes	67,016	985	269	N/A	269	<2>	<2>
CNM-South Valley Site	1995	Albuquerque	Yes	Yes	59,454	575	214	N/A	214	<2>	<2>
CNM-West Side Site	1995	Albuquerque	Yes	Yes	226,654	3,060	1,245	N/A	1,245	<2>	<2>
CNM-Workforce Training Center	1995	Albuquerque	Yes	Yes	69,164	821	75	N/A	75	<2>	<2>
CNM-Advanced Technology Center	2011	Albuquerque	Yes	Yes	181,675	693	287	N/A	287	<2>	<2>
Clovis Community College	1961	Clovis	Yes	Yes	348,599	3,747	1,547	N/A	1,547	164	\$15,809,590
Luna Community College <3>	1967	Las Vegas	Yes	Yes	296,567	2,370	914	N/A	914	50	\$4,013,653
LCC-Raton Site					Closed						
LCC-Santa Rosa Site		Santa Rosa	Yes	Yes	8,558			N/A		5	\$97,595
LCC-Springer Site		Springer	Yes	Yes	32,269			N/A		12	\$203,404
LCC-Mora Site		Mora	Yes	Yes	16,530			N/A		5	\$84,053
Mesalands Community College	1979	Tucumcari	Yes	Yes	143,115	1,256	446	N/A	446	79.5	\$11,248,188
New Mexico Junior College	1965	Hobbs	Yes	Yes	637,073	2,986	1,635	N/A	1,635	335	\$28,401,492
San Juan College	1956	Farmington	Yes	Yes	871,959	9,906	4,619	N/A	4,619	642	\$81,295,447
SJC-East Site	1986	Aztec	Yes	Yes	12,979			N/A			
SJC-West Site	1987	Kirtland	Yes	Yes	14,220			N/A			
SJC-Hutton Site	2005	Farmington	Yes	Yes	22,352			N/A			
SFCC								N/A			
Higher Education Center								N/A			
New Mexico Military Institute <4>	1891	Roswell	N/A	Yes	740,149	884	973	0	973	293	\$47,041,905

Source: Institutional Surveys

<1> Some institutions elected to report faculty and staff separately. In this case, figures will be displayed "# of faculty / # of staff"

<2> CNM notes the institution does not track faculty and staff or budget by campus site or location.

<3> Data for Luna Community College reported for academic year 2013-2014

<4> The total headcount for NMMI includes high school students.