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FISCAL IMPACT REPORT

SPONSOR	<u>Munoz</u>	LAST UPDATED	<u>2/28/23</u>
		ORIGINAL DATE	<u>2/2/23</u>
SHORT TITLE	<u>Sustainable Post-Secondary Funding</u>	BILL NUMBER	<u>Senate Bill 202/aSEC/aSFC</u>
		ANALYST	<u>Jorgensen</u>

APPROPRIATION* (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY23	FY24		
	\$200.0	Nonrecurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Responses Received From

Higher Education Department (HED)

Independent Community Colleges (ICC)

SUMMARY

Synopsis of SFC Amendment

The Senate Finance Committee amendment specifies the study shall include research and public service projects.

Synopsis of SEC Amendment

The Senate Education Committee amendment increases the appropriation from \$100 thousand to \$200 thousand.

Synopsis of Original Bill

Senate Bill 202 appropriates \$100 thousand from the general fund to the Higher Education Department (HED) for the purpose of conducting a study on sustainable funding models for post-secondary educational institutions.

This bill does not contain an effective date and, as a result, would go into effect June 16, 2023, (90 days after the Legislature adjourns) if signed into law.

FISCAL IMPLICATIONS

The appropriation of \$200 thousand contained in this bill is a nonrecurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY24 shall revert to the general fund.

SIGNIFICANT ISSUES

New Mexico ranked eighth in the nation in the amount of state funding per full-time student¹. A study of sustainable funding models could cover revenue sources dedicated to higher education, the allocation method for distributing funds, and expenditures. The study would likely survey out-of-state institutions and compare New Mexico institutions and funding with national peers. A study could give additional insight into how New Mexico compares nationally and regionally, and what can be done to ensure New Mexico higher education institutions receive a stable source of revenue sufficient to accomplish their missions.

CJ/rl/ne/al/hg

¹ Data gathered by the State Higher Education Executive Officers Association and analyzed by the National Science Foundation: <https://nces.nsf.gov/indicators/states/indicator/state-support-for-higher-education-per-fte-student>