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FISCAL IMPACT REPORT

SPONSOR:	Garcia	DATE TYPED:	02/04/00	HB	96/aHEC
SHORT TITLE:	NMSU Hotel/Tourism Management Program			SB	
				ANALYST:	Pacheco-Perez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
	\$ 380.0			Rec	GF

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB44

SOURCES OF INFORMATION

Commission on Higher Education (CHE)

Economic Development Department (EDD)

SUMMARY

Synopsis of Amendment

This amendment adds the following language: "A plan for a program evaluation, including specific program goals and criteria for assessing effectiveness shall be submitted to the LFC and the CHE by August 1, 2000 and an assessment shall be completed annually."

Synopsis of Bill

This bill appropriates \$380.0 from the general fund to the Board of Regents of the New Mexico State University (NMSU) to enhance the hotel, restaurant and tourism management programs in the College of Agriculture and Home Economics. The appropriation is distributed as follows: \$190.0 to the Agricultural Experiment Station (AES) and \$190.0 to the Cooperative Extension Service (CES).

Significant Issues

According to EDD, this bill helps to improve the skilled labor management pool which positively impacts the economic development in the services sector of New Mexico's economy. The Hotel, Restaurant and Tourism program is the fastest growing program at NMSU's College of Agriculture and Home Economics, growing 10% per year over the last three years.

FISCAL IMPLICATIONS

The appropriation of \$380.0 contained in this bill is a recurring expense to the general fund. Any unexpended

or unencumbered balance remaining at the end of FY01 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

According to EDD, this bill provides funding for three FTEs.

DUPLICATION

This bill duplicates Senate Bill 44.

TECHNICAL ISSUES

The EDD suggests appropriating funds directly to the Hotel, Restaurant and Tourism program itself rather than to AES and CES.

OTHER SUBSTANTIVE ISSUES

According to the CHE, NMSU ranked this project first out of six special project requests. Funding for this program would allow NMSU to work with existing hospitality providers, promoting the "head and beds" approach to lengthening the number of days visitors stay in New Mexico.

The CHE recommends that the following language be included for all new recurring higher education programs: "The institution receiving the special appropriation in this bill shall submit a program evaluation to the LFC and the CHE by August 1, 2003 detailing the benefits to the State from having this program implemented for a three-year period."

APP/njw