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FISCAL IMPACT REPORT

SPONSOR: Godbey DATE TYPED: 03/08/01 HB 631/aHAFC
 SHORT TITLE: National Guard Scholarship Program SB _____
 ANALYST: Woodlee

APPROPRIATION

| Appropriation Contained | | Estimated Additional Impact | | Recurring or Non-Rec | Fund Affected |
|-------------------------|------|-----------------------------|------|----------------------|---------------|
| FY01 | FY02 | FY01 | FY02 | | |
| | | See Narrative | | | |

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Senate Bill 328

SOURCES OF INFORMATION

Department of Military Affairs
LFC Files

SUMMARY

Synopsis of SFC Amendment

The House Appropriations and Finance Committee amendment to House Bill 631 strikes the appropriation of \$637.0. These funds are contained in the agency's operating budget.

Synopsis of Original Bill

House Bill 631 appropriates \$637.0 from the general fund to the Department of Military Affairs for the New Mexico National Guard Scholarship program. The bill provides that the awards will be made in accordance with rules adopted and promulgated by the Department of Military Affairs. In addition, the bill provides that the board of regents of each public post-secondary educational institution shall designate a representative to coordinate the scholarship program.

Significant Issues

According to the agency, tuition reimbursement is the number one discriminator in terms of recruitment. Currently, the New Mexico National Guard ranks last in the nation in terms of readiness and is short approximately 1000 soldiers. The agency's goal is to recruit 350 new soldiers for fiscal year 2002.

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Currently, the NM National Guard only is able to fund 66% of tuition costs for the soldiers in the program. The appropriation contained in this bill would bring the current students to 100% tuition reimbursement. Also, the appropriation would fund an additional 175 soldiers who wish to enter the tuition reimbursement program.

FISCAL IMPLICATIONS

The appropriation of \$637.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2002 shall revert to the general fund.

MW/njw