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FISCAL IMPACT REPORT

SPONSOR: Wallace DATE TYPED: 03/04/01 HB 735
 SHORT TITLE: Student Support for Extended Learning Sites SB _____
 ANALYST: Fernandez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
	\$ 54.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

House Bill 735 appropriates \$54.0 from the general fund to the board of regents at the University of New Mexico for the Los Alamos branch campus to fund student support services for students attending classes at extended learning sites located in Bernalillo, the Jemez Valley, Cuba and the Pueblos of San Felipe and Santa Ana in Sandoval County.

Significant Issues

Currently, courses offered away from the main campus receive only the instruction portion of the "I&G" funding formula for higher education.

This bill would provide funding for a branch campus outside the higher education funding formula. No other branch campus would receive funds for extended services.

FISCAL IMPLICATIONS

The appropriation of \$54.0 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.

According to CHE, based on the higher education funding formula, the cost to fund extended services for the Los Alamos branch campus is \$26.0. This bill would provide an additional \$27.5 to the Los Alamos branch over and above what would be generated by the funding formula.

OTHER SUBSTANTIVE ISSUES

The CHE requested \$1,832.6 to enhance the student services formula by providing funding for student support services. This formula change was also recommended by the Executive.

This formula change was not recommended by the LFC because institutions use an inconsistent approach to determine the cost of extended learning instruction and support services. In the past, the LFC heard testimony that institutions do not allocate all of the funds generated by distance education to these programs, but rather reallocate to other areas.

CTF/ar