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FISCAL IMPACT REPORT

SPONSOR Aragon DATE TYPED 1/30/04 HB _____

SHORT TITLE Competitive Research Grant Match SB 209

ANALYST Baca

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$1,500.0			Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

Duplicates HB 134
Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From
Office of State Engineer (OSE)
Commission on Higher Education (CHE)
Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

Senate Bill 209 appropriates \$1.5 million from the general fund to the Board of Regents of New Mexico Institute of Mining and Technology for expenditure in FY05 and FY06 to provide a fifty percent match for a grant from the National Science Foundation for the experimental program to stimulate competitive research known as EPScOR.

Significant Issues

The EDD reports that current technology is not entirely adequate for understanding New Mexico's water needs. This program will be a collaborative effort between the Office of the State Engineer and the state's research universities to conduct research in hydrology and water management systems to support water rights adjudications by the Office of the State Engineer. This bill is an effort to address this weakness through increased research and development by utilizing

both state and federal funds. A fifty percent matching contribution from the federal government provides substantial savings to the state.

FISCAL IMPLICATIONS

The appropriation of \$1.5 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

OTHER SUBSTANTIVE ISSUES

This request was not included in the NMIMT Board of Regents request to the CHE. Consequently, the Commission did not take action on this request.

AMENDMENTS

The following language is suggested for all new recurring higher education programs and expansion of current programs (assuming that funding will continue beyond FY05):

“The institution receiving the appropriation in this bill shall submit a program evaluation to the Legislative Finance Committee and the Commission on Higher Education by August 2007 detailing the benefits to the State of New Mexico from having implemented this program over a three period.”

POSSIBLE QUESTIONS

1. Has this collaborative effort been considered by the Board of Regents of NMIMT?
2. Has the National Science Foundation already granted or assured the federal match will be available?

LB/prr:lg