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FISCAL IMPACT REPORT

SPONSOR Maes DATE TYPED 2/4/04 HB _____

SHORT TITLE NMSU Arrowhead Business Development Center SB 423

ANALYST Baca

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$250.0			Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

Duplicates HB 104
Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Commission on Higher Education (CHE)
NMSU, College of Business Administration and Economics

SUMMARY

Synopsis of Bill

Senate Bill 423 appropriates \$250.0 from the general fund to the Board of Regents of NMSU to support the Arrowhead Center for Business in the College of Business Administration and Economics to foster graduate education and economic development outreach.

Significant Issues

This bill provides support to NMSU to expand its efforts to transfer technical information to the business sector. These expanded efforts will be combined with current activities and serve as an “incubator” for the development of business through the Arrowhead Business Development Center as well as through existing “intellectual” and technological vehicles.

FISCAL IMPLICATIONS

The appropriation of \$250 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY05 shall revert to the general fund.

OTHER SUBSTANTIVE ISSUES

This request for funding was not among the priorities submitted to the CHE by the NMSU Board of Regents. Consequently, the Commission did not review the proposal.

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. Was this request presented to the NMSU Board of Regents? Why or Why?
2. How does the Arrowhead Center for Business Development fit in NMSU's over activities to promote business development?

LB/dm