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FISCAL IMPACT REPORT

SPONSOR Ingle DATE TYPED 2/12/04 HB _____

SHORT TITLE ENMU Hobbs Educational Center SB 517

ANALYST Baca

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$145.0			Recurring	General Fund

(Parenthesis () Indicate Revenue Decreases)

Relates to Appropriation in the General Appropriation Act

Relates to SB 15, SB 227 & HB 440

SOURCES OF INFORMATION

LFC Files

Commission on Higher Education Funding Recommendations for FY05 (CHE)

Responses Received From

New Mexico Public Education Department (PED)

Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

Senate Bill 517 appropriates \$145 thousand to the Board of Regents of Eastern New Mexico University (ENMU) in FY05 to establish an educational center in Hobbs that offers bachelor's and master's degree in education and a master's degree in business administration.

Significant Issues

The Hobbs Municipal Schools district reports it has a contract with the College of the Southwest to deliver graduate level course to the district's teachers. The school district currently has 189 teachers in master's degree programs for which it pays tuition in return for a three year teaching

commitment. Because the College's mission has changed, the school district is negotiating a contract with ENMU to provide the service provided in the bill with the services to be made available to all school districts in Lea County. The funding to be appropriated by this bill will be used to upgrade ENMU's capability to utilize the local Lea County interactive video network for the delivery of the program. While colleges and universities may develop undergraduate programs as they deemed necessary for the service region, approval must be obtained from the CHE and the Board of Finance for adding graduate level courses that may be added.

This request was not in the list of priority projects submitted by the ENMU Board of Regents to the Commission on Higher Education for review. Consequently, this request was not included in the Commission's funding recommendations for FY05.

FISCAL IMPLICATIONS

The appropriation of \$145 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

In the interest of accountability, 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.

According to the PED, the district has an interest in the bachelor's degree program that is included in the bill. The program will be used to train local bilingual speakers to become licensed teachers. The district also supports the business administration program as it will improve economic development in Lea County.

LB/dm:lg