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## FISCAL IMPACT REPORT

SPONSOR Jennings DATE TYPED 2/12/04 HB \_\_\_\_\_

SHORT TITLE ENMU Technology Transfer Center Task Force SB SJM 64

ANALYST Wilson

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
			See Narrative		

Relates to HB 439 and HB 188

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Department of Labor (DOL)  
 Commission on Higher Education (CHE)  
 Public Education Department (PED)  
 Economic Development Department (EDD)

### SUMMARY

#### Synopsis of Bill

Senate Joint Memorial 64 requests the Roswell Branch of Eastern New Mexico University (ENMU) to do the following:

- Designate a taskforce to address coordination of community colleges, national laboratories and other federal research agencies in New Mexico for the creation of technology transfer centers and workforce development centers.
- Develop recommendations for regional approaches and potential pilot projects.
- Report the findings to the Economic and Rural Development Telecommunications Committee during the 2004 interim.

Significant Issues

PED provided the following:

Rural New Mexico has historically been dominated by traditional rural and agricultural enterprises and now finds itself in transition because of global and technological forces. These areas are facing the changing demographics of rural communities, agriculture in transition, land and water issues, education and workforce issues, the need for diversified and value-added industry, quality of life issues, healthcare quality and rapidly changing technology and access to technology issues.

These changes have created a significant gap between the resources and the needs of rural communities and, as they work to recruit, expand or retain businesses, they struggle with these issues. Also greatly needed by these communities is technical support for planning and development purposes.

These rural areas are part of a state that leads the world in technology development through its national laboratories and national research centers. The research budgets of New Mexico's national laboratories and research universities total over five billion dollars annually. New Mexico also ranks Number 1 in the nation for the number of PhDs as a percentage of the workforce, and Carnegie Mellon's Professor Richard Florida cited Albuquerque and Santa Fe as centers of the "Creative Class", people whose economic function is to create new ideas, new technology and new creative content.

There is a need to develop an effective method of bringing these assets to the business and work forces of the rural communities, and New Mexico's rural community colleges are in a position to be able to do this.

EDD believes there is certainly a need for collaboration amongst universities, community colleges, workforce development centers, economic development organizations, business communities and other stakeholder institutions to develop regional strategies for economic growth. There is most likely a great deal of discussion presently underway amongst the groups already mentioned. To formalize a task force would heighten the level of commitment each group has on developing the local, rural economies in Eastern New Mexico.

**FISCAL IMPLICATIONS**

The Roswell Branch of ENMU should be able to absorb the cost of the study. The results of the study may identify funding requirements in the future.

**ADMINISTRATIVE IMPLICATIONS**

The Roswell Branch of ENMU staff should be able to implement the provisions of this memorial with existing staff.

**RELATIONSHIP**

PED notes SJM 64 is related to HB 439 in the sense that a postsecondary institution is seen as the viable institution in a given region to alleviate conditions brought about by an economic downturn in that region through certain activities such as undertaking a study, coordinating technology transfer, and workforce development centers.

DOL believes the bill may conflict as it calls for the creation and operation of a statewide information technology asset inventory and management system. This system may duplicate the technology transfer centers.

**DW/dm**