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FISCAL IMPACT REPORT

SPONSOR Campos DATE TYPED 2-7-05 HB _____

SHORT TITLE Luna-Vocational-Technical Institute SB 205

ANALYST Segura

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$2,000.0			Rec	GF

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Commission of Higher Education (CHE)
Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 205 appropriates \$2,000.0 to support operations of the Luna-Vocational-Technical Institute.

Significant Issues

According to CHE, this request was not on the list of priority projects submitted by LVTI to the CHE for review. Therefore, the request is not included in the Commission's funding recommendation for FY06.

According to LVTI, the bill would provide funding to bring a network of agencies that include eight public schools, workforce development agencies and the Las Vegas/San Miguel Economic Center. Such a partnership would increase learning opportunities for students in northern New Mexico by providing education and training through a dual certification program.

FISCAL IMPLICATIONS

Senate Bill 205 appropriates \$2,000.0 from the general fund and is recurring. Funding is not included in CHE or PED budget requests for FY06.

ADMINISTRATIVE IMPLICATIONS

Both PED and CHE would develop a process to monitor the funds and ensure accountability for the program.

OTHER SUBSTANTIVE ISSUES

The CHE states that the appropriations to support the Instruction and General (I&G) mission of the institutions are made based on a funding formula designed to ensure adequate and equitable funding of higher education institutions. In addition to I & G formula funding, many institutions also receive line item appropriations to support their research and public service missions. However, over the years, many line item appropriations have been made that provide additional I&G funding beyond the level generated by the funding formula. Since the appropriations in Senate Bill 205 are really an enhancement of I&G, the CHE recommends that these funds be moved from line item appropriations to the Program Enhancement Fund.

RS/njw