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FISCAL IMPACT REPORT

SPONSOR Cisneros **DATE TYPED** 02-28-05 **HB** _____

SHORT TITLE NM Tech Decision-Makers Seminars **SB** 727

ANALYST Woods

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$60.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to the appropriation for the New Mexico Institute of Mining and Technology in the General Appropriations Act.

SOURCES OF INFORMATION

LFC Files

Responses Received From

Commission on Higher Education (CHE)
Energy, Minerals and Natural Resources Department (EMNRD)

SUMMARY

Synopsis of Bill

Senate Bill 727 – Making an Appropriation to New Mexico Institute of Mining and Technology for the Decision-Makers Seminars – appropriates \$60,000 from the general fund to the Board of Regents of New Mexico Institute of Mining and Technology for expenditure in FY06 to support the decision-makers seminars. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

Significant Issues

CHE indicates that the rapid growth of information technologies has provided exciting new sources of data, interpretation tools, and modeling technologies to the geosciences research and

education community at all levels. A major challenge facing the scientific community in the 21st century is to incorporate remote sensing and GIS technologies as key components of decision-making, planning, and presentations to public and technical groups.

EMNRD adds that the *Decision-Makers Seminars* are “field conferences” where a group of legislators and other officials tour an area of the state and discuss a series of related issues over a two or three day period. Experts in the field are present to give talks at each stop. The “decision-makers” are given opportunities to observe the state’s natural resources and resource development, and to interact with the experts and each other in an informal manner. Each conference also produces a guidebook with written papers on the issues.

The Bureau of Geology at New Mexico Tech has conducted three seminars in the past 4 years:

- *Water, Watersheds and Land Use in New Mexico* (with a field tour in the Santa Fe/Los Alamos region);
- *New Mexico’s Energy, Present and Future* (with a tour of San Juan Basin); and
- *Water Resources of the Lower Pecos Region* (with a tour of the Pecos Valley near Roswell and Carlsbad).

A fourth field conference is scheduled for spring 2005 with a focus on mining issues in Taos-Questa area. These conferences have relied on the efforts of the New Mexico Tech staff with contributions from other state and federal agencies, although the university has sought to avoid soliciting corporate money so that the integrity of the conferences cannot be questioned. As a result, tour participants must fund many of their own costs.

EMNRD adds that its personnel have participated in each of the conferences as organizers, speakers, authors and “decision-makers”. Further that the department has found the seminars to be valuable opportunities for learning more about New Mexico’s natural resource issues and for interacting with other federal, state and local decision-makers.

CHE notes that this request was not in the list of priority projects submitted by the New Mexico Institute of Mining and Technology to the commission for review. Accordingly, the request was not included in the Commission’s funding recommendation for FY06.

FISCAL IMPLICATIONS

The appropriation of \$60,000 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.

ADMINISTRATIVE IMPLICATIONS

The New Mexico Institute of Mining and Technology will retain oversight of this program.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to the appropriation for the New Mexico Institute of Mining and Technology in the Gen-

eral Appropriations Act.

SUBSTANTIVE ISSUES

CHE observes that higher education institutions receive indirect cost revenues from federal contracts and grants. This money is unrestricted in the sense that the governing board of the institution has the flexibility to choose which projects are supported with these funds. A great deal of this money is used as seed money to develop new research and public services projects at institutions. A portion of the indirect cost revenue, and earned overhead, is used to support items such as the salaries of the accountants responsible for monitoring the contract and grants, or for paying utilities and other expenses required to maintain the space where the contract and grant activities are housed. Further, that the higher education funding formula allows institutions to retain 100 percent of this indirect cost revenue. One of the purposes of retaining these funds is to provide seed money and matching funds for projects such as the one proposed in this bill.

CHE further suggests – assuming that funding will continue beyond FY06 – that consideration might be given to requiring New Mexico Highlands University to submit a plan for program evaluation, including specific program goals and criteria for assessing program effectiveness to the Legislative Finance Committee and the Commission on Higher Education by October 1, 2005. Further that the university should also submit a program evaluation to the Legislative Finance Committee and the Commission on Higher Education by June 30, 2008 detailing the benefits to the State of New Mexico from having this program implemented for a three-year period.

BFW/lg