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FISCAL IMPACT REPORT

ORIGINAL DATE 02/24/07

SPONSOR Silva LAST UPDATED _____ HB 900

SHORT TITLE Broaden University Research and Development SB _____

ANALYST Williams

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Senate Bill 773

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

Economic Development Department (EDD)

SUMMARY

Synopsis of Bill

House Bill 900 amends existing statute to broaden the scope of the University Research Park Act to include “economic development”. The ability to form a research park corporation is extended to economic development initiatives that support the teaching, research or service mission of the university, including creating learning opportunities for students. Among its provisions, the legislation would:

- The definition of research park is expanded to include buildings and projects for the development of real property;
- The definition of research park inclusion of rights and franchises is expanded to include facilities in which activities may or may not be directly related to research;
- An area vocational school can no longer participate in a university research park;
- Extend the ability to manage and develop property;
- Extend the ability to lease assets and property;

In an analysis of a duplicate bill, Senate Bill 773, New Mexico State University noted “these

amendments would allow the formation of a corporation for students to produce movies or other media products, which may not be characterized as research but are a part of the academic program.”

As well, the bill makes other technical changes to existing statute.

FISCAL IMPLICATIONS

The bill does not include an appropriation.

SIGNIFICANT ISSUES

HED notes adding economic development “promotes a Departmental and statewide focus on fostering economic development within New Mexico.”

PERFORMANCE IMPLICATIONS

See below.

POSSIBLE QUESTIONS

1. What have been the financial results and performance outcomes of the University Research Park Act for the last nearly twenty years, since its enactment in 1988?
2. What performance measures and outcomes are available to determine these results?
3. What is the extent of outstanding bond issuances under the authority of this act? Is this debt considered a general obligation of the state?
4. What are the anticipated activities envisioned under the proposed changes in this bill?

AW/nt