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## FISCAL IMPACT REPORT

ORIGINAL DATE 1/23/2007

SPONSOR Altamirano LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE UNM Resource Center for RAZA Planning SB 128

ANALYST McOlash

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$220.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates HB 66..

LFC Files

Responses Received From  
New Mexico Higher Education Department (HED)

### SUMMARY

#### Synopsis of Bill

Senate Bill 128 appropriates \$220,000 from the General Fund to the Board of Regents of the University of New Mexico for expenditure in FY 2008 for the expansion of the Resource Center for Raza Planning.

### FISCAL IMPLICATIONS

The appropriation of \$220,000 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY 2008 shall revert to the General Fund.

### SIGNIFICANT ISSUES

The Resource Center for Raza Planning (RCRP), established in 1996, is in the Community and Regional Planning Program within the School of Architecture and Planning at the University of New Mexico. The goal of RCRP is to contribute to the sustainability and survivability of traditional New Mexico communities. The core membership of Resource Center for Raza Planning is

drawn from New Mexico graduate students in the Community and Regional Planning program at the University of New Mexico.

The RCRP has four main objectives:

1. Produce research and policy analysis of planning issues affecting traditional communities.
2. Partner with other organizations to promote effective strategies for community development.
3. Produce, compile, and distribute educational material.
4. Generate and nurture a pipeline of individuals interested in planning and development issues and planning education.

This expansion request for \$95,000 was submitted to HED. The Department notes that the \$95,000 was intended to be added to its recurring FY07 funding of \$127,800 – a total request of \$222,800.

The New Mexico Higher Education Department's Executive recommendation for FY08 is \$127,800.

## **ALTERNATIVES**

### Higher Education Department

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, or earned overhead, is used to support items such as the salaries of the accountants responsible for monitoring the contracts and grants, or for paying utilities and other expenses required to maintain the space where the contract and grant activities are housed.

The higher education funding formula allows institutions to retain 100% 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.

BM/mt