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FISCAL IMPACT REPORT

ORIGINAL DATE 1/23/08

SPONSOR Hamilton LAST UPDATED _____ HB 188

SHORT TITLE Expand WNMU Music Program SB _____

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$487.1	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

SUMMARY

Synopsis of Bill

House Bill 188 appropriates \$487.1 from the general fund to the Board of Regents of Western New Mexico University to fund expansion of the Western New Mexico University Music Program.

FISCAL IMPLICATIONS

The appropriation of \$487.1 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2009 shall revert to the general fund.

WNMU did submit a request in the amount of \$487,083 to the New Mexico Higher Education Department for this program, but it is not included in the Department's recommendations.

The HED's evaluation table of FY09 Research and Public Service Projects provided to the LFC classifies this project as a "breach" of the Higher Education Formula. Reasons for this

classification decision are not provided. (LFC Report 07-20, Higher Education Department Review of Selected Research and Public Service Projects, January 12, 2008, Table 4, p76.)

SIGNIFICANT ISSUES

The HED states that other universities within New Mexico and neighboring states currently offer students financial assistance in the form of scholarships, tuition waivers, and performance stipends, which WNMU recruiters cannot match. WNMU is not in position to offer these types of compensation or scholarships and so are disadvantaged in attracting new students.

HED adds that this funding would enable WNMU to attract interest from prospective students, possibly increasing student headcount. This funding would also allow for the hiring of one faculty member and one staff member. It is projected that thirty-eight full-time students per year could be served with this funding.

GH/jp