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FISCAL IMPACT REPORT

ORIGINAL DATE 1/25/08

SPONSOR Lujan, A. LAST UPDATED _____ HB 220

SHORT TITLE NMSU Aerospace Engineering Program SB _____

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$450.0	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 220 appropriates \$450.0 from the general fund to the Board of Regents of New Mexico State University to hire faculty and implement undergraduate and graduate level degree programs in aerospace engineering. The appropriation is for Fiscal Year 2009 and subsequent fiscal years.

FISCAL IMPLICATIONS

The appropriation of \$450.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of any fiscal year shall not revert to the general fund.

This funding request was submitted by NMSU to the New Mexico Higher Education Department (NMHED) for review and is included in the Department's funding recommendations for FY09 in the amount of \$486,800.

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, p74.)

SIGNIFICANT ISSUES

The HED states:

The appropriation would be directed to hiring of faculty and the implementation of undergraduate- and graduate- level degree programs in aerospace engineering. Currently NMSU offers the only aerospace program in the state of New Mexico where students complete the program with a Bachelor of Science in Aerospace Engineering (BSAE). Coursework includes basic engineering concepts, communication skills and laboratory procedures, in addition to more specialized studies. Students are given thorough grounding in aerodynamics, propulsion, flight stability and control, orbital mechanics, the space environment, aerospace structures, thermodynamics and aerospace systems engineering and design.

Funds appropriated in response to HB220 will be used to hire additional aerospace faculty. NMSU indicates that more faculty are required to develop and offer graduate programs, both Master of Science and Doctor of Philosophy, in aerospace engineering. Further, NMSU indicates that according to accreditation guidelines regarding budgets, the College of Engineering's aerospace program is operating at a minimum.

GH/nt