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FISCAL IMPACT REPORT

ORIGINAL DATE 1/28/09

SPONSOR Cote LAST UPDATED _____ HB 166

SHORT TITLE NMSU-Alamogordo Weight Training Equipment SB _____

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$72.0	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 166 appropriates \$72.0 from the general fund to the Board of Regents of New Mexico State University to pay for operations of and equipment for the wellness and weight training program at the Alamogordo campus.

FISCAL IMPLICATIONS

The appropriation of \$72.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2010 shall revert to the general fund.

SIGNIFICANT ISSUES

The HED states that this request was submitted by NMSU to HED for review, but is not recommended for funding for FY10, regardless of whether the State's fiscal picture improves.

The LFC Appropriation Recommendations, Volume II, pages 364-365 states:

The committee has concerns about the growth of research and public service projects within the higher education budget, as well as the alignment of these projects with state

goals and strategic plans. The committee also continues to have significant concerns about accountability and performance outcomes for these projects.

The committee recommendation reduces funding included in the HED request by varying levels from FY09 funding amounts for research projects, public service projects and P-20 pipeline projects focusing on students.

With respect to special projects, higher education institutions advanced 114 proposals for new projects and expansions at a total general fund cost of \$54 million during the HED budget request process in fall 2008.

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

The Executive Budget in Brief notes that over the years more than 300 RPSPs have been created, accounting for a large portion of institution budgets. The current RPSPs were reviewed while considering the relevance of the project to the core mission of the institution, the community benefit and the outcomes associated with each project. (Budget in Brief and Policy Highlights, P 9-10.)

The HED notes that according to NMSU-Alamogordo President, Dr. Cheri Jimeno, currently all wellness and weight training programs are being held at the New Mexico School for the Blind and Visually Impaired in Alamogordo. This current situation limits access and courses that can be taught. The \$72,000 appropriation would allow for more classes at NMSU-Alamogordo, replace old equipment, and allow greater access for the public, students, and employees of the school. Currently, there is not a well defined wellness program at NMSU-Alamogordo; this appropriation will spearhead an initiative to rectify that situation. NMSU-Alamogordo will seek to partner with local hospitals to offer activities and programs for students and the public.

GH/mc