

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

SPONSOR Irwin ORIGINAL DATE 1/30/09  
LAST UPDATED \_\_\_\_\_ HB 364  
SHORT TITLE WNMU Instructional Television Needs SB \_\_\_\_\_  
ANALYST Haug

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$116.0	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 364 appropriates \$116.0 from the general fund to the Board of Regents of Western New Mexico University to fund instructional television needs.

### FISCAL IMPLICATIONS

The appropriation of \$116.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2011 shall revert to the general fund.

### SIGNIFICANT ISSUES

The HED states that this request was submitted by WNMU to the HED for review. The Department would not oppose this project's funding for FY10, if the State's fiscal outlook improves. HB346 represents an increase of \$115,800 to the existing recurring General Fund appropriation.

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 states:

WNMU Media Services provides instructional television (ITV), video conferencing, and other audio-visual services to WNMU students. These funds would be used to fund instructional television needs and to complete necessary upgrades to support the increase in the ITV demand at WNMU.

According to WNMU, lack of sufficient staffing for multimedia classroom maintenance has created the need for some outsourcing and increased contractual expenses for the program to maintain the same service. Inflation has increased telecommunication, supply costs and salary/benefit costs for the program.

Increases in maintenance contracts for out-of-warranty equipment have increased base costs for program. Capital funds are required for the equipment renewal cycle in 19 multimedia classrooms and are necessary to maintain the same level of service.

As evidenced by reduction in equipment maintenance turnaround time, media classroom utilization, and postproduction service utilization, the addition of a technician position to support the services substantially improves program efficiency and promotes utilization. The change to base funding includes the request for two additional FTE: one technician position and one professional position. Funds requested are not for program expansion, but are for adequate level of resources for the same services.

This project enables the delivery of ITV classes to all WNMU campuses. It also allows the delivery of concurrent classes to the Gila Consortium of secondary schools in the southwest region.