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FISCAL IMPACT REPORT

ORIGINAL DATE 2/2/09

SPONSOR R S Martinez LAST UPDATED _____ HB 412

SHORT TITLE WNMU Chicano & Chicana Institute SB _____

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$175.0	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 412 appropriates \$175.0 from the general fund to the Board of Regents of Western New Mexico University to fund the university's Chicano and Chicana Institute.

FISCAL IMPLICATIONS

The appropriation of \$175.0 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, 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 states that:

WNMU's Chicano/a Institute is designed to promote interest in three existing Chicano Studies courses and build support for a full Chicano Studies program. The goal of the program is to generate sufficient student enrollment and develop courses to constitute a major.

According to WNMU, the Chicano/a Institute has great appeal to Hispanic students at WNMU. Student interest in the program would have a direct impact on access to higher education for a historically underserved population and increased retention rates. The target audiences for the Institute would be current and potential students and faculty, teachers and students from school districts, and the local Latino community.

One of the primary goals of the Chicano Institute is to promote civic perspectives among its participants or students that are critical to the well-being of the people of Mexican origin in areas of immigration, culture, literature, art, identity formation, environmental justice, socio-economic development, and urbanization trends.

GH/mt