

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

ORIGINAL DATE 02/10/09

SPONSOR Martinez, K. LAST UPDATED \_\_\_\_\_ HB 530

SHORT TITLE UNM Architecture School Community Outreach SB \_\_\_\_\_

ANALYST Haug

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$198.2	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Higher Education Department (HED)

University of New Mexico (UNM)

### SUMMARY

#### Synopsis of Bill

House Bill 530 appropriates \$198.2 from the general fund to the Board of Regents of the University of New Mexico to expand the community outreach activities of the School of Architecture and Planning.

### FISCAL IMPLICATIONS

The appropriation of \$198.2 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 UNM 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.)

UNM states that this request is to provide infrastructure support to reorganize, and coordinate design and planning community outreach activities in response to unmet statewide community requests and was intended to be recurring. The request will not support classroom activity. The goal of the various School activities have been to link service learning, faculty expertise and research on the economic and physical health needs of various New Mexican communities, including building projects, streets, preservation of historic zones, planning, and town design. In the past, the efforts have been scattered classroom activities. This request will allow the School of Architecture and Planning to form the infrastructure of an outreach program to respond to many rural communities unable to access State resources for proposals, development and analysis of community physical needs.

The HED notes that this program expansion request is an extension of the Economic Development Department's Main Street Program. The Main Street Program is not able to commit a significant amount of energy into researching divergent community ideas. HB530 would provide funding to support UNM's School of Architecture and Planning infrastructure to assist these communities by providing architecture, landscape architecture, planning, and historic preservation design and planning services. UNM's School of Architecture and Planning would link these services to a community based service-learning program, partnering New Mexico communities in need with governmental agencies and nonprofit organizations. These collaborations also would prepare UNM students to connect professional expertise to the needs and realities of New Mexico communities.