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FISCAL IMPACT REPORT

ORIGINAL DATE 1/26/09

SPONSOR Papen LAST UPDATED _____ HB _____

SHORT TITLE Spaceport Student Launch Pilot Program SB 51

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$59.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 64

SOURCES OF INFORMATION

LFC Files

Responses Received From

Economic Development Department (EDD)
 Department of Finance and Administration (DFA)
 Higher Education Department (HED)
 Public Education Department (PED)
 New Mexico State University (NMSU)

SUMMARY

Synopsis of Bill

Senate Bill 51 appropriates \$59.0 from the general fund to the Board of Regents of New Mexico State University to pay for the Spaceport America student launch pilot program of the space grant consortium.

FISCAL IMPLICATIONS

The appropriation of \$59.0 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 not submitted by NMSU to the HED for review and is not included in the Department's funding recommendations for FY10.

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

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 DFA notes that the General Fund resources for FY10 are limited and this appropriation would further strain the General Fund.

NMSU states that The purpose of this program is to eventually provide access to Spaceport America for all New Mexico students. Initially, high school students from Dona Ana, Otero, and Sierra County will launch experiments from Spaceport America. Students will design experiments that use the environment of suborbital space to learn about our environment, air quality, land use, as well as how to build experiments to answer scientific and engineering questions.

The PED notes that this bill supports the PED's efforts to fully implement the standards and benchmarks in science.

The EDD states that this program will train students to design and build experiments and/or satellite instruments, provide hands-on experience with the unique satellite and spacecraft systems environments, and teach systems engineering techniques which are vital to the development of New Mexico's technical workforce.

RELATIONSHIP

SB 51 relates to SB64 which would rename the Southwest Regional Spaceport to Spaceport America.