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FISCAL IMPACT REPORT

ORIGINAL DATE 02/17/09

SPONSOR Sanchez, B. LAST UPDATED _____ HB _____

SHORT TITLE Enlace Program SB 472

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$2,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to HJM 27

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

SUMMARY

Synopsis of Bill

Senate Bill 472 appropriates \$2,000.0 from the general fund to the Higher Education Department for distribution to UNM, NMSU, San Juan College, Santa Fe Community College and Clovis Community College for the ENLACE program.

FISCAL IMPLICATIONS

The appropriation of \$2,000.0 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.

The HED states that this request was not submitted to the HED for review and is not included in the Department's funding recommendation for FY10. . However, FY09 recurring funds in the amount of \$1,147,300 are included in the Department's recommendation for FY10. The appropriation in Senate Bill 472 would increase the total ENLACE budget to \$3,147,300.

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 February 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$575 million less than the FY09 appropriations before the 2009 solvency reductions. 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.)

SIGNIFICANT ISSUES

The HED states that:

Over the past seven years, ENgaging LATino Communities for Education (ENLACE) has established many community partnerships with institutions that prepare students for careers in law, medicine, and other professions.

ENLACE New Mexico advocates inclusivity and a multicultural, multi-lingual focused educational initiative that will create a world-class educational system for all students.

The work of ENLACE New Mexico recognizes, validates, and embraces the core cultural values of its stakeholders, namely the strength of familia, the bonds of comunidad and the mutuality of respeto.

RELATIONSHIP

SB472 is related to House Joint Memorial 27 which recognizes February 6, 2009 as "Enlace New Mexico Day" at the New Mexico Legislature.

GH/svb