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FISCAL IMPACT REPORT

ORIGINAL DATE 01/20/12

SPONSOR Keller/Chasey LAST UPDATED _____ HB _____

SHORT TITLE Create Interim Higher Education Committee SJM 3

ANALYST Hoffmann

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY12	FY13		
NFI	NFI		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY12	FY13	FY14	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$0.5		\$0.5		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

Central New Mexico Community College (CNM)

New Mexico Independent Community Colleges (NMICC)

SUMMARY

Synopsis of Bill

Senate Joint Memorial 3 (SJM3) requests the New Mexico Legislative Council to create a two-year interim legislative committee to consult with higher education institutions and the HED to advance the state's higher education efforts. The committee would be asked to examine the coordination of disciplines and degrees offered by multiple institutions, the impact of accreditation, educational outcomes and workforce needs, the state's demographics, faculty and staff compensation, the adequacy and equity of the funding formula, and dedication of a revenue stream to fund deferred maintenance in higher education. Reports would be due to the legislature by November 30, 2012 and November 30, 2013.

FISCAL IMPLICATIONS

Senate Joint Memorial 3 makes no appropriation. However, the scope of the proposed activities and products would incur certain costs associated with staffing the interim committee and providing per diem for committee members.

SIGNIFICANT ISSUES

The premises of Senate Joint Memorial 3 include a forecast that two-thirds of all American jobs will require higher education with many of those jobs requiring bachelor's, graduate or professional degrees. In addition to this, according to the U.S. Department of Labor, forty percent (40%) of new jobs will be middle skills jobs – plumbers, electricians, technicians, nurses, police officers, etc – requiring a two-year vocational education. As a result, the memorial proposes to recognize the importance that all higher education institutions – research, regional, and community colleges – play an important role in building New Mexico's workforce and economy.

The HED states it has already begun work on most of the key issues identified in Senate Joint Memorial 3. They suggest that their work so far would be useful to the proposed interim committee.

The NMICC notes that the New Mexico Legislature has not had an interim committee dedicated specifically to study of higher education issues for several years. This responsibility has been served to a large degree by the Legislative Finance Committee which has conducted studies and held hearings each year on selected higher education issues. The Legislative Education Study Committee has conducted some higher education hearings as well, particularly in the area of teacher education programs.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If SJM 3 is not passed, the NMICC comments that responsibility for examining most higher education issues will likely continue to be addressed through the Legislative Finance Committee.

CH/svb