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FISCAL IMPACT REPORT

SPONSOR SCONC **ORIGINAL DATE** 02/03/14
LAST UPDATED 02/05/14 **HB** _____

SHORT TITLE UNM Law School Utton Center **SB** 223/SCONCS

ANALYST Hartzler-Toon

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY14	FY15		
	\$612.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY14	FY15	FY16	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$612.0	\$612.0	\$1,224.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates Appropriation in the General Appropriation Act: Section 4J Higher Education, University of New Mexico, Utton Transboundary Resources Center

SOURCES OF INFORMATION

LFC Files

Responses Received From

University of New Mexico (UNM)

SUMMARY

Synopsis of Bill

The Senate Conservation Committee substitute for Senate Bill 223 increases the general fund appropriation to the University of New Mexico (UNM) to support programs at the Utton Transboundary Resources Center (Center) to \$612 thousand.

FISCAL IMPLICATIONS

The appropriation of \$612 thousand contained in this bill is a recurring expense to the general fund. While the bill states that any unexpended or unencumbered balance remaining at the end of

FY15 shall revert to the general fund, if SB 223 or any appropriation for this program is added to the program's existing line-appropriation in the General Appropriation Act (GAA), Section 4, the funds will be designated nonreverting unless explicitly stated. (The FIR tables for this bill reflect a recurring appropriation.)

For FY14, the Center received \$292.4 thousand in general fund revenues. For FY15, the Center requested an expansion of \$320 thousand to transition a number of part-time, temporary employees to permanent, full-time status and grow the water ombudsman program. Both the Executive and LFC recommended base funding at FY14 general fund levels and a modest increase to support a scheduled retirement contribution increase pursuant to Section 22-11-21 NMSA 1978. If either recommendation and SB 223 are enacted, the Center's general fund support would nearly triple to nearly \$904 thousand.

SIGNIFICANT ISSUES

According to the HED, the Center researches and provides information to the public about water, natural resources, and environmental issues, with a particular focus on New Mexico and the Southwest. It also supports collaborative natural resource management using multidisciplinary expertise and inclusive, diverse stakeholder involvement. The Center operates through a combination of private and public funding and has a University of New Mexico Foundation account.

The Center stated that the purpose of these funds is to promote equitable and sustainable management and use of natural resources that cross political jurisdictions such as international, state, or tribal boundaries.

PERFORMANCE IMPLICATIONS

The Center reports annual performance metrics to HED as part of the annual budget process. Due to a reduction in state support, Center staff note that current funding levels provide minimal maintenance of the water ombudsman program (providing information to citizens about water rights adjudications) and the annual publication of *Water Matters!* (an annual legislative briefing on water issues). Additional funding would support more dedicated staff to generate briefings, host conferences and seminars, and completed water basin-specific materials as needed on topics including drought, conservation, and the water-energy nexus.

ADMINISTRATIVE IMPLICATIONS

Without additional funding for staff, the Center will continue to offer limited services to the public and Legislature.

DUPLICATION

SB 223 duplicates a line-appropriation in the General Appropriation Act (GAA), Section 4, University of New Mexico, research and public service projects, Utton Transboundary Resources Center.

THT/jl:ds