F I S C A L I M P A C T R E P O R T

SPONSOR Steinborn **ORIGINAL DATE** 2/24/2015 **LAST UPDATED** 3/14/2015 **HB** 562

SHORT TITLE NMSU Science & Technology Diversity Program **SB**

ANALYST Hartzler

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY16	**FY17**		
	$50.0	$50.0	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY16	FY17	FY18	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		$50.0	$50.0	$100.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates Appropriation in HB 2, General Appropriation Act, Section 4J, Higher Education, New Mexico State University, Research and Public Service Projects

Duplicates HB 60, NMSU Science, Tech, Math Outreach

SOURCES OF INFORMATION
LFC Files

Responses Received From
Higher Education Department (HED)
New Mexico State University (NMSU)

SUMMARY

Synopsis of Bill

House Bill 562 appropriates $50 thousand from the general fund to NMSU to create the Science, Technology, Engineering, Mathematics and Entrepreneurship and Diversity (STEM+ED) program. The proposed program would support the delivery of STEM and entrepreneurship enrichment educational programs and development and dissemination of new STEME initiatives throughout the state.

FISCAL IMPLICATIONS

The appropriation of $50 thousand contained in this bill is a recurring expense to the general fund. As stated in the bill, any unexpended or unencumbered balance remaining at the end of FY16 shall revert to the general fund. However, should the appropriation be included in Section 4 of the General Appropriation Act as a line-item to NMSU, the funds would not revert to the general fund.

During the FY16 budget process, NMSU requested $475 thousand in general fund support for this effort. For FY16, HED did not request funds to start this program, and the Executive recommendation did not fund this initiative. The LFC recommendation included a $50 thousand appropriation for this program. "The LFC recommends…support[ing] institutional efforts to improve student retention and completion. Funding is directed to increasing or expanding academic and student support services, particularly in the STEMH fields, and priority workforce programs." (Volume II, p. 356.) HB 2, as passed by the House and amended by the Senate Finance Committee, includes a $65 thousand general fund appropriation for this program. Should HB 562 and HB 2, as amended by the Senate Finance Committee, be enacted, the STEM+ED program would receive $115 thousand in general fund support.

SIGNIFICANT ISSUES

As reported by NMSU,

> New Mexico is experiencing, just as most of the country, a dramatic shortage of STEM trained workforce, capable of responding to the needs of emerging industries (especially technology and engineering focused) and ready to promote STEM-related entrepreneurship initiatives. The need for a STEM-competent workforce is evident; some studies forecast over 53 thousand new STEM jobs to be created in New Mexico within the next 4 years (over 70 percent of them in computing and engineering) – thanks to our rich emphasis in areas like renewable energy, gas and oil, biomedical technology and the presence of major national labs and defense infrastructures.
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> New Mexico has gained momentum in STEM entrepreneurship, with a 14 percent job market expansion since 2001 – the 8th fastest growing STEM job market in the US in the last 10 years. Our ability to meet this workforce demand is low – depending on the discipline, anywhere between 30 percent and 67 percent. A contributing factor to the disproportionate gap in STEM trained workforce is the severe gender and racial biases, leading to underrepresentation of women and individuals of certain racial or ethnic backgrounds in the most critical and high-demand STEM fields. For example, less than 18% of the undergraduate degrees in computing and engineering are awarded to women; only 17% of undergraduate STEM degrees are awarded to underrepresented minorities.
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> The investment proposed in the STEM+E program will address these important issues by achieving the following objectives:
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> - Increase the number and quality of the STEM workforce in New Mexico in critical areas to meet the workforce and economic development needs of the state;
> - Recruit and educate a dynamic and inclusive student population in STEM across all stages of the K-20 educational pipeline, that will become New Mexico's leaders in STEM fields;

- Enhance STEM competency of the general New Mexico workforce, making it competitive in both local and global markets, and enhance it with business and entrepreneurial skills;
- Broaden the participation of women and traditionally underrepresented groups in STEM training and careers;
- Establish a sustainable infrastructure for STEM engagement, training, and employment that builds on sharing resources among stakeholders in the school, academic, government and corporate domains.

PERFORMANCE IMPLICATIONS

NMSU proposed the following performance measures in their FY16 budget request to HED:

- reach and support, through educational and outreach efforts, over 5,000 K-16 student, through mentoring, tutoring, educational experiences, competitions, summer intensives and other STEM learning, engagement and reinforcement activities;
- support over 20 undergraduate student employees as STEM mentors and trainers;
- engage over 20 NMSU faculty members to create and deploy the most effective and innovative outreach and training practice in STEM, broadening participation, and entrepreneurial skills development;

In addition, the program strives to be a statewide engine for STEM training and outreach, using the NMSU Cooperative Extension Service infrastructure to bring the STEM+ED Program activities to all counties in the State and serve as a clearinghouse of expertise and practices in STEM and business outreach and training, providing integration among programs, promoting replication of successful models, and offering community engagement and awareness in the importance of STEM education.

DUPLICATION

There is no current appropriation to NMSU for this program. However, if the House-passed HB 2 is enacted, HB 562 would duplicate an appropriation line for this program.

QUESTIONS

How will NMSU work with other universities and colleges to coordinate and provide a statewide clearinghouse for successful practices?

TH/aml/bb/je