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FISCAL IMPACT REPORT

ORIGINAL DATE 2/12/09

SPONSOR Vigil LAST UPDATED _____ HB 672

SHORT TITLE Luna College Summer High School Program SB _____

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$250.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 370, SB 371, SB 372, SB 373

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)
Public Education Department (PED)
Luna Community College (LCC)

SUMMARY

Synopsis of Bill

House Bill 672 appropriates \$250.0 from the general fund to the Higher Education Department for Luna Community College to operate a summer institute in Las Vegas for high school students to enhance their ability to learn and to progress in their basic course work.

FISCAL IMPLICATIONS

The appropriation of \$250.0 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 LCC to the HED for review and is not included in the Department's funding recommendation 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 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 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.)

LCC states that the long-term goal of the program is to increase the number of high school students who are both interested and competitively prepared to pursue a college degree. Students will enhance their ability to learn and to progress in the basic course work within the General Core areas at Luna Community College. Students will be provided the opportunity to get a head-start towards establishing a college transcript and to complete core requirements towards a degree.

The PED notes that HB 672 supports a one-time appropriation to Luna Community College for a summer institute for high school students. Gains made in the summer institute may not be sustainable without a continuation of strategies throughout the year and in future years. Tracking the success of the Institute through student achievement data is difficult with only one application.

RELATIONSHIP

- House Bill 672 is related to Senate Bill 370 which 370 would appropriate \$200,000 for a youth college program; to Senate Bill 371 which would appropriate \$400,000 allow LCC to establish an educational network of college-preparatory courses for seven school districts in northeastern New Mexico and comprehensive programs for candidates for associate and four-year degrees focused on alternative and sustainable energy; to Senate Bill 372 which would appropriate \$40,000 for a technical preparatory summer program

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that teaches mathematics, science and technology skills to high school students and to Senate Bill 373 which would appropriate \$85,000 to fund a "crossroads academy" program that offers a summer developmental and remedial college preparatory program to high school students. All related bill appropriations would be from the general fund.

GH/mt