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FISCAL IMPACT REPORT

ORIGINAL DATE 02/13/09

SPONSOR Gutierrez LAST UPDATED _____ HB 692

SHORT TITLE NMSU Service Learning Program SB _____

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$35.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)
New Mexico State University (NMSU)

SUMMARY

Synopsis of Bill

House Bill 692 appropriates \$35.0 from the general fund to the Board of Regents of New Mexico State University to fund a service learning program in the College of Education.

FISCAL IMPLICATIONS

The appropriation of \$35.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year shall revert to the general fund.

SIGNIFICANT ISSUES

The HED states that this request was not submitted by NMSU to the HED for review and is not included in the Department's funding recommendation for FY10. The HED notes further that the Service Learning Program has been funded for the last three years from a grant from Learn and Serve America through a larger grant given to Central New Mexico Community College (CNM). The grant expires at the end of Academic Year 08-09.

This appropriation is not included in the LFC appropriation recommendations for Higher Education.

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.)

NMSU states that Service Learning provides valuable preparation experience to teacher-education candidates as they enhance their academic learning by volunteering to tutor in real schools with real children. Simultaneously, it provides valuable tutoring to local public school children. In the last two semesters (spring and fall 2008), over 200 NMSU teacher education candidates have participated and over 500 children in 10 elementary school have been tutored. The children and their teachers have been very appreciative of the tutoring provided by the NMSU students.

NMSU notes that the expiring funding for the program is provided by Learn and Serve America, a program of the Corporation for National and Community Service, an independent federal agency created to connect Americans of all ages and backgrounds with opportunities to give back to their communities and their nation.

GH/svb