Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current and previously issued FIRs are available on the NM Legislative Website (www.nmlegis.gov) and may also be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Sanchez/ Rep. Baldonado		ORIGINAL DATE LAST UPDATED			
SHORT TITI	LE Valencia County I	Valencia County Instructional Center		163	
			ANALYST	Chabot	

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		\$5,600.0		\$5,600.0	Nonrecurring	UNM- Valencia

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Higher Education Department (HED)

New Mexico Independent Community Colleges (NMICC)

New Mexico State University (NMSU)

University of New Mexico (UNM)

SUMMARY

Synopsis of Bill

Senate 163 allows the University of New Mexico Board of Regents to create of an off-campus instructional center in Valencia County.

FISCAL IMPLICATIONS

HED states preliminary planning is for a facility of about 17,000 square feet on 5 acres of donated land at a nonrecurring cost of \$5.6 million. The funding is by UNM-Valencia and will have no impact to the state's general fund nor bonding.

SIGNIFICANT ISSUES

HED observes this bill ends the moratorium on branch community college off-campus sites by authorizing construction of an off-campus instruction center in Valencia county. It notes the current funding formula does not include a component for an institution's instructional site. However, HED recommends a minimum of 3 percent of an institution's funding be allocated for building renewal and replacement (BBR).

Senate Bill 163 – Page 2

HED reports UNM-Valencia lacks the specialized instructional space to meet workforce training needs. Valencia County is among the fastest growing counties in the state with an estimated 25 percent annual population growth. However, enrollment at UNM-Valencia has fallen from a peak of 1,532 in 2011 to 989 in 2017.

ADMINISTRATIVE IMPLICATIONS

HED assesses if SB163 is enacted, it will open the door for other institutions to request Legislative approval to pursue development of off-campus instructional centers or campuses.

GAC/gb