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## FISCAL IMPACT REPORT

SPONSOR: Altamirano DATE TYPED: 02/01/01 HB \_\_\_\_\_  
 SHORT TITLE: WNMU Child Development Program SB 215  
 ANALYST: Gilbert

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
\$ 375.0				Recurring	GF

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates House Bill 313

### SOURCES OF INFORMATION

LFC Files  
 Commission for Higher Education (CHE)

### SUMMARY

#### Synopsis of Bill

Senate Bill 215 appropriates \$375.0 from the general fund to the Board of Regents of Western New Mexico University (WNMU) to fund the child development center program at WNMU. This bill contains an emergency clause.

#### Significant Issues

According to the Commission for Higher Education (CHE), the WNMU Board of Regents ranked this project second out of ten requests for new/expansion funding submitted to the CHE. The WNMU Board of Regents approved \$93.8 in expansion funding for this program. However, this program was not recommended for expansion by CHE.

The higher education funding formula allows institutions to retain 100 percent of indirect cost revenue. One of the purposes of allowing these funds to be retained is to provide seed money and matching funds for projects such as the one proposed in this bill.

The requested funding of \$375.0 is the total FY 2001-02 request, comprised of \$281.2 to be received from the 2000-01 General Fund appropriation, and a \$93.8 expansion request.

## **Senate Bill 215 -- Page 2**

The WNMU Child Development Program received a \$225,000 recurring and a \$150,000 special appropriation in the 1999 special session.

### **FISCAL IMPLICATIONS**

The appropriation of \$375.0 contained in this bill, which has an emergency clause, is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY02 shall revert to the general fund.

### **AMENDMENTS**

The CHE suggests the following language for all new recurring higher education programs and expansion of current programs (assuming that funding will continue beyond 2001-2002):

*“The institution receiving the appropriation in this bill shall submit a program evaluation to the Legislative Finance Committee and the Commission on Higher Education by August 2, 2004 detailing the benefits to the State of New Mexico from having this program implemented for a three-year period.”*

RLG/ar