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FISCAL IMPACT REPORT



SPONSOR: Robinson DATE TYPED: 02/12/02 HB _____

SHORT TITLE: Higher Education Staff Salary Increase SB 244

ANALYST: Fernandez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
	\$38,600.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

Senate Bill 244 appropriates \$38,600.0 from the general fund to the Commission on Higher Education to provide faculty and other staff at two- and four-year post secondary institutions with a 7 percent salary increase in FY03.

Significant Issues

CHE indicates all New Mexico's public post-secondary institutions are below their peer group in compensation provided to faculty. In 2002-01, New Mexico's two-year institutions were at 90.7 percent of their peers and four-year institutions range from 82.6 percent to 94.6 percent of their peers. Funding for a 7 percent salary increase would provide substantial assistance toward moving institutions closer to their peers.

FISCAL IMPLICATIONS

The appropriation of \$38,600.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2003 shall revert to the general fund.

According to CHE, the cost of a 1 percent salary increase for faculty and staff is \$5,510.9.

ADMINISTRATIVE IMPLICATIONS

CHE is required to distribute funds to the institutions.

OTHER SUBSTANTIVE ISSUES

CHE recommended a 4 percent salary increase for faculty and staff at all two- and four-year post-secondary institutions.

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