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## FISCAL IMPACT REPORT

SPONSOR: Fidel DATE TYPED: 2/14/03 HB \_\_\_\_\_

SHORT TITLE: NM Tech Geophysical Research Center SB 490

ANALYST: L. Baca

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	NFI				

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to: HB 251 & SB 177 Waste Management Education & Research (identical bills)  
SB 452, NM Tech Water Efficiency Technology Study

Relates to Appropriation for the New Mexico Institute of Mining and Technology in the General Appropriation Act

### SOURCES OF INFORMATION

Responses Received From  
Commission on Higher Education (CHE)

### SUMMARY

#### Synopsis of Bill

Senate Bill 490 creates statutory authorization for the existing Geophysical Research Center (GRC) at the New Mexico Institute of Mining and Technology (NMIMT).

#### Significant Issues

The GRC program was established in 1965 and is currently one of the 117 research and public service programs (RPSP) monitored by the CHE. The program, according to the CHE, was evaluated in 2000 and given a Tier I rating, exceeds expectations. Since its inception, the program has been funded as a RPSP through NMIMT's appropriation.

## **FISCAL IMPLICATIONS**

The bill contains no appropriation, but, according to the CHE analysis, the legislation could have fiscal ramifications whenever funding reductions are made during the legislative (appropriations) process. Separate statutes authorize some of these RPSPs but most of these projects are non-statutory and are only authorized to receive State appropriations through the annual appropriations act. The RPSPs, which are authorized in separate statutes, are not subject to broad-based funding reductions, which make a distinction between statutory and non-statutory projects.

Statutory projects, continues the CHE analysis, could still be subjected to funding reductions but the reduction criteria would have to be done on an individual project basis, or on a broader basis that included all projects, or based on some other criteria for distinguishing among the 117 existing RPSP projects.

Authorizing Research and Public Service Projects (RPSPs) by separate statutes in order to avoid funding reductions that are based on a distinction between statutory and non-statutory programs could result in requests for statutory authorization from numerous other non-statutory programs.

## **POSSIBLE QUESTIONS**

1. Why is it desirable or necessary to make the GRC a statutory program?
2. Is it reasonable to expect the legislature will be receiving similar requests from other research and public service programs?

LRB/yr