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## FISCAL IMPACT REPORT

SPONSOR Papen DATE TYPED 01/27/04 HB \_\_\_\_\_

SHORT TITLE Water Management Research and Education SB 10

ANALYST Baca

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
	\$500.0			Recurring	General Fund

(Parenthesis ( ) Indicate Revenue Decreases)

Duplicates HB 51

Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

Commission on Higher Education Funding Recommendations for FY05.

### Responses Received From

New Mexico State University, College of Agriculture and Home Economics

No response received from CHE.

### SUMMARY

#### Synopsis of Bill

House Bill 51 appropriates \$500 thousand from the general fund to the Board of Regents of New Mexico State University to conduct water management research and education programs. From this total, the Agricultural Experiment Station (AES) is appropriated \$200 thousand and the Co-operative Extension Service (CES) is appropriated \$300 thousand.

#### Significant Issues

As water issues continue to grow, so must NMSU's efforts to identify problems and find sustainable solutions for all water users in the state. The NMSU analysis states that current AES/CES water related activity exists because of grant funding which is short term and project specific. However, CHE's Funding Recommendations for FY05 show that \$506.5 thousand were appro-

priated from the general fund for water management activities in FY04. The CHE recommends an appropriation of \$515.3 thousand for FY05.

### **FISCAL IMPLICATIONS**

The appropriation of \$500 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY05 shall revert to the general fund.

### **ADMINISTRATIVE IMPLICATIONS**

The additional \$500 thousand appropriation would allow NMSU to add six full time positions and fund the support necessary to dedicate the proper level of attention to an address water managements and water management education needs.

### **DUPLICATION**

SB 10 duplicates HB 51.

### **OTHER SUBSTANTIVE ISSUES**

This program expansion was not included in the NMSU Board of Regents funding recommendations for FY05. Consequently, the Commission did not include it in its funding recommendations.

The following language is suggested for all new recurring higher education programs and expansion of current programs (assuming that funding will continue beyond FY05):

“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 2007 detailing the benefits to the State of New Mexico from having implemented this program over a three period.”

### **POSSIBLE QUESTIONS**

1. In addition to general fund appropriations, what other sources of funding are available for these activities?

RLG/yr:pr