

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 FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 2/3/2006

SPONSOR Campos LAST UPDATED _____ HB _____

SHORT TITLE Luna Community College Student Health Care SB 690

ANALYST Earp

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$150.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

SUMMARY

Synopsis of Bill

Senate Bill 690 appropriates \$150,000 from the general fund to the Higher Education Department (HED) for the purpose of providing student health care at Luna Community College.

FISCAL IMPLICATIONS

The appropriation of \$150,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

SIGNIFICANT ISSUES

This proposal was not submitted by LCC to HED for review and is not included among the department's fiscal year 2007 funding recommendations to the Legislature.

Student health insurance/health care expenses are not provided at state general fund expense at other New Mexico higher education institutions. Enactment of this legislation could establish a precedent for other institutions to expect similar funding.

ADMINISTRATIVE IMPLICATIONS

The appropriation in this bill is made to HED rather than LCC. It is not clear why the appropriation is not made directly to the institution. As drafted, HED would bear administrative responsibility for the appropriation and would need to develop a means of transferring the funds to the institution.

OTHER SUBSTANTIVE ISSUES

Student health care expenses at other New Mexico institutions of higher education are generally covered by the student on an individual basis or through a student fee-supported student health center. Specially designed student health insurance programs are also commercially available.

POSSIBLE QUESTIONS

Is the intent of this legislation to cover the cost of student health insurance or to cover the direct costs of health care? (The language in the bill is not clear in this regard.)

Why is the appropriation made to HED?

DE/mt