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FISCAL IMPACT REPORT

ORIGINAL DATE 1/22/2007

SPONSOR Altamirano LAST UPDATED _____ HB _____

SHORT TITLE WNMU MUSEUM SB 98

ANALYST McOlash

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$345.6	Recurring	General Fund
	\$131.0	Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Department of Higher Education (HED)

SUMMARY

Synopsis of Bill

Senate Bill 98 appropriates \$476,600 from the General Fund to the Board of Regents of Western New Mexico University (WNMU) for staffing, equipment, and collection acquisitions of prehistoric pottery for the WNMU museum.

FISCAL IMPLICATIONS

The appropriation of \$476,600 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY 2008 shall revert to the General fund.

SIGNIFICANT ISSUES

Western New Mexico University Museum houses one of the largest permanent displays of Mimbres pottery and culture in the world. The flagship collection is the Eisele Collection of Prehistoric Southwest Pottery and Artifacts.

WNMU submitted two separate Public Service funding requests for a combined total of \$476,600 as follows:

- 1) Proposal submitted to NMHED designated \$345,600 for museum operations, including salaries, and the preservation of collections. This amount appears to be recurring funding.
- 2) Proposal submitted to NMHED designated \$131,000 for museum collection acquisition of the Wheaton-Smith Collection of Prehistoric Pottery, a 600-piece collection of prehistoric pottery and traded pottery from Casas Grandes and Durango, Mexico collected by Craig Wheaton-Smith in the 1950s This amount appears to be non-recurring funding.

This proposal was submitted to the New Mexico Higher Education Department (NMHED) by Western New Mexico University but was not included in the HED's funding recommendation for FY08.

OTHER SUBSTANTIVE ISSUES

The HED mentions that higher education institutions receive indirect cost revenues from federal contracts and grants. This money is unrestricted in the sense that the governing boards of the institutions have the flexibility to choose which projects are supported with these funds. A great deal of this money is used as seed money to develop new research and public services projects at institutions. A portion of the indirect cost revenue, or earned overhead, is used to support items such as the salaries of the accountants responsible for monitoring the contracts and grants, or for paying utilities and other expenses required to maintain the space where the contract and grant activities are housed.

BM/nt:mt