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FISCAL IMPACT REPORT

ORIGINAL DATE 2/13/2007

SPONSOR Griego LAST UPDATED _____ HB _____

SHORT TITLE HIGHER EDUCATION ATHLETIC PROGRAMS SB 681

ANALYST Moser

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY07	FY08		
	\$1,000.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

NM Department of Higher Education (HED)

SUMMARY

Synopsis of Bill

Senate Bill 681 appropriates \$1,000,000 from the General Fund in the following amounts to the following institutions for expenditure in FY08 to support athletic programs:

- (1) \$250,000 to New Mexico Highlands University (NMHU)
- (2) \$250,000 to Eastern New Mexico University (ENMU)
- (3) \$250,000 to Western New Mexico University (WNMU)
- (4) \$250,000 to Northern New Mexico State School (NNMSS)

FISCAL IMPLICATIONS

The appropriation of \$1,000,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the general fund.

HED indicates that the primary athletic expenses for Division II teams nationally are grants in aid to students and salaries for coaches. The ENMU budget request indicates this as their case. NMHU plans to use the funding for the women's rodeo program and the men's wrestling

program. WNMU plans to use the funding to support ground transportation which is the typical mode of travel for their athletes. WNMU planned to hire four full-time assistant coaches. At NNMSS, planning is underway to start an athletic program. Funding would go to salaries for coaches and travel expenses.

SIGNIFICANT ISSUES

HED offers that NMHU is associated with the Rocky Mountain Athletic Conference (RMAC) and follows the National Collegiate Athletic Association (NCAA) guidelines. NMHU anticipated enrolling close to 300 athletes in the 2006-07 seasons. Hundreds of clients use the facilities from various youth and community sports groups. Student athletes have a higher grade point average than traditional non-athlete students, and they graduate in fewer semesters.

WNMU has recently rejoined the RMAC after being gone for 16 years. The institution follows the NCAA guidelines. WNMU will continue to seek ways to increase support for the program financially. Part of the institutional commitment to the RMAC is to sponsor two Nebraska schools football games.

ENMU competes as a member of the Lone Star Conference and follows the NCAA guidelines. The existence of the program helps to develop a sense of community between students, faculty, staff and the general public. ENMU currently provides opportunities for students to compete in 13 different sports.

NNMSS (commonly known as Northern New Mexico College or NNMC) recently became a four-year institution and has conducted a feasibility study for the athletic program. NNMSS plans to begin with men's and women's basketball teams, joining NCAA as a Division II team.

Three of the four institutions submitted requests for funding to HED.

For NMHU, the HED funding recommendation for FY08 is in the amount of \$1,851,500 which includes an increase of \$250,000 to the FY07 recurring funding of \$1,601,500.

For WNMU, the HED funding recommendation for FY08 is in the amount of \$1,882,900 which includes an increase of \$250,000 to the FY07 recurring funding of \$1,632,900.

For ENMU, the HED funding recommendation for FY08 is in the amount of \$2,007,100 which includes an increase of \$250,000 to the FY07 recurring funding of \$1,757,100.

NNMSS did not request funding; however, the HED funding recommendation for FY08 is in the amount of \$250,000.

GM/mt