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FISCAL IMPACT REPORT

ORIGINAL DATE 02/10/08

SPONSOR HEC LAST UPDATED _____ HB 642/HECS

SHORT TITLE Central NM College Transportation SB _____

ANALYST Williams

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$25.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

Central New Mexico Community College (CNM)

SUMMARY

Synopsis of Bill

House Education Committee Substitute for House Bill 642 appropriates \$25,000 from the General Fund to the Higher Education Department for Central New Mexico Community College for the purpose of providing student transportation on the public transit system.

FISCAL IMPLICATIONS

The appropriation of \$25,000 contained in this bill is a recurring expense to the General Fund. Any unexpended or unencumbered balance remaining at the end of FY 09 shall revert to the General Fund.

SIGNIFICANT ISSUES

CNM discuss a pilot program with the public transit system where students used free tickets in one month. In the pilot program, almost 2,300 passes were issued to about 10 percent of the student population. CNM notes this appropriation would allow full implementation of the student transportation program.

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Of the CNM student population, about 40 percent receive federal, need-based Pell grants. According to CNM, access to transportation is important for student access and retention along with the associated environmental benefits.

HED notes Albuquerque's Sun Tran buses charge \$0.35 for each ride and issue a transfer that lasts two hours. Monthly student passes cost \$12.00.

CNM did not submit this request as a new initiative for funding to the HED in the Fall 2007 budget cycle. The January 2008 LFC report "Higher Education Department Review of Selected Research and Public Service Projects" discusses best practices for funding these types of projects.

ADMINISTRATIVE IMPLICATIONS

HED recommends this appropriation be made directly to Central New Mexico Community College.

AW/mt