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FISCAL IMPACT REPORT

ORIGINAL DATE 1/26/09

SPONSOR Cervantes LAST UPDATED _____ HB 186

SHORT TITLE NMSU Public Broadcasting Operations SB _____

ANALYST Haug

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$164.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico State University (NMSU)
Higher Education Department (HED)

SUMMARY

Synopsis of Bill

House Bill 186 appropriates \$164.0 from the general fund to the Board of Regents of New Mexico State University to improve NMSU's KRWG-TV public television broadcasting operations.

FISCAL IMPLICATIONS

The appropriation of \$164.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2010 shall revert to the general fund.

SIGNIFICANT ISSUES

The HED states that the request was approved by the NMSU Board of Regents and submitted by NMSU in the amount of \$147,300 to the HED for review. The HED would not oppose funding, if the State's fiscal picture improves.

The LFC Appropriation Recommendations, Volume II, pages 364-365 states:

The committee has concerns about the growth of research and public service projects within the higher education budget, as well as the alignment of these projects with state goals and strategic plans. The committee also continues to have significant concerns about accountability and performance outcomes for these projects.

The committee recommendation reduces funding by varying levels from FY09 funding amounts for research projects, public service projects and P-20 pipeline projects focusing on students.

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

The Executive Budget in Brief notes that over the years more than 300 RPSPs have been created, accounting for a large portion of institution budgets. The current RPSPs were reviewed while considering the relevance of the project to the core mission of the institution, the community benefit and the outcomes associated with each project. (Budget in Brief and Policy Highlights, P 9-10.)

NMSU notes that KRWG strives to engage community development by providing relevant news, a forum for open discussion, a celebration of the arts; while preserving and conveying human and natural history. There is no alternative source in the region for this service. KRWG-TV is a part of University Broadcasting at NMSU and plays a significant role in Southern New Mexico by providing student experience along with programming tailored to meet local community needs as well as issues of national importance. KRWG-TV is the sole provider of educational television to southern New Mexico.

GH/mt