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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/18/09

SPONSOR Gardner LAST UPDATED \_\_\_\_\_ HB 727

SHORT TITLE ENMU Student Athletics SB \_\_\_\_\_

ANALYST Haug

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$100.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates SB 411

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Higher Education Department (HED)  
Eastern New Mexico University (ENMU)

### SUMMARY

#### Synopsis of Bill

House Bill 727 appropriates \$100.0 from the general fund to the Board of Regents of Eastern New Mexico University to support high quality student athletics by providing grants-in-aid, training and competition equipment and funding for travel.

### FISCAL IMPLICATIONS

The appropriation of \$100.0 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 a request for \$200.0 was submitted by ENMU to the HED for review, but is not recommended for funding for FY10, regardless of whether 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 included in the HED request by varying levels from FY09 funding amounts for research projects, public service projects and P-20 pipeline projects focusing on students.

With respect to special projects, higher education institutions advanced 114 proposals for new projects and expansions at a total general fund cost of \$54 million during the HED budget request process in fall 2008.

According to the February 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$575 million less than the FY09 appropriations before the 2009 solvency reductions. 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.)

ENMU states that this bill will provide operational funding for athletics at Eastern New Mexico University and will result in the ability of the university to maintain a quality athletic program that will remain competitive in the southwest.

The HED notes:

ENMU Athletics was recognized for numerous achievements during FY08; 169 student athletes earned a 3.0 or higher GPA. ENMU athletes travel long distances to compete in the Lone Star Conference. Travel has become a critical drain on their budget.

Mr. Michael Maguire, Program Administrator for ENMU Athletics, states, that this program significantly enhances the ability of student-athletes to attend college and compete in university-sanctioned athletic competition, a source of community pride, campus community-building, and opportunities to enhance the leadership and civic engagement of student-athletes.

## **Duplication**

House Bill 727 duplicates Senate Bill 411

GH/sec