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FISCAL IMPACT REPORT

SPONSOR Harper ORIGINAL DATE 1/21/19
 LAST UPDATED _____ HB 199

SHORT TITLE NM Tech Chemical Engineering Lab SB _____

ANALYST Valenzuela

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY19	FY20		
	\$250.0	Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Higher Education Department (HED)

New Mexico Institute of Mining and Technology (NMIMT)

SUMMARY

Synopsis of Bill

House Bill 199 appropriates \$250 thousand from the general fund to New Mexico Institute of Mining and Technology (NMIMT) for the purpose of establishing and equipping a Unit Operations Laboratory for the Chemical Engineering Department. Any unexpended or unencumbered balance remaining at the end of FY20 shall revert to the general fund.

FISCAL IMPLICATIONS

The appropriation of \$250 thousand contained in this bill is a nonrecurring expense to the general fund. While HB199 states unexpended funds at the end of FY20 shall revert to the general fund, colleges and universities do not revert unexpended balances to the state general fund at yearend.

SIGNIFICANT ISSUES

Technology innovations in chemical engineering have put pressure on research universities to upgrade its laboratory and teaching facilities. NMIMT offers a degree path in chemical engineering for students who may earn a bachelor's degree in chemical engineering or a master's or doctorate in chemistry or geochemistry.

According to NMIMT, access to a state-of-the-art unit operations laboratory will enable the Chemical Engineering faculty and students to remain competitive with cutting edge research. The outcome will enhance a students' overall education and value to industry.

OTHER SUBSTANTIVE ISSUES

NMIMT did not submit this request to the HED for possible incorporation into its funding recommendation, which is submitted annually to the Legislature and Governor. The NMHED has a formal process for reviewing earmarked budget requests for higher education institutions when developing the NMHED funding recommendation.

MFV/al