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FISCAL IMPACT REPORT

SPONSOR: Boykin DATE TYPED: 2/25/03 HB 830

SHORT TITLE: NMSU Graduate Assistantship payments SB _____

ANALYST: L. Baca

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$2,000.0			Recurring	GF

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB 747, NMSU Graduate Assistantship Payments

Relates to Appropriation for New Mexico State University in the General Appropriation Act

SOURCES OF INFORMATION

Responses Received From
Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

House Bill 830 appropriates \$2,000.0 from the general fund to the Board of Regents of New Mexico State University (NMSU) to pay the cost of health insurance and tuition for graduate assistants.

Significant Issues

A request was not included in New Mexico State's budget request to the New Mexico State's Board of Regents, and thus was not included in the list of priority projects submitted by New Mexico State to the Commission on Higher Education for review.

FISCAL IMPLICATIONS

The appropriation of \$2,000.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2004 shall revert

to the general fund.

The CHE reports that,

Within CHE's Financial Aid Budget, a Graduate Scholarship Program receives a General Fund appropriation each year. The purpose of the program is to increase graduate enrollment in the state's public universities of students from groups under-represented in graduate education. Scholarships are for \$7,200 per academic year for full-time graduate students. As a condition of the scholarship, a student must serve in an unpaid internship or assistantship at an eligible institution, a government agency or private industry approved by his major department for 10 hours during the academic year. NMSU has received the following allocations:

Academic Year	Allocation	Placements
2002-03	\$128,008	18
2001-02	\$142,648	20
2000-01	\$136,963	19
1999-00	\$148,348	21

ADMINISTRATIVE IMPLICATIONS

The \$2,000.0 would allow NMSU award over 278 scholarships and/or graduate assistantships if each placement is awarded at the stated rate of \$7.2 thousand per award. It is not stated in the bill, but it is assumed all placements would be at NMSU, an increase of 260 placements unless the bills intent is for tuition and health insurance costs to be added to the award amount cited above. Adding tuition and health insurance costs to the stipends would reduce the number of placements but still provide a number of placements much greater than the current placements.

AMENDMENTS

The CHE suggests adding the following language for all new recurring higher education programs (assuming that funding will continue beyond 2003-2004):

“A plan for a program evaluation, including specific program goals and criteria for assessing program effectiveness, shall be submitted to the Legislative Finance Committee and the Commission on Higher Education by October 1, 2004. An assessment of the program will be completed prior to June 30, 2005, and submitted to the Legislative Finance Committee and the Commission on Higher Education.”

POSSIBLE QUESTIONS

1. What are graduate assistants or NMSU currently paying for health insurance?
2. How much is the tuition for a graduate assistant or scholarship recipient?
3. Is it intended that this bill supplement the \$7.2 thousand scholarship and/or graduate assistantship awards?
4. How did you determine the cost of the bill was \$2,000.0?
5. How would you break down the costs for scholarships and health insurance?

House Bill 830 -- Page 3

6. Would enacting this bill affect other universities? Why or Why not?
7. Should the appropriation in this bill be directed to the CHE?
8. How does this bill relate to other graduate assistantships awarded by NMSU?

LRB/yr