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FISCAL IMPACT REPORT

SPONSOR: Sanchez, B. DATE TYPED: 3/5/03 HB _____

SHORT TITLE: NM Rail Passenger Study SB 640/aSFC

ANALYST: Baca

APPROPRIATION

| Appropriation Contained | | Estimated Additional Impact | | Recurring or Non-Rec | Fund Affected |
|-------------------------|---------------|-----------------------------|------|----------------------|---------------|
| FY03 | FY04 | FY03 | FY04 | | |
| | See Narrative | | | | |

(Parenthesis () Indicate Expenditure Decreases)

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

SOURCES OF INFORMATION

Responses Received From

Commission on Higher Education (CHE)
New Mexico Highway and Transportation Department (NMHTD)

SUMMARY

Synopsis of SFC Amendment

The Senate Finance Committee has amended Senate Bill 640 to eliminate the \$200.0 appropriation contained in the original bill.

It is presumed that, with the elimination of the appropriation, the costs associated with conducting this study will be absorbed by existing budgets.

Synopsis of Original Bill

Senate Bill 640 appropriates \$200.0 to the Board of Regents of the University of New Mexico (UNM) so the Alliance for Transportation Research (ATR), in collaboration with the State Highway and Transportation Department (NMHTD), can conduct a feasibility study regarding the potential for a passenger rail service linking the El Paso-Juarez metropolitan area with New Mexico cities along the Rio Grande corridor and continuing to Denver, Colorado. The ATR is required to submit its report to the governor and the Legislature.

Significant Issues

The issues identified in the bill are:

- identify the alignment, condition and ownership of tracks;
- define an integrated network for intercity rail travel; and
- provide alternative connections between airports and passenger rail services.

This request was not included in UNM's budget request to the UNM Board of Regents, and thus was not included in the list of priority projects submitted by UNM to the Commission on Higher Education (CHE) for review.

FISCAL IMPLICATIONS

The appropriation of \$200.0 contained in this bill is a non-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.

ADMINISTRATIVE IMPLICATIONS

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.”

LRB/yr