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FISCAL IMPACT REPORT

ORIGINAL DATE 1/23/06

SPONSOR Nunez LAST UPDATED _____ HB 137

SHORT TITLE NMSU Waste Education Research Consortium SB _____

ANALYST Dearing

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$200.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB 129

SOURCES OF INFORMATION

LFC Files

Responses Received From

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

SUMMARY

Synopsis of Bill

House Bill 137 appropriates \$200,000 from the general fund to the New Mexico State University Board of Regents for the purpose to expand an outreach program for the waste education research consortium (WERC).

FISCAL IMPLICATIONS

HB 137 appropriates \$200,000 from the General Fund to the New Mexico State University Board of Regents to expand outreach for the waste education research consortium.

This proposal was submitted to Higher Education Department by NMSU as an expansion request for the FY07 budget in amount of \$200,000. The WERC program has a current annual recurring program budget of \$497,000. Currently the Legislative Finance Committee does not support an expansion of this project with this appropriation in the 2007 fiscal year.

According to Higher Education Department, WERC is a statewide partnership administered through NMSU with partner institutions consisting of UNM, NM Tech,, and Dine College in collaboration with both Sandia and Los Alamos National Laboratories. Primary funding is provided through a multi-year \$21.5 million cooperative agreement with the U.S. DOE.

According to the NMSU funding expansion request, the requested funds will be used to expand training and outreach to middle and high schools, communities, businesses, & local and tribal government entities throughout the state. The funds will be utilized to serve as matching funds for over \$900,000 in external grants & contracts. This results in a 4.5 to 1 leverage of these requested expansion funds.

Additional funds are received from other federal, state, and local governments, foundations, and the private sector. State funds are used to meet federal matching requirements.

To date WERC had leveraged State funds 10:1.

SIGNIFICANT ISSUES

WERC's mission is to develop human resources and technologies that assists various levels of government, public, and private sectors to effectively address environmental issues.

The project's goals are to:

- 1) Provide quality environmental programs and college courses for undergraduate through graduate levels which meet student needs.
- 2) Select, direct, and conduct research projects among consortia members that advance state-of-the-art and have the potential for deployment.
- 3) Assist government, industry, tribal agencies and communities on relevant environmental issues.
- 4) Continue sponsorship of the college and high school environmental design contests.
- 5) Pursue new educational, research, outreach opportunities that will expand and institutionalize primary sources of funding.

WERC serves more than 7,000 students and 30 teachers annually. In addition, the design contest reaches more than 100 high school students and acts as college preparatory skill building. Students are reflective of New Mexico's population in that approximately 50% percent of the participants are Hispanic/Latina females, 15% are Hispanic/Latino males and approximately 10% are American Indian males and females.

PERFORMANCE IMPLICATIONS

NMSU shall submit a plan for program evaluation, including specific program goals and criteria for assessing program effectiveness to the Legislative Finance Committee (LFC) and the New Mexico Higher Education Department (NMHED) by October 1, 2006. NMSU shall also submit a

program evaluation to the LFC and NMHED by June 30, 2008 detailing the benefits to the State of New Mexico from having this program implemented for a three-year period.

ADMINISTRATIVE IMPLICATIONS

This request will add a professional and support staff to the WERC program.

OTHER SUBSTANTIVE ISSUES

According to Higher Education Department, WERC outreach would target tribal populations such as the Jemez and the Navajo Nation. The more students and WERC would like to add more school districts. Rural areas within New Mexico would greatly benefit from expansion of this program.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

WERC's ability to leverage state funds with federal dollars is critical. Should the bill not be enacted it could negatively impact the educational program by not reducing its ability to expand into rural areas of New Mexico. NMSU could lose or face reversion of federal grant funds if state or private funds are not identified as eligible for the match.

POSSIBLE QUESTIONS

Can these federal matching funds be matched through other sources of funding?

Can this program expansion be funded through the existing block-grant budget funding for special projects expansion that is currently recommended by the Legislative Finance Committee in fiscal year 2007?

PD/mt