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## FISCAL IMPACT REPORT

SPONSOR Cervantes ORIGINAL DATE 1/30/06  
LAST UPDATED \_\_\_\_\_ HB 189  
SHORT TITLE NMSU Manufacturing Sector Development Program SB \_\_\_\_\_  
ANALYST Earp

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY06	FY07		
	\$105.0	Recurring	General Fund
	\$95.0	Non-Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates Senate Bill 6  
Relates to Appropriation in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

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

### SUMMARY

#### Synopsis of Bill

House Bill 189 appropriates \$200,000 from the general fund to the Board of Regents of New Mexico State University (NMSU) to foster economic development in the manufacturing sector through support for statewide technical, engineering, design and other extension services through the manufacturing sector development program.

### FISCAL IMPLICATIONS

NMSU reports that \$95,000 of the \$200,000 appropriation contained in this bill would be a non-recurring expense for purchase of equipment. The remaining \$105,000 would be a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2007 shall revert to the general fund.

This funding would augment an on-going line-item appropriation for the Manufacturing Development Program made annually in the General Appropriation Act.

### **SIGNIFICANT ISSUES**

This proposal was submitted to the Higher Education Department (HED) by NMSU as a component of the university's "K-12 outreach" which was ranked #1 out of 9 requests for special program expansion. However, this request was not included in HED's fiscal year 2007 funding recommendations to the Legislature.

### **ADMINISTRATIVE IMPLICATIONS**

NMSU administers the existing funding provided for the Manufacturing Sector Development Program. No significant additional impact is anticipated if this legislation is adopted.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

House Bill 189 and Senate Bill 6 are duplicate measures.

### **TECHNICAL ISSUES**

The language in the bill regarding the purpose of the proposed appropriation is very general and makes no reference to the specific pre-engineering initiative described in the materials submitted by NMSU. The university would have broad discretion regarding the use of the funds under the current language in the bill.

### **OTHER SUBSTANTIVE ISSUES**

The NMSU Manufacturing Technology and Engineering Center (M-TEC) states that the purpose of this request is to support a statewide program that will increase the quality and quantity of the technical and engineering workforce in New Mexico. This initiative would be based on a proven national program, Project Lead the Way (<http://www.pltw.org/aindex.htm>). Implementation of Project Lead the Way will greatly expand the availability of pre-engineering and technical education in high schools in the state using a nationally recognized curriculum of study and established system of professional development and certification. Project Lead the Way is based on partnerships among high schools, community colleges, universities and the private sector.

NMSU is unique in that it is the only higher educational institution in the state to offer both engineering and technology baccalaureate degree programs. The NMSU College of Engineering at NMSU would become an Affiliate Member of Project Lead the Way to support the implementation of Project Lead the Way in the high schools that choose to participate.

Over 65,000 students in 640 schools in over 40 states participate in Project Lead the Way. New Mexico is one of only a few states that does not have an affiliate university located within the state. NMSU would become the first Affiliate University in the state. The major responsibilities of an Affiliate University are to train the teachers and provide guidance and support to the high schools that participate in the program. A major component of the "Project Lead the Way" program is its comprehensive teacher training model.

M-TEC is a state funded Research and Public Service Project (RPSP) providing technical workforce development programs and manufacturing and engineering services to businesses that would not otherwise be available. The Center leverages facilities, expertise and other resources of the university community. M-TEC with its experience in workforce development and experience providing support for businesses has the ability to make this program successful in high schools throughout the state. To minimize the initial investment, a pilot for statewide implementation will be located in southern New Mexico in partnership with the Dona Ana Branch Community College and regional high schools.

**POSSIBLE QUESTIONS**

How does this proposal relate to the Public Education Department's career clusters initiative?

Could NMSU seek and receive Project Lead the Way Affiliate University status without the benefit of the funding requested through this bill?

DKE/yr