

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 2-9-2006

SPONSOR Griego LAST UPDATED _____ HB _____

SHORT TITLE Los Luceros Hacienda Maintenance SB 520

ANALYST Dearing

APPROPRIATION (dollars in thousands)

| Appropriation | | Recurring or Non-Rec | Fund Affected |
|---------------|---------|-------------------------|------------------|
| FY06 | FY07 | | |
| | \$300.0 | Recurring | General Fund |
| | | | |

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Higher Education Department (NMHED)

SUMMARY

Synopsis of Bill

Senate Bill 520 appropriates \$300,000 from the general fund to the Northern New Mexico State School Board of Regents in fiscal year 2007 for the purpose of providing maintenance to the Los Luceros campus in Rio Arriba County.

FISCAL IMPLICATIONS

The appropriation of \$300,000 contained in this bill is 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.

New Mexico Higher Education Department considers the \$300,000 general fund appropriation to be a recurring expense since it involves the operation of a new campus site at NNMC.

NNMC did not include this request as part of its RPSP priority list submitted to the New Mexico Higher Education Department (NMHED). Accordingly, the request was not included in the Department's FY07 funding recommendation.

SIGNIFICANT ISSUES

Although the name Northern New Mexico College can be utilized out of convenience, Section 21-4-2, NMSA 1978 states that in financial transactions, Northern New Mexico State School must be used. It is unknown as to which version is correct when used in conjunction with a funding appropriation request. During the 2005 legislative session, Governor Richardson signed into law Senate Bill 594, which thereby changed the name from Northern New Mexico State School to Northern New Mexico College for common convenience. In general, Senate Bill 594 signifies the authority of the school to initiate a transitional movement from a two-year institution to one which provides four-year degrees in various areas including a baccalaureate degree program in teacher education.

New Mexico Higher Education Department spoke with the NNMC President, who stated the college would use the \$300,000 recurring appropriation for Research and Special Service Project (RPSP) to support the operation of its Los Luceros campus, which is intended to begin offering bachelor degrees in Environmental Science with concentrations in Agricultural Sciences, Forestry Science, and Environmental Management.

Additionally, Bachelors degrees in New Mexico History, Pueblo Studies, and Spanish Literature will be offered on the NNMC Los Luceros campus. The funding request will support a campus director, faculty, instructional support and maintenance of the property.

NNMC did not include this request as part of its RPSP priority list submitted to the New Mexico Higher Education Department (NMHED). Accordingly, the request was not included in the Department's FY07 funding recommendation.

ADMINISTRATIVE IMPLICATIONS

Northern New Mexico College intends to hire a Campus Director, part-time faculty, and one grounds staff person. In addition, supplies and equipment will be purchased to implement the aforementioned programs.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Without enactment of this legislation, NNMC must find other sources of funding for operation of its Los Luceros campus.

PD/nt