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FISCAL IMPACT REPORT

ORIGINAL DATE 01/31/13
 SPONSOR Ingle LAST UPDATED 02/26/13 HB _____

SHORT TITLE ENMU KENW Public Television SB 215

ANALYST Hartzler-Toon

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
	\$100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY13	FY14	FY15	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total			\$200.0	\$300.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB243 and HB255, State University Public Television

Duplicates Appropriation in the General Appropriation Act, Eastern New Mexico University Public Television

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

Eastern New Mexico University KENW (ENMU)

SUMMARY

Synopsis of Bill

Senate Bill 215 appropriates \$100.0 thousand in general fund revenues to ENMU to sustain current operations at the university's KENW public television station.

FISCAL IMPLICATIONS

The appropriation of \$100.0 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY14 shall revert to the general fund.

The chart below shows general fund support over time and how an increase in general fund appropriation would impact KENW.

INSTITUTION	FY09 Adj. OpBud d	FY10 Adj. OpBud	FY11 Adj. OpBud	FY12 OpBud	FY13 OpBud	SB215	Total over FY13 OpBud	% Incr. over FY13 OpBud
ENMU KENW	1,289.8	1,194.2	\$1,034.3	\$968.6	\$982.2	\$100.0	\$1,082.2	10.2%

House Bill 2 includes a \$988.5 thousand general fund appropriation for FY14. This increase of \$16.3 thousand, or 1.7 percent, includes the 1.5 percent retirement swap and 0.75 percent scheduled retirement contribution increase. (The 0.75 percent amount is conditioned on other legislation being enacted.) If both SB215 and the LFC recommendation are adopted, KENW would experience its first significant funding increase since FY08.

SIGNIFICANT ISSUES

The university reported that SB215 would provide funding to repair and replace infrastructure, retain and possibly hire permanent staff, increase student work hours, and increase local programming efforts. With the \$100.00 appropriation, the station would expect to receive an additional \$20 thousand in matching funds from the Corporation for Public Broadcasting.

PERFORMANCE IMPLICATIONS

The university reports that services have been reduced as state support declined, and the annual performance reports provided to the HED support this assessment. An increase in support would help stations improve infrastructure and staffing and generate additional funds through federal programs and membership revenues.

ADMINISTRATIVE IMPLICATIONS

There are no administrative implications associated with this appropriation.

DUPLICATION

Senate Bill 215 duplicates

- HB255, a bill appropriating \$300.0 thousand to UNM, ENMU, and NMSU public television stations, and
- SB243, a bill appropriating \$300.0 thousand to UNM, ENMU, and NMSU public television stations

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Aging infrastructure will be stressed to the point of failure, resulting in the lack of programming delivered to more remote parts of the state.