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FISCAL IMPACT REPORT

SPONSOR Chatfield ORIGINAL DATE 2/11/2019
LAST UPDATED _____ HB 467
SHORT TITLE Mesalands Community College Faculty Position SB _____
ANALYST Fischer

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY19	FY20		
	\$110.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)
Mesalands Community College (MCC)

SUMMARY

Synopsis of Bill

House Bill 467 appropriates \$110 thousand from the general fund to the Higher Education Department (HED) for a faculty position to design and implement a renewable energy technology curriculum at Mesalands Community College (MCC).

FISCAL IMPLICATIONS

The appropriation of \$110 thousand contained in HB 467 is a recurring expense to the general fund. HB 467 contains annual reversion language, where unexpended balances from the appropriation revert to the general fund. Higher education institutions do not revert unexpended balances to the general fund.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

MCC submitted a \$95 thousand funding request to HED for possible incorporation into the department's higher education funding recommendation. HED did not recommend funding for this project for FY20.

HED stated that funds appropriated in HB 467 will not go toward equipment and that MCC will be seeking additional legislative funding for the specific equipment needed to carry out the integrated renewable energy technology curriculum. MCC and HED report that funds from HB 467 will be used for the faculty member's salary and benefits, research expenditures and some travel.

SIGNIFICANT ISSUES

The funding from HB467 will allow MCC to hire a qualified instructor to help build a curriculum for integrated renewables and energy management, in hopes of expanding their Wind Energy Program into the full spectrum of renewables including solar, pumped storage, stream flow generation, battery technologies, and microgrid management. MCC currently trains more than 400 wind energy students each year.

HED stated that if HB 467 is enacted, MCC plans to implement a technical training program in conjunction with their current wind energy program. The funds will go toward startup faculty support to construct and provide industry training for energy managers for physical facilities, energy auditors working in conservation and demand-side management, and energy systems installers and technicians.

The appropriation provided in HB 467 would also provide additional opportunities for wind energy students to gain skills through the full integration of renewable energy technologies. In time, MCC envisions its new Integrated Renewables and Energy Efficiency Training Center to serve as a recertification center just as their Wind Energy Training Center currently does now. In both cases, technicians need to be recertified every three years and could be sent to MCC by their prospective employers.

PERFORMANCE IMPLICATIONS

HB 467 does not outline specific performance measures. However, if HB467 is enacted, MCC should develop related performance measures in coordination with HED and LFC.

TECHNICAL ISSUES

Although HB 467 appropriates funds to NMHED, the governing board for MCC is administratively responsible for this appropriation.

MF/sb