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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

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{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Click all that apply:

Original Amendment
Correction Substitute

Date 2024-01-29

Bill No: SB211

Sponsor: Padilla, Michael Agency Name and Code NMHED
Short SCIENCE EDUCATION Number: _____
Title: PROMOTION FUND Person Writing Sena, Kathleen
Phone: 1505309264 Email kathleen.sena@hed.n

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
N/A	\$1,000.0	Recurring, money does not revert	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

BILL SUMMARY

SB211 creates the Science Education Promotion Fund and makes an appropriation of one million dollars (\$1,000,000) from the General Fund to the Science Education Promotion Fund for expenditure in FY25 and subsequent years.

The New Mexico Economic Development Department (NMEDD) will administer the fund and provide grants to institutions to develop and carry out five-year strategic plans that increase institutions' educational curricula, degree offerings, or graduates in any of the following fields:

- Aerospace
- Bioscience
- Cybersecurity
- Renewable energy
- Intelligent manufacturing
- Agriculture

Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the General Fund.

The bill does not contain an effective date and would therefore be effective May 15, 2024.

The NMHED's analysis of this bill focuses on the higher education implications of the proposed legislation. Additional insight may be obtained from other agencies' analyses.

FISCAL IMPLICATIONS

SB211 makes an appropriation of one million dollars (\$1,000,000) from the General Fund to the Science Education Promotion Fund for expenditure in FY25 and subsequent years. Any unexpended or unencumbered balance remaining at the end of a fiscal year shall not revert to the General Fund.

The fund is created in the State Treasury and would be administered by the New Mexico Economic Development Department (NMEDD).

For FY25, the House Appropriations and Finance Committee Substitute for House Bills 2 and 3 (HB2/HAFCS) includes one hundred twenty-five thousand two hundred dollars (\$125,200) for science, technology, engineering, art, and mathematics (STEAM) initiatives at Northern New Mexico College, ten million dollars (\$10,000,000) for scholarships to students enrolled in a master's or doctoral program in a science, technology, engineering, or mathematics (STEM) program, and twenty million dollars (\$20,000,000) in the state equalization guarantee (SEG) for education innovations. The twenty million dollars (\$20,000,000) may provide flexibility for school districts and charter schools for community schools, career technical education programs, and literacy programs, among other potential uses.

SIGNIFICANT ISSUES

The New Mexico Economic Development Department (NMEDD) shall administer the Science Education Promotion Fund. NMEDD would be required to establish rules for development of requirements and expectations for grant applications, to develop an approval process for the applications, and to monitor the grant awards during implementation and completion of the grant period.

NMEDD will administer the fund and provide grants to institutions to develop and carry out 5-year strategic plans that increase institutions' educational curricula, degree offerings, or graduates in any of the following fields:

- Aerospace
- Bioscience
- Cybersecurity
- Renewable energy
- Intelligent manufacturing
- Agriculture

The Science Education Promotion Fund would be available to state education institutions as identified in the New Mexico Constitution, Article 12, Section 11, as well as public elementary, middle, junior high, and high schools in New Mexico.

PERFORMANCE IMPLICATIONS

The New Mexico Economic Development Department (NMEDD) shall promulgate rules as necessary for institutions applying for grants to fund development and implementation of the five-year plans. NMEDD would oversee the grant funding including developing metrics to determine the success of institutions in implementing the institution's strategic plans.

ADMINISTRATIVE IMPLICATIONS

Money in the fund shall be disbursed on warrants signed by the Secretary of Finance and Administration pursuant to vouchers signed by the Secretary of Economic Development or the Secretary's authorized representative.

The Legislative Education Study Committee's (LESC) bill analysis indicates that the New Mexico Economic Development Department (NMEDD) has shared that provisions of the bill would place burden on existing staff and suggested that it may be more appropriate for the bill to assign administration of the proposed fund to either the New Mexico Public Education Department (NMPED) or the New Mexico Higher Education Department (NMHED).

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

Currently there are funding requests in the House Appropriations and Finance Committee Substitute for House Bills 2 and 3 (HB2/HAFCS) for FY25 that might be considered for the purposes of SB211.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If SB211 were not passed, then a Science Education Promotion Fund would not be created, and money from the General Fund would not be appropriated to the Science Education Promotion Fund. Such initiatives would need to seek funding from other sources to increase educational opportunities in aerospace, bioscience, cybersecurity, renewable energy, intelligent manufacturing, and agriculture.

AMENDMENTS

N/A