

2020 PRELIMINARY LEGISLATIVE SESSION UPDATE

UNIVERSITY BUDGET COMMITTEE
MARCH 5, 2020

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Government and Community Relations



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2020 Legislative Session

- 30 day session – only fiscal related matters are germane unless the Governor puts it on the call
 - January 21 – Opening day
 - February 20 – Session ended
 - March 11 – Legislation not acted upon by governor is pocket vetoed
 - May 20 – Effective date of legislation not a general appropriation bill or a bill carrying an emergency clause or other specified date

Fiscal Related Bills

- SFC CS/ HB2 – GENERAL APPROPRIATIONS ACT (HB2)
- SFC CS/ SB207 – GENERAL OBLIGATION BOND (SB207)
- HTRC CS/ HB349 – STB/GF CAPITAL OUTLAY (HB349)

NMSU Fiscal Impact Summary

- HB2 Appropriated \$216.6 million in recurring funding for the NMSU system, an increase of \$6.6 million or 1.9 percent above the FY20 funding level (excludes compensation)
- HB349 appropriated \$8.6 million to the NMSU system and \$439,350 to the Soil and Water Conservation Districts
- SB207 authorizes \$30.5 million in projects for the NMSU system

HB2 Section 4 – Total Higher Ed Impact

HB2 Section 4 Higher Education Recurring Appropriations (dollars in thousands)

	FY20	Executive	LFC	HAFC	SFC/Final
Instruction and General (I&G)					
Funding Formula	623,365.5	628,982.5	638,949.6	634,465.7	640,498.0
Medical School	62,207.2	63,148.0	63,762.4	62,917.0	63,148.0
Special Schools	6,411.0	6,668.1	6,537.0	6,597.8	6,597.8
Total I&G	691,983.7	698,798.6	709,249.0	703,980.5	710,243.8
\$ Change from FY20		6,814.9	17,265.3	11,996.8	18,260.1
% Change from FY20		1.0%	2.5%	1.7%	2.6%
Non Instruction and General					
	135,370.7	140,888.8	140,413.3	142,609.4	146,815.4
\$ Change from FY20		5,518.1	5,042.6	7,238.7	11,444.7
% Change from FY20		4.1%	3.7%	5.3%	8.5%
Total Institutional Operating					
	827,354.4	839,687.4	849,662.3	846,589.9	857,059.2
\$ Change from FY20		12,333.0	22,307.9	19,235.5	29,704.8
% Change from FY20		1.5%	2.7%	2.3%	3.6%
Higher Education Department (HED)					
Operating Budget and Flow Through	17,496.0	16,468.0	16,071.0	16,151.0	16,151.0
Student Financial Aid	22,193.2	22,468.2	27,493.2	27,493.2	20,343.2
Opportunity Scholarship	NA	35,000.0	0.0	0.0	12,000.0
Total HED	39,689.2	73,936.2	43,564.2	43,644.2	48,494.2
\$ Change from FY20		34,247.0	3,875.0	3,955.0	8,805.0
% Change from FY20		86.3%	9.8%	10.0%	22.2%
Grand Total Higher Education					
	867,043.6	913,623.6	893,226.5	890,234.1	905,553.4
\$ Change from FY20		46,580.0	26,182.9	23,190.5	38,509.8
% Change from FY20		5.4%	3.0%	2.7%	4.4%

HB2 Section 4 – NMSU Impact

FY21 NMSU SYSTEM RECURRING APPROPRIATIONS - SECTION 4 HB2

\$ in thousands

	FY20	Legislative Passed	Dollar Change	Percent Change
Instruction and General	158,800.0	162,077.2	3,277.2	2.1%
Non Instruction and General	51,138.9	54,494.0	3,355.1	6.6%
Total Recurring	209,938.9	216,571.2	6,632.3	3.2%



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HB2 Section 4 – NMSU I&G

FY21 NMSU SYSTEM I&G APPROPRIATIONS - SECTION 4 HB2

\$ in thousands

	FY20	Legislative Passed	Dollar Change	Percent Change
Las Cruces	120,020.6	122,313.9	2,293.3	1.9%
Alamogordo	7,323.8	7,409.5	85.7	1.2%
Carlsbad	4,271.2	4,426.1	154.9	3.6%
Dona Ana	23,658.3	24,308.6	650.3	2.7%
Grants	3,526.1	3,619.1	93.0	2.6%
Total	158,800.0	162,077.2	3,277.2	2.1%

- The funding formula includes \$13.1 million in new money and 0 percent redistribution for all institutions
- I&G also includes \$2.0 million for dual credit which impacts comprehensives and 2-yr institutions only



HB2 Section 4 – NMSU Non-I&G

FY21 NMSU SYSTEM NON I&G APPROPRIATIONS - SECTION 4 HB2

\$ in thousands

Program	FY20	Legislative Passed	Dollar Change	Percent Change
Athletics	3,724.1	3,949.1	225.0	6.0%
Educational television	1,054.3	1,054.3	0.0	0.0%
NM Department of Agriculture	12,019.2	12,596.2	577.0	4.8%
Agricultural Experiment Station	14,948.6	15,148.6	200.0	1.3%
Cooperative Extension Service	13,635.3	13,735.3	100.0	0.7%
Research and Public Service Projects				NA
STEM Alliance for Minority Participation	318.0	318.0	0.0	0.0%
Mental Health Nurse Practitioner	643.9	1,000.0	356.1	55.3%
Water Resource Research Institute	931.9	1,131.9	200.0	21.5%
Indian Resources Development	277.9	277.9	0.0	0.0%
Manufacturing Sector Development	674.6	674.6	0.0	0.0%
Arrowhead Center	343.9	343.9	0.0	0.0%
Nurse Expansion	700.2	900.2	200.0	28.6%
Alliance Teaching & Learning Adv.	155.9	155.9	0.0	0.0%
College Assistance Migrant Program	205.8	205.8	0.0	0.0%
Sunspot Solar Observatory (New FY20)	100.0	273.0	173.0	173.0%
Autism Program (New FY20)	614.0	614.0	0.0	0.0%
Carlsbad Manufacturing Sector Dev.	232.9	232.9	0.0	0.0%
Carlsbad Nurse Expansion	108.9	108.9	0.0	0.0%
Dona Ana Dental Hygiene Program	206.0	306.0	100.0	48.5%
Dona Ana Nurse Expansion	193.5	293.5	100.0	51.7%
Veterans Service Center - Grants	50.0	50.0	0.0	0.0%
Center of Excellence in Sustainable Ag (T transfer from HED)	0.0	250.0	250.0	NA
Anna Age Eight Institute (T transfer from NNMC and \$400K Inc.)	0.0	874.0	874.0	NA
TOTAL NON I&G	51,138.9	54,494.0	3,355.1	6.6%

HB2 Section 4 – Athletics

- The bill includes language related to athletics as follows:
 - The increase to the athletics budget of \$225,000 is for behavioral health programs for student athletes
 - The general fund appropriation and the other state funds appropriation to the athletics department of NMSU shall not be used to repay the athletics department budget deficit reduction plan with the board of regents of NMSU

HB2 Section 4 – Opportunity Scholarship

- The Opportunity Scholarship bills (HEC CS/ HB14 & SB323) did not pass the legislature and included an appropriation of \$26 million
- HB2 includes language and \$12.0 million in recurring funding and \$5.0 non-recurring funding for the opportunity scholarship

HB2 Section 4 – Opportunity Scholarship Bill Language

- For students attending a public postsecondary educational institution or tribal college
- Shall prioritize financial aid based on need to undergraduate, credential-seeking student who are enrolled in a two-year academic program
- Who have completed the free application for financial student aid or another form of income verification

HB2 Section 4 – Opportunity Scholarship Bill Language (cont)

- Who are adults or eligible for a lottery scholarship
- Who are enrolled full-time taking least twelve credit hours with a cumulative grade point average of 2.5 on a 4.0 scale
- Shall provide financial aid to cover unmet tuition and fee costs of students after state lottery tuition scholarships, other financial aid, institutional financial aid, and private financial aid is used, excluding federal Pell grant awards

HB2 Section 4 – Other Appropriations

- \$200,000 is earmarked in contractual services for NMSU to establish and operate a regional office on autism spectrum disorder in the Department of Health Budget

HB2 Section 5 – Special Appropriations (Non-recurring)

- \$1.0 million to the Economic Development Department for NMSU and NM Tech (\$500,000 each) for education retraining workers associated with Tri-State power plant near Grants, NM
- \$500,000 to the Public Education Department for the “Grow Your Own” teachers fund
- \$20.0 million in non-recurring funding
 - \$9.7 million for the lottery tuition fund
 - \$5.0 million for the teacher preparation affordability scholarship fund
 - \$5.0 million for the opportunity scholarship
 - \$300,000 for FASFA related collaborative projects (HED, PED, Institutions)
- \$1.8 million to the NMDA for the soil and water conservation commission for a pilot agricultural and natural resources grant program

HB2 Section 6 – Supplemental and Deficiency Appropriations (Non-recurring)

- \$1.1 million to the Higher Education Department for Teacher Loan repayment program
- \$2.2 million for the teacher preparation affordability scholarship

HB2 Section 7 – Information Technology (Non-recurring)

- \$274,000 to the Higher Education Department for the initiation and planning phase for a longitudinal data system

HB2 Section 8 – Compensation Appropriations

- \$33,031,700 to the higher education department to provide an average salary increase of **four** percent
- Also included is related language in Section 4

The secretary of higher education shall not approve the operating budget of a higher education institution or special school that does not prioritize salary increases for faculty and staff or that disproportionately allocates salary increases for high-level administrators, provided that higher education institutions and special schools are encouraged to allocate average salary increase for all institution staff based upon performance and merit. The higher education institutions and special schools shall also submit a compensation salary plan with the operating budget to the legislative finance committee, the department of finance and administration and the higher education department.

Capital Outlay Summary

FY21 STATEWIDE CAPITAL OUTLAY REQUESTS/RECOMMENDATIONS - Passed Bills					
Campus/Project	NMSU Request	Recommendations		HTRC CS/ HB 349	SFC CS/SB 207
		HED	LFC	STB	GOB
NMSU-LAS CRUCES	31,391,000	21,830,000	25,221,000	3,532,000	24,000,000
1 Agricultural Modernization & Ed. Fac. Phase 2	25,000,000	18,830,000	18,830,000	-	18,000,000
2 Milton Hall Data Center Infrastructure	3,391,000	-	3,391,000	-	3,000,000
3 Agricultural Science Center Improvements	3,000,000	3,000,000	3,000,000	-	3,000,000
Other Projects (see attached detail sheet)	N/A	N/A	N/A	3,532,000	-
NMSU-ALAMOGORDO	1,960,000	900,000	1,900,000	400,000	1,800,000
1 Physical Plant Renovations	900,000	900,000	900,000	-	900,000
2 Mechanical Ductwork & Boiler Feed Lines/Classroom	1,060,000	-	1,000,000 ¹	-	900,000
Library Elevator Replace	N/A	N/A	N/A	400,000	-
NMSU-CARLSBAD	2,000,000	1,500,000	1,000,000	-	1,500,000
1 Site, Parking & Infrastructure Improvements	1,500,000	1,500,000	1,000,000	-	1,500,000
2 Art & Music Classroom / Studio Renovations	500,000	-	-	-	-
NMSU-DACC	2,950,000	1,500,000	1,450,000	-	1,860,000
1 Creative Campus Media Building Project	1,500,000	1,500,000	-	-	-
2 Safe Campus Improve & Infra Upgrades & Replacements	1,450,000	-	1,450,000	-	1,860,000
NMSU-GRANTS	3,000,000	1,350,000	2,250,000	900,000	1,300,000
1 Martinez Hall Renovations	1,800,000	1,350,000	1,350,000	-	1,300,000
2 Martinez Hall Roof Renovations	1,200,000	-	900,000 ¹	900,000	-
GRAND TOTAL (Higher Education Dept. Requests)	41,301,000	27,080,000	31,821,000	4,832,000	30,460,000
Athletics	3,140,000	NA	NA	1,725,000	-
1 Athletics*	3,140,000	NA	NA	1,725,000	-
NM DEPARTMENT AGRICULTURE (State Agency Request)*	2,000,000	N/A	2,000,000	2,439,350	-
1 Building Phase 2 - Staging, Moving, Furniture	2,000,000	N/A	2,000,000	2,000,000	-
Soil and Water Conservation Districts	N/A	N/A	N/A	439,350	-
Grand Total	46,441,000	27,080,000	33,821,000	8,996,350	30,460,000

* The Higher Education Department and the Legislative Finance Committee only review I&G related requests.

¹ Recommended in Section 5 of General Appropriations Act (HB 189).

HB349 – STB/GF Capital Outlay

HTRC Committee Substitute for HB349 - Capital Outlay					
Bill	Campus	College / Department	Short Title	Fund	Amount
HTRC c/s HB 349	Alamogordo	Alamogordo	NMSU-Alamogordo Library Elevator Rplc	STB	\$ 400,000
HTRC c/s HB 349	Grants	Grants	NMSU-Grants Martinez Hall Roof	GF	\$ 900,000
HTRC c/s HB 349	NMDA	NMDA	NMDA Bldg Renovate & Equip Phase 2 Las Cruces	STB	\$ 2,000,000
HTRC c/s HB 349	NMDA	SWCD	McKinley SWCD Farm Equipment Purchase Equipment	STB	\$ 75,000
HTRC c/s HB 349	NMDA	SWCD	Western Mora SWCD Bldg Improve	STB	\$ 20,000
HTRC c/s HB 349	NMDA	SWCD	East Rio Arriba SWCD Farm Equip Purchase	STB	\$ 15,000
HTRC c/s HB 349	NMDA	SWCD	Upper Chama SWCD Storage Facility	STB	\$ 70,000
HTRC c/s HB 349	NMDA	SWCD	Coronado SWCD Reservoirs Improve	GF	\$ 109,350
HTRC c/s HB 349	NMDA	SWCD	Edgewood SWCD Veh Purchase	STB	\$ 15,000
HTRC c/s HB 349	NMDA	SWCD	Claunch-Pinto SWCD Vehicle Purchase & Equip	STB	\$ 60,000
HTRC c/s HB 349	NMDA	SWCD	Valencia SWCD Whitfield Ed Ctr Phase 2 Construction	STB	\$ 75,000
HTRC c/s HB 349	NMSU-Main	Arts & Sci	NMSU Creative Media Inst Facility Plan & Design	STB	\$ 400,000
HTRC c/s HB 349	NMSU-Main	Arts & Sci	NMSU YWIC Computer Science Program Equip	STB	\$ 50,000
HTRC c/s HB 349	NMSU-Main	Arts & Sci	NMSU Sunspot Solar Observatory Equip & Renovate	STB	\$ 100,000
HTRC c/s HB 349	NMSU-Main	ASNMSU	NMSU Crime Prevention Environmental Design	STB	\$ 595,000
HTRC c/s HB 349	NMSU-Main	ASNMSU	NMSU Veteran Housing Improve	STB	\$ 130,000
HTRC c/s HB 349	NMSU-Main	Athletics	NMSU Pan American Center Scoreboard & Video	STB	\$ 1,000,000
HTRC c/s HB 349	NMSU-Main	Athletics	NMSU Pan American Ctr Renovate & Improve	GF	\$ 150,000
HTRC c/s HB 349	NMSU-Main	Athletics	NMSU Soccer Stadium Lighting	STB	\$ 575,000
HTRC c/s HB 349	NMSU-Main	College of Ag	NMSU Weather Network Expand	GF	\$ 800,000
HTRC c/s HB 349	NMSU-Main	College of Ed	NMSU Autism Diagnostic Ctr Equip & Renovate	GF	\$ 250,000
HTRC c/s HB 349	NMSU-Main	College of Eng	NMSU Water Research & Education Lab Improve	GF	\$ 732,000
HTRC c/s HB 349	NMSU-Main	KRWG	NMSU KRWG Television Infrastructure Replace	STB	\$ 350,000
HTRC c/s HB 349	NMSU-Main	Police Dept.	NMSU Police Dept 911 Dispatch Center Equip	STB	\$ 125,000

QUESTIONS



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