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FISCAL IMPACT REPORT

SPONSOR Maestas LAST UPDATED _____
ORIGINAL DATE 2/1/24
BILL
SHORT TITLE Higher Ed Student Retention & Graduation NUMBER Senate Bill 235
ANALYST Jorgensen

APPROPRIATION* (dollars in thousands)

FY24	FY25	Recurring or Nonrecurring	Fund Affected
	\$1,000.0	Recurring	General Fund

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to an appropriation in the General Appropriation Act

Sources of Information

LFC Files

Agency Analysis Received From

Higher Education Department (HED)

New Mexico Independent Community Colleges (NMICC)

New Mexico Institute of Mining and Technology (NM Tech)

SUMMARY

Synopsis of Senate Bill 235

Senate Bill 235 appropriates \$1 million from the general fund to the Higher Education Department (HED) for the purpose of expanding existing efforts to retain students and improve graduation rates at public post-secondary higher education institutions.

This bill does not contain an effective date and, as a result, would go into effect 90 days after the Legislature adjourns, or May 15, 2024, if enacted.

FISCAL IMPLICATIONS

The appropriation of \$1 million contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY25 shall revert to the general fund.

SIGNIFICANT ISSUES

HED reports:

Data from the National Center for Education Statistics (NCES) provide one hundred fifty percent (150%) graduation rates and fall-to-fall retention rates for all colleges and universities in the country. For New Mexico universities, graduation rates vary from a low of twenty-five percent (25%) to a high of fifty-five percent (55%), average of forty-two percent (42%), compared to a national average of fifty-nine percent (59%) for public universities. The graduation rates for independent and branch community colleges ranges from a low of sixteen percent (16%) to a high of fifty-two percent (52%), average of twenty-eight percent (28%), compared to a national average of thirty-one percent (31%). Seven out of 17 two-year colleges have a rate that exceeds the national average.

For retention rates, New Mexico universities range from fifty-three percent (53%) to seventy-five percent (75%), average of sixty-six percent (66%), compared to a national average of seventy-five-point-seven percent (75.7%). For two-year colleges, retention rates range from forty percent (40%) to a high of seventy-one percent (71%), average of fifty-eight percent (58%). The national average is sixty-one percent (61%).

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

The General Appropriation Act includes \$3 million distributed to higher education institutions statewide for student support services.

CJ/al/ne