

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the Legislature. LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

## FISCAL IMPACT REPORT

<b>SPONSOR</b> <u>Hochman-Vigil</u>	<b>LAST UPDATED</b> _____
	<b>ORIGINAL DATE</b> <u>1/23/25</u>
<b>SHORT TITLE</b> <u>Graduate Scholarship Act Changes</u>	<b>BILL NUMBER</b> <u>House Bill 89</u>
	<b>ANALYST</b> <u>Jorgensen</u>

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT\* (dollars in thousands)

Agency/Program	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Higher Education Department</b>	No fiscal impact	No fiscal impact	No fiscal impact			

Parentheses ( ) indicate expenditure decreases.  
 \*Amounts reflect most recent analysis of this legislation.

Duplicates Senate Bill 68

### Sources of Information

LFC Files

#### Agency Analysis Received From

Higher Education Department (HED)

University of New Mexico (UNM)

New Mexico Institute of Mining and Technology (NM Tech)

New Mexico Independent Community Colleges (NMICC)

## SUMMARY

### Synopsis of House Bill 89

House Bill 89 (HB89) amends the Graduate Scholarship Act (GSA) in the following ways:

1. Requires recipients to be New Mexico residents,
2. Gives priority in award of funding to students from groups underrepresented in graduate education,
3. Removes a requirement that recipients be a U.S. citizen or have a permanent resident visa,
4. Adds a requirement that recipients must have earned a bachelor's degree and maintained a grade point average (GPA) of at least 3.0 on a 4.0 scale,
5. Removes a requirement that recipients be full-time students and replaces it with a requirement that students be enrolled in at least six credit hours,
6. Removes a requirement that recipients serve in an unpaid internship or assistantship at

- the higher education institution,
7. Allows the scholarship to be awarded until completion of a terminal degree or has received the scholarship for eight semesters,
  8. Removes a cap of \$7,200 per year and replaces it with an award not to exceed the full cost of tuition and fees,
  9. Makes several nonsubstantive amendments to correct outdated references within the statute.

The effective date of this bill is July 1, 2025.

## **FISCAL IMPLICATIONS**

The bill does not make any appropriations nor does it create an obligation to fund the Graduate Scholarship Act. For this reason, the bill has no fiscal impact.

## **SIGNIFICANT ISSUES**

The GSA is currently funded through an appropriation of \$488 thousand to the Higher Education Department. The department reports 68 students received the scholarship in FY25 and that the average per-semester full tuition and fees for New Mexico institutions offering graduate programs is \$4,248.

UNM reports:

While HB89 removes citizenship or other naturalization requirements to qualify for the scholarship, graduate students must remain legally authorized to study in the United States. HB89 identifies an award recipient to be a New Mexico resident student. Many graduate programs allow for part-time enrollment, particularly toward the end of a program as a student is completing their thesis or dissertation. HB89 changes this requirement to allow part-time enrollment of six credit hours or more but requires students to maintain enrollment and a 3.0 GPA in consecutive academic years to continue to receive scholarship awards.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

HB89 substantively duplicates Senate Bill 68, though there are several nonsubstantive differences between the bills.

CJ/hj/hg