

# LEGISLATIVE FINANCE COMMITTEE BUDGET PRESENTATION: HIGHER EDUCATION

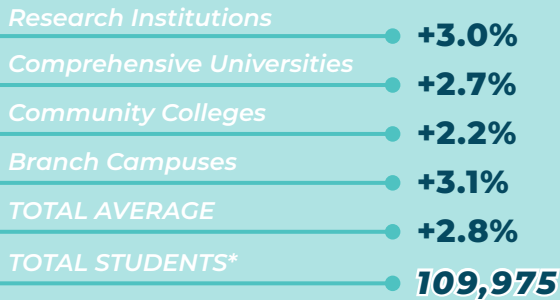
Presenters: *Stephanie M. Rodriguez, Cabinet Secretary*  
*Gerald Hoehne, Chief Financial Officer*



NEW MEXICO  
HIGHER  
EDUCATION  
DEPARTMENT

## ENROLLMENT & OPPORTUNITY SCHOLARSHIP DATA SPOTLIGHT

While college enrollment is trending downward nationwide and in neighboring states across most categories, **college enrollment in New Mexico has grown each of the last three years.**



\*Formula-Funded Higher Education Institutions

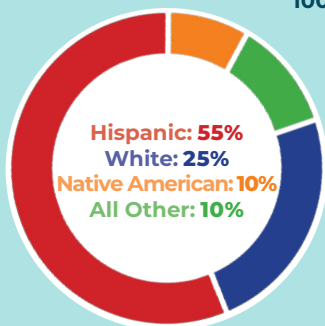
**2019-2021:** First-Time, Full-Time, Degree Seeking Enrollment **-15%**

**2021-2024:** First-Time, Full-Time, Degree Seeking Enrollment **+23.5%**

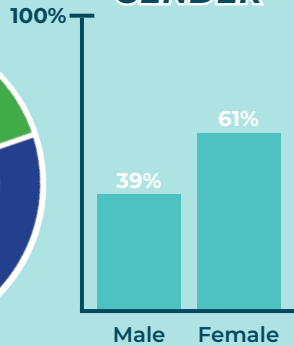
Source: Census Enrollment Headcount Report (HED, 2019-2024)

**The Opportunity Scholarship is projected to support 40,000 New Mexicans this fall, the majority of whom come from traditionally underserved communities.**

### RACE & ETHNICITY



### GENDER



Source: Preliminary eDEAR System Data (HED, Fall 2023)

**Graph 1:** Since the 2018-2019 academic year, many awards have been completed in Humanities and General Education, reflecting the value of these fields. Additionally, nearly 68% of all awards are in other areas of study, including 33% in Health Professions and Science, Technology, Engineering, and Math (STEM).

Over 65,000 jobs annually will require a postsecondary credential in 2031.

New Mexico leads the nation in college access and affordability and has been cited by the federal government and expert third-party organizations as a gold standard for tuition-free college programs.

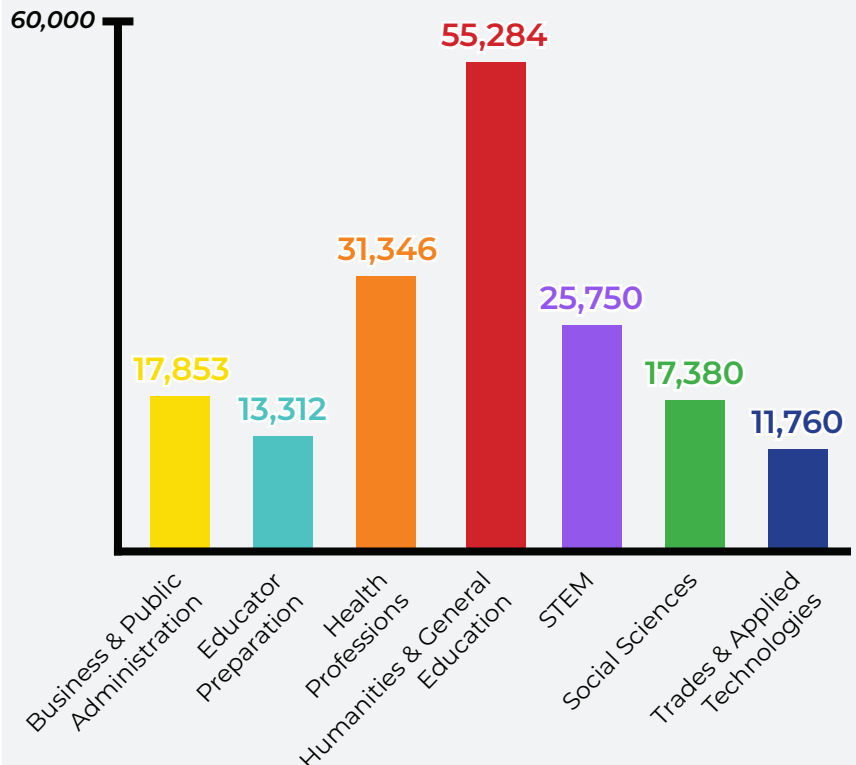
This past year, over 41,088 New Mexicans benefited from the Opportunity Scholarship and 14,091 received the Lottery Scholarship.

As of Spring 2024, 20,921 New Mexicans have completed their undergraduate credentials – ranging from certificates to bachelor's degrees – with the help of the Opportunity Scholarship.



## GRAPH 1: CUMULATIVE DEGREE PRODUCTION

Academic Years 2018-19 to 2023-24



Source: eDEAR System Data (HED, 2024)

**Total Awards: 172,685**

## REQUEST

# Higher Education Department

**Our philosophy is simple: Higher education is a collective good.**

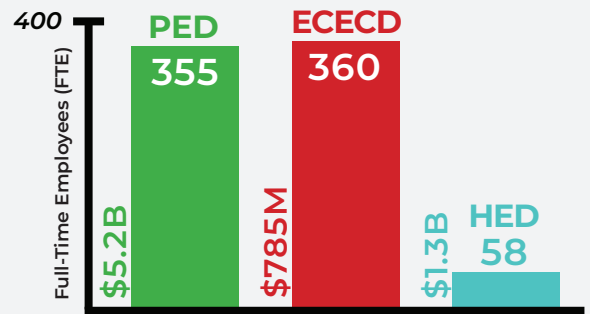
Investments in individual student success pay off as benefits to the larger community. Providing education and trainings to people who want a better life for themselves and their families ultimately boosts the function of our cities, industries, and government. These principles are particularly efficacious in a state where so many students are working not only to get ahead for themselves but also their families, and with the help of the Opportunity and Lottery scholarships, higher education is a transformative choice for so many in New Mexico. It can – and with continued support will – continue to provide an exponential springboard out of generational poverty and into a more stable and prosperous future.



## FULL-TIME EMPLOYEES & VACANCIES

The Higher Education Department has 43 state-funded, 12 federally-funded, and three fee-supported full-time employees (FTE) positions, with a budget portfolio of over \$1.3 billion. The agency's vacancy rate is at 15%, representing nine vacancies, and all positions are posted or in the process of review, interviewing, or hiring. With monumental investments in state financial aid programs and institutional funding, the agency will need further support in several areas to achieve sufficient staffing capacity for current initiatives and further support successful programs. **The agency is requesting four full-time employees, one each in Research and Planning, Academic Affairs and Policy, Adult Literacy, and Constituent Services** to ensure outstanding service to students and their families, and to further support a robust data and research team.

## GRAPH 2: STAFFING BY STATE EDUCATION AGENCY

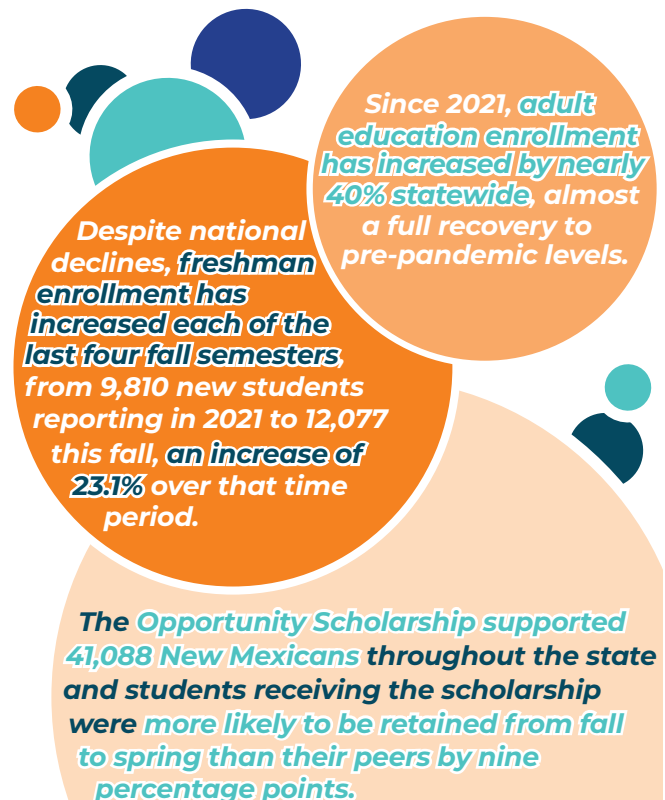


Source: House Bill 2 and SHARE (FY2025)

**Graph 2:** Despite the Higher Education Department overseeing 13% of the state's budget, it has fewer FTE than other cabinet-level education agencies.

## LOTTERY TUITION FUND BAR LANGUAGE

**Additional BAR Language for the Lottery Tuition Fund and Category Transfer Language Between the 400 (Other) Category and 500 (Other Financing Uses) Category:** The Higher Education Department is requesting BAR language for the Lottery Tuition fund for FY2025 and category transfer language for both Fiscal Year (FY) 2025 and FY2026. The request fills the gap between what was appropriated in FY25 and actual expenditures. **Expenditures for the Lottery Tuition fund are estimated to be about \$77 million for the Lottery Scholarship; however, only \$46 million was appropriated in FY25.** This is primarily due to increases in first-time, full-time student enrollment on average of nearly 10 percent the past three years. **The category transfer is not an additional funding request.** The agency is simply requesting the ability to transfer between the 400 and 500 categories. Current category transfer language is limited to the 200's, 300's, and 400's. This flexibility will only apply to the programs listed in the 400 (other) category line item in the budget. From an accounting perspective, we are required by the accountants and auditors to send out funding from the 500 category to the research and comprehensive universities as they are considered component units of the state. This additional language will provide flexibility to most effectively distribute the funding without audit findings in our accounting.



# ADULT EDUCATION & LITERACY IN NEW MEXICO

## REQUEST

- **Adult Education: \$9,828,000**
  - **\$3,000,000 increase**
- **Adult Literacy: \$2,000,000**
  - **\$1,250,000 increase**
- **High School Equivalency Vouchers: \$1,250,000**

Adult education and adult literacy programs help build New Mexico's workforce and improve outcomes in public health, safety, and children's reading proficiency. These education systems provide instruction in reading, academic and digital skills, and English as a second language, while also preparing students for high school equivalency tests and workforce training.

The need is great: New Mexico ranks last nationally in adult literacy, and with current funding these systems are able to serve less than four percent of prospective learners. These increases would allow the Higher Education Department to serve many more students; increase the number of programs; recruit, retain, and train highly skilled teachers; increase statewide awareness of services offered; increase high school equivalency testing; and create new testing centers, including mobile centers.



## TRIBAL EDUCATION TECHNICAL ASSISTANCE CENTERS

### REQUEST

- **\$2,250,000**

Legislation passed to establish two Tribal Education Technical Assistance Centers in New Mexico. **These centers will focus on supporting Tribes, Nations, and Pueblos in developing culturally and linguistically relevant materials; enhancing recruitment of Indigenous educators; and enhancing professional development.** Tribes, Nations and Pueblos are eligible to receive services as well as any institution serving Native American students, including school districts, charter schools, early childhood centers, colleges and universities, and Bureau of Indian Education schools.

New Mexico's adult education system has improved rapidly and significantly in the last three years, rising from the bottom quartile nationally to being on the verge of the first quartile. In Fiscal Year 2024, adult education had the highest outcomes in the last five years for all federal performance indicators, meeting or exceeding national averages.

### In Fiscal Year 2024:

- **12,128 students served**
- **1,287 students transitioned to post-secondary education**
- **1,471 students attained a high school equivalency credential**
- **30 Integrated Education and Training (IET) programs administered**
- **557 IET students attained 317 industry-recognized credentials**

New Mexico Adult Literacy programs serve adults with the highest level of literacy, numeracy, and English language learning needs statewide, often in small, community-based and rural programs.

### In Fiscal Year 2024:

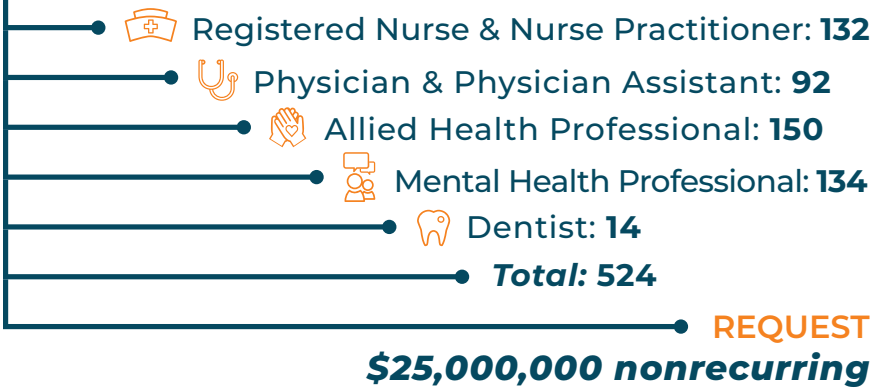
- **18 Adult Literacy Programs across New Mexico, an increase of over 100% since 2021**
- **18 programs shared only \$750,000 in state funding**
- **18 counties served**
- **1,393 students served**
- **3,644 learning goals met**

Source: LACES (HED, 2023)

# NEW MEXICO'S LOAN REPAYMENT PROGRAMS

The Higher Education Department's **loan repayment programs provide repayment for the outstanding student loans** of practicing health professionals, teachers, and minority professors with doctorate degrees in New Mexico. These programs have helped thousands of workers providing services in New Mexico communities achieve greater financial stability and contributes to the overall productivity of our state economies.

## HEALTH PROFESSIONAL LOAN REPAYMENT PROGRAM FISCAL YEAR 2025 AWARDS



The **Health Professional Loan Repayment Program** provides **repayment up to \$25,000 for outstanding student loans of practicing health professionals**. As a condition of the program, a health professional must make a three-year service commitment to practice full time in a designated medical shortage area in New Mexico. This year, the agency granted student debt relief to more than 500 health professionals working in New Mexico to further strengthen recruitment and retention in the state. In addition to the new awardees, the program is providing student loan repayments to 745 additional health professionals working in New Mexico who began receiving the debt relief in previous fiscal years, bringing **the total number of health professionals statewide currently receiving program benefits to 1,269**.

## TEACHER LOAN REPAYMENT PROGRAM FISCAL YEAR 2025 AWARDS

Total Number of Awardees	<b>537</b>
Total Funding	<b>\$5,893,000</b>
Average Award Amount	<b>\$6,000</b>
Average Recipient Debt	<b>\$46,539</b>

**REQUEST \$10,000,000 nonrecurring**

New Mexico licensed **teachers working in high-need fields and schools statewide are eligible for up to \$6,000 per year for two years** toward principal debt and interest on federal student loans related to teacher education through the **Teacher Loan Repayment Program**. This year, the Higher Education Department awarded 537 new applicants and renewed funding for 745 applicants. The program has grown enormously as Governor Michelle Lujan Grisham and the Legislature have prioritized debt relief for New Mexico educators. In 2019, the department provided loan forgiveness to only ten teachers in New Mexico, but **since 2020, the program has awarded debt relief to 2,533 teachers**.

The **Minority Doctoral Loan Repayment** program is dedicated to increasing the number of Black, Indigenous, Hispanic, people of color, and women teaching at colleges and universities in New Mexico. On average, only two recipients receive an award each year; however, a funding increase for the program would allow for the retention of more professors – approximately 15 to 20 – teaching at New Mexico's public higher education institutions.

**REQUEST \$250,000 recurring**

### QUESTIONS? CONTACT US!

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### GRADUATE SCHOLARS FUND — \$1,000,000

The **Graduate Scholars Fund** supports the Graduate Scholarship and **awardees can receive up to \$7,200 per academic year** in any academic field. Its purpose is to increase enrollment amongst underrepresented students in graduate programs at public colleges and universities. The Graduate Scholarship supported 59 students in Fiscal Year 2024.

