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## FISCAL IMPACT REPORT

SPONSOR: Roberts DATE TYPED: 03/08/01 HB 685/aHEC  
 SHORT TITLE: Distance Learning Degree SB \_\_\_\_\_  
 ANALYST: Fernandez

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
			Indeterminate		

(Parenthesis ( ) Indicate Expenditure Decreases)

Companion to HJR25

### SOURCES OF INFORMATION

Commission on Higher Education (CHE)

### SUMMARY

#### Synopsis of HEC Amendment

The House Education Committee Amendment strikes proposed language that removed the boards of regents authority in the area of distance learning and instead, requires the boards of regents to include in their curriculum, a distance learning program.

#### Synopsis of Bill

House Bill 685 enacts a new section of Chapter 21, Article1 NMSA 1978 to allow students to earn a bachelor's degree through a distance learning program from a four-year institution of higher learning. Students will be able to earn a degree in areas that do not require in-person instruction in a classroom or laboratory setting.

This bill also amends current statute to remove authority from the boards of regents for distance education programs.

The provisions of this bill will go into effect when the Secretary of State certifies that an amendment to the constitution has been adopted.

Significant Issues

According to CHE, four-year institutions currently have the authority to provide degree-granting programs through distance learning. These programs are part of an institution's extended services. CHE indicates that the definition for extended services in current commission rules is similar to the definition of distance learning contained in this bill.

Currently, distance education programs receive funding for the "Instruction" portion of the "Instruction & General" funding formula. Since the "General" portion is not funded, institutions do not receive a general fund appropriation for student service and academic support for these programs. If an institution chooses to offer distance education, the institution must find other resources in order to provide students in these programs with assistance in course registration, advisement, financial aid counseling, etc.

**FISCAL IMPLICATIONS**

According to CHE, if the institutions were required to offer degree programs through distance education without full formula funding of these programs, then the institutions would be forced to take resources away from their campuses to support these programs. The fiscal impact could be substantial

CHE also indicates that communities seeking to bring entire degree programs into their area have the option to seek approval to establish a Learning Center. If approved by the CHE, legislature, and then the local voters, communities can implement a local tax that could help to subsidize entire degree programs since the "general" portion of the formula is not funded.

**CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP**

Companion to HJR25. Proposes to amend Article 12, Section 13 of the constitution of New Mexico to grant the legislature authority over the boards of regents at higher educational institutions for distance learning programs.

CTF/prr