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FISCAL IMPACT REPORT

ORIGINAL DATE 2/23/09

SPONSOR Alcon LAST UPDATED 3/9/09 HB 709

SHORT TITLE Lottery Scholarships for Tribal Colleges SB _____

ANALYST Varela

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$176.5	Recurring	Lottery Tuition Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Indian Affairs Department (IAD)
 Higher Education Department (HED)
 Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Bill 709 amends section 6-24-3 NMSA 1978 to expand the Legislative Lottery Scholarship program to include students attending New Mexico Tribal colleges. The bill creates a new section that defines tribal colleges as tribally, federally or congressionally chartered postsecondary institutions. Eligibility for Tribal college students is defined as the same eligibility criteria as students attending a public postsecondary institution: a student must have graduated from a New Mexico high school or received a New Mexico GED, have obtained a 2.5 GPA and are enrolled full-time consecutively for four years.

FISCAL IMPLICATIONS

According to HED's Equity and Access Division, in 2006-2007 there were approximately 2,162 students enrolled in New Mexico's four Tribal colleges, or 17 percent of the 12,355 American Indian students enrolled in New Mexico's public and Tribal postsecondary institutions. Of the 2,162 students enrolled at Tribal colleges, less than 12 percent would be eligible to receive the Legislative Lottery Scholarship costing a total of \$176.5 thousand per academic year.

SIGNIFICANT ISSUES

PED reports the following points:

- According to a survey of tribal colleges, it is estimated that 23 students who attend a tribal college could become eligible to receive the Lottery Success Scholarship.
- The current annual tuition rates at eligible tribal colleges in New Mexico are:
 - Navajo Technical College - \$1,760
 - Dine College - \$720
 - Institute of American Indian Arts - \$2,400
 - Southwestern Indian Polytechnic Institute – No tuition charged
- According to the Condition of Higher Education 2005-2006 report, more than 55 percent of tribal college graduates transfer to four-year public postsecondary institutions. Currently, more than 2,000 students attend New Mexico tribal colleges.
- Native American students show a better chance of success in postsecondary education by first attending local colleges.
- The majority of the students who attend tribal colleges are non-traditional, female, American Indian and first-generation college students.
- American Indian students continue to have the lowest representation in higher education and make up less than 1 percent of college enrollment. In New Mexico, 90 percent of American Indian students attend public school and eventually enroll in New Mexico public postsecondary institutions.
- In the November 2005 Performance Effectiveness Report by the Council of University Presidents, figures show that the enrollment of American Indians who were first-time freshmen in New Mexico colleges and universities decreased from 5.9 percent in fall 2004 to 4.7 percent in fall 2005.
- Tribal colleges are located on or near tribal reservations; American Indian students who enroll in tribal colleges are most likely to graduate due to the support of family, extended family and a college student population that reflects their culture and identity. Statistics indicate that more than 50 percent of those students who transfer from tribal colleges into four-year public postsecondary institutions graduate.
- Tribal colleges are often the only postsecondary institutions within some of our state's poorest rural areas. Tribal colleges can benefit tribal communities by encouraging economic development, with broad benefits to the state as a whole.
- Tribal colleges have the ability to provide personalized attention to students to assist them in overcoming economic and social barriers to success. Tribal colleges emphasize family and community values that are respectful of Native American tribes.
- Tribal colleges are now the first choice of many American Indian high school students who are college bound.
- The amendment provides for each student to be eligible for tuition scholarships for up to four consecutive years.

RELATIONSHIP

HB 709 relates to HB 275, HB 282 and HB 361, which expand eligibility for the Lottery Success Scholarship. HB 282 expands the wait period for veterans of the United States armed forces and HB 361 expands eligibility to military dependents of New Mexico residents.

TECHNICAL ISSUES

This request was not submitted to the Higher Education Department for review and is not included in the Departments legislative recommendation for FY10.

OTHER SUBSTANTIVE ISSUES

HED reports that 34 percent of the total American Indian population resides on Tribal lands (U.S. Census, 2006). New Mexico's Tribal colleges are located on or near Tribal land which allows student to attend college in a local environment. Statistics indicate that American Indian students who enroll in Tribal colleges are more likely to graduate than those who attend public colleges or universities. This is due to the support of family, extended family, and a college student population that reflects their culture and identity.

According to a 2005 report on trends of American Indian students published by the National Center for Education Statistics, more than 50 percent of those who transfer from Tribal colleges to four-year public postsecondary institutions do graduate.

PV/mt