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FISCAL IMPACT REPORT

SPONSOR Hall ORIGINAL DATE 03/04/09
LAST UPDATED _____ HM 17
SHORT TITLE Emphasize Certain College Degree Programs SB _____
ANALYST Haug

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY09	FY10	FY11	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		\$1.0			Nonrecurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

Public Education Department (PED)

SUMMARY

Synopsis of Bill

House Memorial 17 requests that the appropriate interim committee study, in consultation with the Higher Education Department and the universities ways to encourage state universities to emphasize degree programs in those professional disciplines that are in short supply in New Mexico and that the study further study consider methods to reward universities for increasing graduation rates in underrepresented disciplines.

FISCAL IMPLICATIONS

There would be minimal cost involved for study participants.

SIGNIFICANT ISSUES

The higher education funding formula provides for the cost of academic programs at the universities, but does not consider the utility of those programs.

There are a number of professions in short supply in New Mexico, including baccalaureate or higher degree nurses, doctors, dentists, certified public accountants, teachers, school administrators, physical therapists, occupational therapists, speech-language pathologists, engineers and the list goes on.

Such shortages affect not only those people in direct need of these professional services, but the economic well-being of the state, since study after study shows that the work force and quality of life are the preeminent reasons companies decide to locate in a state.

There is no mechanism to ensure that state universities are producing the professional disciplines that the state needs.

The HED notes there are many professions in short supply that have an economic impact on the vitality of New Mexico. These professions range from those in the health care arena to manufacturing. Projecting workforce needs and developing pathways to meet those needs is essential to New Mexico's economic growth and development. The state's educational system is integral to that process. This involves New Mexico's postsecondary institutions further developing, and in some instances, creating new training programs to educate and train the workforce, as needs change. In some cases, New Mexico public postsecondary institutions continue to offer programs of study with limited abilities to place students and are unable to initiate new programs without large start-up costs, new faculty, and support costs. Community colleges are most capable of quick adjustments to the market place. By contrast, comprehensive and research universities often need start-up costs funded by the state to initiate new programs.

The PED states:

- While studies show the New Mexico workforce currently and into the future needs more professionals than are locally available and at present there is not a comprehensive study demonstrating the capacity and/or success of state institutions of higher education producing the range, quality, and number of professionals needed.
- Since December 2005, Governor Richardson's Workforce Coordination and Oversight Commission (COC) has identified seven career clusters in the fastest growing professional occupations and those with the most annual job openings. Some of these professions include medical assistants, elementary school teachers, social and human service assistants, middle school teachers, and registered nurses.
- PED requires high school student plans to consider the COC identified career clusters and encourages students to take at least one career cluster course (22.13.1.1 NMSA 1978). This statute also sets requirements for a diploma of excellence, with an eye to preparing New Mexico high school graduates for the rigor of college course work in the professions identified in HM 17.

GH/svb:mc