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FISCAL IMPACT REPORT

ORIGINAL DATE 3/20/09

SPONSOR SFC LAST UPDATED _____ HB _____

Providing Resident Tuition for College of Santa Fe

SHORT TITLE Students SB 725/SFCS

ANALYST Patel

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	None		

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 577 and SM 97

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY10	FY11	FY12	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Instruction and Gen- eral	\$3,069.8	\$2,078.2	\$1,281.8	6,429.8	Recurring	General Fund
Financial Aid	\$148.8	\$156.3	\$164.2	\$469.3	Recurring	Legislative Lottery
Total	\$3,218.6	\$2,234.5	\$1,446.0	\$6,899.1		

(Parenthesis () Indicate Expenditure Decreases)

Note: The above fiscal impact assumes at least 40 (250 students) percent of out-of-state students take advantage of the out-of-state tuition waiver and enrolls at the state baccalaureate granting post-secondary educational institutions. The University of New Mexico in-state tuition rates are used for the tuition calculations. For the lottery scholarship calculation, it is assumed that approximately 39 students may meet the requirements for the scholarship.

SOURCES OF INFORMATION

LFC Files

Responses Received From
Higher Education Department (HED)

SUMMARY

Synopsis of SFC Substitute

Senate Finance Committee Substitute for Senate Bill 725 would allow for payment of resident tuition rates to students who transfer from the college of Santa Fe for no more than three consecutive years as determined by the higher education department. The substitute bill requires the higher education department to establish a plan to facilitate the transfer of credits and students between the college of Santa Fe and the state baccalaureate granting post-secondary institutions. Furthermore, a New Mexico high school graduate who would have met the requirements for a legislative lottery scholarship but attended the college of Santa Fe may receive a scholarship for no more than three consecutive years.

FISCAL IMPLICATIONS

According to HED the Senate Finance committee substitute bill for SB725 would have a significant impact on the General Fund with a tuition differential cost of \$4.3 million for approximately 400 out-of-state students. HED indicated that as of 2008-2009 there are 39 eligible students who meet the Legislative Lottery Scholarship eligibility requirements which would have an impact on the Lottery Fund of approximately \$148.9 thousand.

ADMINISTRATIVE IMPLICATIONS

According to HED SB725 would create an enormous administrative burden on New Mexico's higher education institutions specifically within their admissions, financial aid and registrars' offices. In order to ensure students are successfully transferred for fall 2009 admission, the institution would need to dedicate:

at least 1.0 FTE to match course content and determine transferability; and

at least 1.0 FTE in the financial aid and scholarship office to match lottery scholarship eligibility; and

at least 1.0 FTE in the registrar's office to treat each CSF student as a tuition waiver.

NMHED would also experience a significant administrative burden expected to be completed in time for the student to enroll in fall 2009 courses. NMHED would also need to dedicate a team composed of at least 3.0 FTE with expertise in financial aid, registration, and admissions to develop the transferability requirements set forth in SB725.

RELATIONSHIP

Relates to HB577 which authorizes a state university to acquire the property of the College of Santa Fe and to SM 97.

MP/mt