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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/04/13

SPONSOR Madalena LAST UPDATED 02/27/13 HB 283

SHORT TITLE Tribal College Dual Credit Program Fund SB \_\_\_\_\_

ANALYST Roberts

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
	\$500.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicate to SB 303

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Higher Education Department (HED)

Public Education Department (PED)

### SUMMARY

#### Synopsis of Bill

House Bill 283 appropriates \$500 thousand dollars from the general fund to the Tribal College Dual Credit Program fund to compensate tribal colleges as provided in statute for foregone revenue due to the waiver of tuition and fees by the tribal colleges for high school students participating in the Tribal College Dual Credit Program during the preceding school year.

### FISCAL IMPLICATIONS

House Bill 2 does not include an appropriation to the Higher Education Department (HED) for this program fund. The appropriation of \$500 thousand dollars contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2014 shall revert to the general fund.

### SIGNIFICANT ISSUES

The HED cites that the Tribal College Dual Credit Fund was established following the passage

of Chapter 44, 2012 session laws. This bill will reimburse tribal colleges for an annual amount of funding to cover the costs of tuition and fees for students taking dual credit courses during the preceding school year. Tribal colleges may incur a cost for the processing of data related to dual credit students because they are not currently reporting to the department using Dear Editing and Reporting System (DEAR) files. The process for reimbursements to the tribal college will be a similar process used for other reimbursements programs. There will be an increase in administrative processing cost, but by using a similar process that already exists, the cost will be minimal.

In order for the postsecondary institution to participate fully in the dual credit program they must develop a Uniform Master Agreement with the Local Education Agencies, school districts, with which they will be partnering. Details on the process of establishing a Uniform Master Agreement are detailed in 6.30.7.8 NMAC.

Following the establishment of the Uniform Master Agreement, the postsecondary Institution must provide the Research and Planning Division of the HED with student demographic information and dual credit enrollment data via the DEAR. Submission of this information is required in order for the postsecondary institution to eventually receive legislative allocation for waived tuition. Tribal colleges seeking reimbursement will need to complete a uniform master agreement and required reports.

### **PERFORMANCE IMPLICATIONS**

The PED cites that this bill supports the department's strategic Lever #1: Smarter Return on New Mexico Investment and Lever #3: Ready for Success Initiative. The bill also supports the PED's implementation of the Indian Education Act (22-12A-1 to 22-23A-8 NMSA), that ensures equitable and culturally relevant environments and educational opportunities for students and that parents, tribal departments of education, community -based organizations, the departments of education, universities, and tribal, state and local policymakers work together to find ways to improve educational opportunities for American Indian students.

### **ADMINISTRATIVE IMPLICATIONS**

The Higher Education Department would be responsible for administering the funds to the Tribal College Dual Credit Program and the department will also have the responsibility to collect and verify data sent from the tribal colleges on dual credit students. The HED will need to review and amend its rules governing the dual credit program to be consistent with this law.

### **TECHNICAL ISSUES**

Tribal colleges are required to adhere to the NMAC Rule 6.30.7 in order to comply with the dual credit accountability.

MIR/svb:blm