

**LEGISLATIVE EDUCATION STUDY COMMITTEE  
BILL ANALYSIS**

**Bill Number: SB 8**

**51st Legislature, 2nd Session, 2014**

**Tracking Number: .195025.4**

**Short Title: Resident Tuition for Some Undergrad Students**

**Sponsor(s): Senators Mary Kay Papen, Gay G. Kernan, and Jacob R. Candelaria; and  
Representatives Dennis J. Roch, Emily Kane, and Other**

**Analyst: Travis Dulany**

**Date: January 30, 2014**

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**Bill Summary:**

SB 8 creates the *Entrepreneurial International Student Tuition Act* in higher education law, which allows participating universities to grant nonresident tuition waivers to eligible students.

The bill further specifies:

- nonresident tuition waivers are defined as in-state, resident tuition and fee rates granted to students by a participating university pursuant to the act;
- students eligible for nonresident tuition waivers are bachelor's degree-seeking students who are not US citizens and who are enrolled in a major course of study in science, computer science, information technology, engineering, mathematics, or business;
- the number of nonresident tuition waivers granted by a university during any one academic year shall not exceed 5.0 percent of the university's full-time-equivalent (FTE) undergraduate enrollment for the previous year;
- the Higher Education Department (HED) must allocate funding it receives pursuant to the act between participating universities in proportion to the increase in enrollment of eligible students at each participating university for the previous year;
- all funding received by participating universities must be used to enhance science, computer science, information technology, engineering, mathematics, and business programs at those universities;
- HED shall promulgate rules necessary to implement the provisions of, and maintain records in connection with, the act, and every participating university shall adopt policies to implement the provisions of the act; and
- participating universities:
  - include:
    - the University of New Mexico (UNM);
    - New Mexico State University (NMSU);
    - Western New Mexico University (WNMU);
    - Eastern New Mexico University (ENMU);
    - New Mexico Highlands University (NMHU); and
    - the New Mexico Institute of Mining and Technology (NM Tech);

- may grant nonresident tuition waivers if:
  - the university determines that the student’s academic record merits the award of a nonresident tuition waiver;
  - the student resides in New Mexico while enrolled at the university; and
  - the student signs a statement indicating an interest in working or starting a business in New Mexico after graduation; and
- must report certain data to HED at the end of every academic year nonresident tuition waivers are granted.

Finally, SB 8 makes an appropriation for distribution to the participating universities to enhance the aforementioned programs specified in the act.

**Fiscal Impact:**

\$5.0 million is appropriated from the General Fund to HED for expenditure in FY 15 and FY 16. Any unexpended or unencumbered balance remaining at the end of FY 16 shall revert to the General Fund.

**Technical Issues:**

Definitions of FTE may vary between institutions. The sponsor may wish to amend the bill to:

- add a definition of “full-time-equivalent undergraduate enrollment”; or
- require HED to promulgate rule to define “full-time-equivalent undergraduate enrollment.”

**Substantive Issues:**

NMSU notes that visa document restrictions may interfere with a student’s ability to remain in the country after graduation.

According to HED, the federal process for a graduate in the field of science, technology, engineering, or mathematics (STEM) to retain legal immigration status does place some burdens on the employer regarding reporting and justification of the need to hire a foreign national. Based on US Citizenship and Immigration Services data, approximately 23,000 foreign nationals were enrolled under a student visa in STEM courses of study at American colleges and universities as of April 2012.

HED also reports that some New Mexico higher education institutions have existing tuition waiver programs for international undergraduates, although those programs do not necessarily require their students to participate in the courses of study specified in SB 8.

Based on HED data for fall 2012, the table below illustrates each participating university's FTE<sup>1</sup> undergraduate enrollment and maximum participation under the provisions of SB 8:

<b>Participating University</b>	<b>FTE Undergraduate Enrollment</b>	<b>5% of FTE Undergraduate Enrollment</b>
UNM	18,777	939
NMSU	12,046	602
WNMU	1,830	92
ENMU	3,519	176
NMHU	1,949	97
NM Tech	1,396	70
<b>Statewide Total</b>		<b>1,976</b>

**Committee Referrals:**

SCC/SEC/SFC

**Related Bills:**

SB 206 *Foster Care System Student Tuition Waiver*

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<sup>1</sup> Data from the HED website calculates FTE undergraduate enrollment based on 15 credit hours per semester. Actual FTE undergraduate enrollment may be higher (see *Technical Issues*).