

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: SB 420

52nd Legislature, 1st Session, 2015

Tracking Number: .199367.1

Short Title: Senior Citizen Reduced Tuition Act Definition

Sponsor(s): Senator Michael S. Sanchez

Analyst: Travis Dulany

Date: February 27, 2015

Bill Summary:

SB 420 amends the *Senior Citizens Reduced Tuition Act* to reduce the age of eligibility for the program from 65 or older to 60 or older.

As a technical clean-up, the bill also changes a reference to the Board of Educational Finance, which no longer exists, to the Higher Education Department (HED) as the agency that may adopt rules to implement the provisions of the act (see “Background,” below).

Fiscal Impact:

SB 420 does not contain an appropriation.

Fiscal Issues:

According to the fiscal impact report from the Legislative Finance Committee (LFC):

- it is possible that SB 420 may lead to more senior citizens enrolling in postsecondary institutions;
- larger enrollment would lead to modest revenues; however,
- it is unclear whether institutions would receive sufficient revenues from other sources – state appropriations, mill levy revenues, and tuition – to offset increased expenses caused by a growing subsidized population.

According to HED:

- in fall 2013, approximately 1,766 students received the “senior citizen discount”; and
- there were an additional 1,616 students aged 60-64 enrolled who were taking six or fewer credit hours.

Substantive Issues:

The purpose of the *Senior Citizens Reduced Tuition Act* is to provide educational opportunities for senior citizens at reduced tuition rates at New Mexico public postsecondary degree-granting educational institutions. Further, “[s]enior citizens on fixed incomes often cannot afford the tuition to attend classes, but, by attending classes at reduced rates, older persons may be assisted in achieving lives of independence, dignity and purpose.”

Background:

The *Senior Citizens Reduced Tuition Act*:

- provides for reduced tuition for persons who:
 - are residents of New Mexico as determined by the definition of residency for tuition purposes as established by HED;
 - are senior citizens, defined as age 65 or older;
 - enroll at an eligible institution for credit or noncredit courses; and
 - have completed all course prerequisites;
- defines “reduced tuition” as tuition charged to senior citizens at \$5.00 per credit hour, up to six hours per semester;
- requires HED to establish rules and procedures as necessary or appropriate for the program, provided that:
 - senior citizens enrolled at reduced tuition shall be allowed to enroll in classes only on a space-available basis;
 - no full-time equivalent credit shall be given to the eligible institutions for the attendance of senior citizens in classes under the provisions of the *Senior Citizens Reduced Tuition Act*;¹ and
 - a financial aid officer may exercise professional judgment when special circumstances exist to adjust cost of attendance or expected family contribution or to modify other factors that make the program more responsive to a student’s special financial circumstances.

HED rule further specifies:

- in order to be eligible for reduced tuition, students must:
 - request the reduction in tuition;
 - demonstrate evidence that they have met the age required; and
 - pay any course fees, including extraordinary course fees in continuing education programs;
- institutions must allow students to register under the provisions of the act if space is available;
- students enrolled under the program:
 - are eligible for all grading options for the same course, including audit, permitted by the institution;
 - are required to comply with all rules and regulations of the institution related to registration, withdrawal from courses, transaction deadlines, academic performance, and decorum; and
 - are entitled to all rights and privileges afforded to all students including:

¹ Full-time equivalent credit refers to credit in courses that are included in HED’s formula for funding purposes.

- receipt of an identification card;
- use of library services; and
- access to other campus facilities in accordance with institutional regulations affecting all students.

Committee Referrals:

SEC/SFC

Related Bills:

HB 427 *Resident Tuition for Veteran Family Members*

HB 481 *Resident Tuition for Certain Students & Study*