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FISCAL IMPACT REPORT

SPONSOR Nunez **ORIGINAL DATE** 2/16/2015
LAST UPDATED _____ **HB** 375

SHORT TITLE Branch Colleges in Tuition Scholarship **SB** _____

ANALYST Hartzler

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY15	FY16		
	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY15	FY16	FY17	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NSI	NSI	NSI	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act, Section 4J Higher Education, Higher Education Department, Student Financial Aid

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)
 Council of University Presidents (CUP)

No Responses Received From

New Mexico Association of Community Colleges (NMACC)
 New Mexico Independent Community Colleges (NMICC)

SUMMARY

Synopsis of Bill

House Bill 375 proposes to amend the Legislative Lottery Tuition Scholarship Act, Chapter 21, Article 21N NMSA 1978, to authorize HED to set a separate category of tuition scholarship levels for students attending branch community colleges. Under the bill, HED would establish

annual scholarship levels at the average tuition level for the research sector (UNM, NMSU, and NM Tech), comprehensive sector (ENMU, NMHU, NNMC, and ENMU), independent community colleges and technical schools, and branch community colleges (two-year institutions affiliated with UNM, NMSU, and ENMU).

The bill defines “branch community college” and “community college” and makes technical changes to the Act.

FISCAL IMPLICATIONS

HB 375 does not affect the general fund and has minimal implications for available revenues supporting the Legislative Lottery Tuition Scholarship Program (LLTSP). However, HED reports that tuition payments to branch community colleges would increase while reducing payments to independent community colleges. However, given enrollment patterns, with independent colleges enrolling more students than branch campuses, it is unclear whether there would be a significant shift in resources from one group to the other. (See LFC, Volume III, *New Mexico Public Post-Secondary Institutions, Tuition and Fees, Per Semester, Academic Year 2014-15*, p. 119.)

SIGNIFICANT ISSUES

HED determined that individual scholarship amounts would be higher for students attending branch community colleges, though the students’ costs are also higher. Additional funding would help students complete their programs. The Council of University Presidents supports the change proposed in the bill.

ADMINISTRATIVE IMPLICATIONS

Under the bill, HED would be required to calculate separate uniform percentages of the average in-state tuition costs for branch campuses and independent community colleges; currently the department combines tuition levels for all two-year institutions.

TECHNICAL ISSUES

The definitions of “branch community college” and “community college” could be made clearer by referencing Chapter 21, Articles 13, 14, and 16 NMSA 1978.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Students will continue to receive LLTSP awards, but the amount may not cover as much tuition at a branch community college as it would at an independent community college.

POSSIBLE QUESTIONS

- Where is the bill analysis by either of the community college associations or individual institutions?