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FISCAL IMPACT REPORT

ORIGINAL DATE 2/01/17
LAST UPDATED 3/10/17 **HB** 108/aHSIVC/aHEC

SPONSOR Garcia Richard

SHORT TITLE Transfer of College Credits **SB** _____

ANALYST Dulany

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	NFI					

(Parenthesis () Indicate Expenditure Decreases)

Relates to SB 208
 Duplicates SB 103/aSEC/aHEC

SOURCES OF INFORMATION

LFC Files
 HED Complete College America Data
 University of New Mexico (UNM) Degree Mapping Program

Responses Received From

Higher Education Department (HED)
 Western New Mexico University (WNMU)
 New Mexico Independent Community Colleges (NMICC)
 Central New Mexico Community College (CNM)
 Eastern New Mexico University (ENMU)
 New Mexico Institute of Mining and Technology (NM Tech)

SUMMARY

Synopsis of House Education Committee Amendments

The House Education Committee amendments add to the definition of “general education core curriculum” to specify that the general education core curriculum is a group of lower-division courses that are accepted by all institutions for transfer purposes. The amendments add to the definition of “meta-major” to clarify that the fifteen credits of lower-division courses are developed in consultation with faculty and approved by HED and that a meta-major can include courses across the institution that address diversity. The title in Section 2 of the bill is changed to “INITIAL ARTICULATION PLANNING AND DEVELOPMENT OF META-MAJOR AND TRANSFER MODULE.” The amendments require HED to facilitate the development and

approval of transfer modules by August 2019 in consultation with the faculty. Finally, the general education curriculum as amended by the House Education Committee excludes associate degrees in applied science and includes “courses that include the interdisciplinary study of differences that recognize and respect New Mexico’s diverse cultures, histories and identities.”

Synopsis of House State Government, Indian and Veterans’ Affairs Committee Amendments

The House State Government, Indian and Veterans’ Affairs Committee amendments require the department to facilitate the development and approval of statewide meta-majors *and transfer modules*. The amendments change the general education core curriculum to 30 hours for an associate degree from 24. Finally, the amendments broaden language related to the general education core to include all associate and bachelor’s degrees, rather than associate in arts or associate in science and bachelor of arts or bachelor of science.

Synopsis of Original Bill

House Bill 108 amends provisions in the Post-Secondary Education Articulation Act related to articulation, lower-division courses, and transfer modules. The bill changes the definition of “articulation” from course credit that transfers from one institution to another to “transfer of courses that fulfill a *graduation* requirement for a student’s chosen degree program” (emphasis added). The bill adds a definition for “meta-major” and amends the general education core definition to remove the requirement that the general education core have at least 35 credit hours. The definition for a “transfer module” is amended to add the requirement that the module is to be established by HED.

HB 108 further amends the responsibilities of HED in implementing the provisions of the act, requiring the department to develop, in consultation with college and university faculty, a statewide general education core curriculum of not less than 15-24 credit hours for an associate degree or 30 credit hours for a baccalaureate degree. The curriculum is to include “a comprehensive array of lower-division college-level courses designed to provide a foundation for a liberal education.” The bill adds requirements for HED to maintain and update the general education core curriculum and to review and approve future proposed requirements. HB 108 requires for each institution that all approved courses in the general education core curriculum must be transferable and must count toward fulfilling general education core curriculum requirements at any institution to which they are transferred.

HB 108 requires courses taken as part of an approved meta-major or transfer module must be accepted to meet lower-division graduation requirements of a degree-granting program to which the meta-major or module articulates.

Finally, HB 108 amends complaint procedures for students who fail to receive credit for courses that have a common course number or are contained in an approved meta-major or transfer module. HB 108 strikes language requiring HED to recommend reduced funding to an institution in the event a student’s credits failed to transfer. The bill amends reporting requirements, removing the requirement for HED to report to the Legislative Education Study Committee. HED’s reports on transfer and articulation are to include graduation rates and the time it takes to earn degrees for transfer students.

FISCAL IMPLICATIONS

HED does not indicate any additional operating fiscal impact. Many of the amendments in HB 108 align with existing efforts at HED to develop a common course numbering system by the statutory deadline of August 2017, create and improve meta-majors, and revise the general education core in consultation with higher education institutions.

SIGNIFICANT ISSUES

HED notes HB 108 removes specific content areas in the general education core, which corresponds with national trends of moving away from content areas to skill-based general education core curricula. The department reports it is currently working with higher education institutions to develop a skills-based general education core curriculum.

HB 108 appears geared toward helping students, particularly transfer students, achieve on-time degree completion by amending the requirements for transfer modules and articulation and adding meta-majors. Multiple New Mexico institutions have been moving toward 120 credit hour bachelor’s degree requirements in recent years to help students graduate within the standard time of four years.

As part of its efforts to develop a common course numbering system, create and improve meta-majors, and revise the general education core, HED has worked with the degree mapping project at UNM. In FY17, the Legislature appropriated \$69.5 thousand for the project. Degree mapping at UNM is working with seven higher education institutions to develop cross-institutional degree plans and other tools to help better understand choke-points for students trying to graduate on time.

HED is a member of Complete College America (CCA), an organization that works toward policies and practices that improve degree completion, particularly with an eye toward on-time completion. As part of its association with CCA, the department tracks data showing the length of time to college completion as well as the average number of credit hours attained in pursuit of a degree.

2013-2014 Time and Credits to Degree		
	Average Length of Time to Degree	Average Credits to Degree
Associate Degree-Seeking Students		
<i>Full-Time Students</i>	4.1 years	91.3
<i>Part-Time Students</i>	5.1 years	89.4
<i>Transfer Students</i>	4.3 years	69.8
Baccalaureate Degree-Seeking Students at Research Institutions		
<i>Full-Time Students</i>	4.6 years	143.8
<i>Part-Time Students</i>	4.7 years	153.6
<i>Transfer Students (30 credits or fewer)</i>	5.6 years	130.0
<i>Transfer Students (31-60 credits)</i>	4.4 years	106.0
<i>Transfer Students (60 or more credits)</i>	3.2 years	73.0

Baccalaureate Degree-Seeking Students at Comprehensive Institutions		
<i>Full-Time Students</i>	4.0 years	146.1
<i>Part-Time Students</i>	3.7 years*	121.5
<i>Transfer Students (30 credits or fewer)</i>	5.3 years	118.7
<i>Transfer Students (31-60 credits)</i>	3.7 years	92.2
<i>Transfer Students (60 or more credits)</i>	2.8 years	60.6

Source: HED Complete College America Submissions

*Some students may enter a postsecondary educational institution with prior credits but did not transfer directly from one institution to the next and are therefore not classified as transfer students.

Based on the data provided by HED, it appears students transferring from one institution to another with fewer than 30 credit hours take longer periods of time and more credit hours to complete their degree programs. Revising transfer modules to more closely match lower-division course requirements, requiring articulated credit hours to count toward graduation, and developing meta-majors may help these transfer students complete their degrees in a more timely manner.

UNM’s efforts to map out degree requirements and align credit hours required for graduation with peers in other states are expected to result in savings to students. An August 2016 report indicates that by shifting 50 of its programs to 120 credit hour graduation requirements, along with reductions in other programs as deemed appropriate in working with faculty, the university anticipates each graduating class will achieve \$10.3 million to \$16.4 million in savings. The university estimates a reduction of one year of coursework at UNM equates to \$5,500 in student loan debt savings; a reduction of two years equals \$300 thousand over the course of a student’s lifetime, according to UNM estimates.

At UNM, average total credit hours accumulated at the university by graduating baccalaureate students during academic year 2015-2016 ranged from 138.7 in the School of Architecture and Planning to 174.7 credit hours in the School of Medicine. UNM anticipates these numbers will decline beginning in 2019 because some of the changes only affected incoming freshman cohorts.

NMICC views this bill as “effectively improving conditions for the state’s college students by ensuring they are on a path to on-time graduation and taking courses relevant to their degree program.” NMICC suggests the bill will provide students with focus, clarity, and a clear sense of what is required of them in order to transfer from one institution to another.

NM Tech analysis notes some fundamental general education curricular differences exist due to differing university missions or accreditation requirements. NM Tech provides the example of mathematics general education requirements – at a comprehensive institution, the requisite freshman math course could be College Algebra, but at NM Tech freshmen are required to take Calculus I or higher. HED has indicated this can be addressed through wording on general education guidelines by specifying a general education course as “College Algebra or higher.” This would allow a student to transfer from NM Tech to another institution and receive credit toward graduation; however, a student transferring from a comprehensive institution to NM Tech would not receive credit toward graduation until the student passes Calculus I.

ENMU supports the amendments in the bill concerning transfer of credits between higher

education institutions. However, the institution expressed concerns about the amount of time and effort necessary to implement the proposed changes (see Administrative Implications).

CNM supports the amendments to the bill aligning associate and baccalaureate general education core requirements, noting this encourages students to complete a minimum of one year of general education courses and, in combination with fully transferable general education core courses, will encourage students to attend more cost-efficient institutions prior to transferring.

PERFORMANCE IMPLICATIONS

For FY18, LFC and the Department of Finance and Administration agreed to add a performance measure pursuant to the Accountability in Government Act for the average length of time it takes degree-seeking, first-time, full-time students to earn a degree. Data are not yet available, as FY18 is the first year in which the measure is being reported. This measure does not include metrics for transfer students.

ADMINISTRATIVE IMPLICATIONS

ENMU notes nearly every postsecondary educational institution in the state utilizes administrative software called BANNER. Changing the course numbering system will require changes to this software system, according to ENMU. Regardless of action taken on HB 108, current statute requires HED to develop a common course numbering system by August 1, 2017 for courses identified as substantially equivalent lower-division courses.

ENMU suggests a working group be established to determine the appropriate timeframe for implementing the changes proposed in HB 108.

WNMU notes meta-majors, transfer modules, and other components of the bill are to be determined by HED. WNMU notes concerns about inclusivity in this process. If HED implements the provisions of HB 108 through the rulemaking process, stakeholders are likely to have input in the process.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB 108/aHSIVC/aHEC duplicates SB 103/aSEC/aHEC. SB 208 would require certain Advanced Placement courses to be accepted for college credit in New Mexico.

POSSIBLE QUESTIONS

Will HED implement the provisions of the bill by amending administrative code?

TD/jle/al/sb