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LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
56th Legislature, 1st Session, 2023

Bill Number	<u>SB151</u>	Sponsor	<u>Pope</u>
Tracking Number	<u>.223459.4</u>	Committee Referrals	<u>SEC/SFC</u>
Short Title	<u>Graduate Scholarship Act Changes</u>		
Analyst	<u>Hathaway</u>	Original Date	<u>2/11/23</u>
		Last Updated	<u></u>

BILL SUMMARY

Synopsis of Bill

Senate Bill 151 (SB151) amends the Graduate Scholarship Act—an existing act that provides scholarships for graduate students—by amending eligibility criteria, changing the award amount that can be received, and adding a requirement that scholarship recipients work in New Mexico for one year after completion of their degree.

The effective date of the bill is July 1, 2023.

FISCAL IMPACT

The bill appropriates \$5 million from the general fund to the Higher Education Department (HED) for expenditure in FY24. Any unexpended or unencumbered balance remaining at the end of FY24 shall revert to the general fund.

Higher education institutions that provided analysis of SB151 did not include estimates about how many of their students would qualify for the scholarship given these proposed statutory changes. Because tuition and fees for graduate programs vary among institutions, as well as the specific program of study, it is difficult to determine exactly how many students from various higher education institutions may benefit from this scholarship. The Higher Education Department (HED), in its analysis of SB151, however, reported the average amount of tuition and fees of graduate programs per semester in FY23 is \$5,765. This would mean the average per-year cost of graduate programs is \$11,530. With an appropriation of \$5 million, approximately 433 students could receive this award annually, pending other eligibility criteria. This average cost, however, may not reflect actual costs of at least some graduate programs in New Mexico.

SUBSTANTIVE ISSUES

SB151 makes several changes to the Graduate Scholarship Act. A summary of changes by each section of the bill is noted below:

- **Section 1** amends the definition of “academic year” to mean two semesters or other comparable units, amends the definition of “eligible institution” to mean any graduate-degree granting New Mexico state university accredited by the higher learning commission, and excludes from the definition of “graduate and professional field” any program of study in medicine, law, or nursing. Current statute already excludes medicine from the definition of “graduate and professional field,” so SB151 expands the exclusions.
- **Section 2** amends initial eligibility criteria for an award pursuant to the Graduate Scholarship Act in several ways:
 - Requires priority to be given to students who are New Mexico residents with the greatest financial need and students from those groups underrepresented in graduate education;
 - Requires a student to have earned a bachelor’s degree from a New Mexico state university and have maintained an undergraduate grade point average of 3.0 or higher, on a 4.0 scale, or to hold a paid position supporting faculty teaching or research activities;
 - Requires that an award recipient has met admission requirements and enrolls in at least six credit hours; and
 - Requires that an award recipient comply with any other rules adopted by HED.
- **Section 3** outlines criteria for continuation of an award, amending law to require award recipients to maintain a grade point average of 2.5 or higher on a 4.0 scale. This section also prohibits a graduate scholarship from being awarded to anyone has already received a professional or graduate degree or who has received the graduate scholarship four times already.
- **Section 4** changes the allowable amount of scholarships to be no more than “one hundred percent of tuition and fees” in place of the current cap of \$7,200 per year.
- **Section 5** amends language to be consistent with definitions used in other parts of the bill.
- **Section 6** adds a new section of law to the Graduate Scholarship Act to require a contract between the scholarship recipient and the department and to require a recipient of the scholarship to be employed in New Mexico in the field in which they received a graduate degree for a minimum of one year following completion of their degree. This section also includes contingency language if the contract is not fulfilled that would convert the scholarship funds to a loan and to give HED the authority to sue for any balance due.

Education Considerations. Provisions of the bill would allow several professionals that work in school settings to enroll in graduate programs to either gain the education necessary to hold such positions or to further their professional learning. As SB151 only excludes degrees in medicine, nursing, or law, there are several graduate programs that school personnel could enroll in including graduate degrees in education, counseling, social work, school administration, and so forth.

National research demonstrates teacher professional learning should be content focused, promote hands-on-experiences in the classroom, foster collaboration, and implement best practices. Pursuing a graduate degree in education is one option teachers have for professional learning. Under provisions of SB151, eligible teachers could receive a scholarship to pursue a graduate degree in education. Additionally, earning a master’s degree is one option for a teacher to advance their licensure from a level II teaching license to a level III teaching license under New Mexico’s three-tier licensure system.

ADMINISTRATIVE IMPLICATIONS

New Mexico State University (NMSU) notes SB151 does not clarify criteria for higher education institutions to use to determine how much funding students may receive. NMSU also reports the requirement that recipients live and work in New Mexico following graduation may pose an administrative burden for HED and higher education institutions to verify employment.

Eastern New Mexico University (ENMU) noted that few, if any, students would apply given the added requirement of employment in New Mexico in the field of the graduate degree.

UNM notes it has established processes for managing the graduate scholarship fund resources and would not need additional staff to administer this award. UNM did note a need for additional staff time to re-evaluate and update current monitoring reports and processes. UNM also notes the changes to the Graduate Scholarship Act create an unclear order of operations when it comes to reporting, maintaining, and enforcing the scholarship's academic criteria and any route for appeal.

TECHNICAL ISSUES

Section 3 of SB151 requires that the student remains in “good academic standing” as determined by the institution, and goes on to say “and maintains a grade point average of 2.5 or higher on a 4.0 scale.” In its analysis of SB151, UNM notes that it requires a grade point average of 3.0, which could be in conflict with the statutory change to define this at a 2.5 grade point average.

OTHER SIGNIFICANT ISSUES

The analysis of SB151 from UNM includes the following information:

“Section 3.B excludes most doctoral students, many of whom hold master’s degrees, and it also excludes any student returning to graduate school who might already hold a post-secondary degree. [Section 6] would have a profound negative impact on graduate students in fields with limited employment opportunities in the state.”

“UNM Graduate Studies voices considerable concern about the new language that requires employment in the field for at least a year under the penalty of transferring the scholarship to a loan amount and making the student subject to litigation. UNM Graduate Studies also voices considerable objection that doctoral students, who tend to already hold a master’s degree, are not eligible for the award as the current language of Section 3.B indicates.”

RELATED BILLS

Relates to Senate Bill 149, Study Free Tuition for Certain Programs, which makes an appropriation to the Higher Education Department (HED) to conduct a study to determine the feasibility of providing free tuition to graduate students in psychology, psychiatric nursing, social work, and counseling programs in exchange for students making a commitment to practice in New Mexico for at least four years following graduation.

Relates to Senate Bill 307, Licensed Teacher Prep Affordability, which expands eligibility of the Teacher Preparation Affordability Scholarship to include a licensed teacher who is pursuing a graduate degree.

SOURCES OF INFORMATION

- LESC Files
- University of New Mexico (UNM)
- Eastern New Mexico University (ENMU)
- New Mexico State University (NMSU)

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