LFC Requester:

Jorgensen

AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

<u>AgencyAnalysis.nmlegis.gov</u> and email to <u>billanalysis@dfa.nm.gov</u> (Analysis must be uploaded as a PDF)

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

| Date Prepared: | January 20, 2025 | Check all that apply: | | |
|---------------------|------------------|-----------------------|------------|--|
| Bill Number: | HB64 | Original _ <i>x</i> | Correction | |
| | | Amendment | Substitute | |

| Sponsor: | Chavez | Agency Name and Code Number: | NM Independent Community Colleges 994 |
|----------|-------------------------------|------------------------------------|--|
| Short | Expand Post-Secondary Tuition | Person Writing Phone: | Vanessa K. Hawker |
| Title: | Eligibility | | Email _vhawker@hawkerhynson.com |

SECTION II: FISCAL IMPACT

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

| | FY25 | FY26 | FY27 | 3 Year Total Cost | Recurring or Nonrecurring | Fund Affected |
|-------|---------------------------------|---------------------------------|---------------------------------|-------------------------|------------------------------|-------------------------------------|
| Total | <indeterminate></indeterminate> | <indeterminate></indeterminate> | <indeterminate></indeterminate> | | R | Institutions' Tuition Revenue |
| | <indeterminate></indeterminate> | <indeterminate></indeterminate> | <indeterminate></indeterminate> | | R | Opportunity Scholarship |

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

BILL SUMMARY

<u>Synopsis:</u> House Bill 64 (HB64) amends Section 21-1-4.6 NMSA 1978 expanding the population of students who are to be treated as residents of New Mexico regarding tuition and state financial aid. HB64 adds: (a) students who have attended adult basic education courses recognized by the higher education department for the equivalent of two semesters; (b) students who in the preceding two years have earned income in New Mexico and filed New Mexico tax returns on that earned income; (c) students whom the court has found they are covered by the Special Immigrant Juvenile Classification Act.

HB64 has an effective date of July 1, 2025.

FISCAL IMPLICATIONS

The impact of HB64 on the collected tuition revenue received by the members of NMICC is indeterminate but estimated to be minimal.

It is estimated that HB64 would apply to no more than 60 - 200 students attending an NMICC institution. Based upon the requirements of HB64, the actual number of qualifying students would be significantly less.

SIGNIFICANT ISSUES

New Mexico Independent Community Colleges (NMICC) consists of New Mexico's 8 independent community colleges (Central New Mexico Community College, Clovis Community College, Luna Community College, Mesalands Community College, New Mexico Junior College, San Juan College, Santa Fe Community College, Southeast New Mexico College), New Mexico Military Institute, Northern New Mexico College, and Western New Mexico University.

The range of 60 - 200 students was determined as follows:

- New Mexico post-secondary education institutions may waive nonresident tuition for students enrolling in no more than six semester hours in a regular term (5.7.18.10 NMAC). This analysis assumes all part-time students are charged resident tuition regardless of their resident status.
- In Fall 2023 excluding NM Military Institute, just under 42,000 students attended an NMICC institution. NM Military Institute was excluded from this analysis as their incoming freshmen are recent high school graduates.
- Over 72% of community college students are part-time.(U.S. Department of Education).
- This analysis assumes WNMU and NNMC institutions' students are evenly split between full-time and part-time.
- Between 25,000 and 75,000 New Mexico residents are without documentation (Pew Research). This translates to between 1.2% and 3.5% of New Mexico's residents (U.S. Census Bureau population statistics).

While mathematically it appears HB64 could apply to between 60 - 200 NMICC students, any undocumented, nontraditional student would also need to meet one of two other qualifications:

(1) attended adult education courses recognized by the higher education department for the equivalent of two semesters; or

(2) in the immediately preceding two years the student would have had to have earned income in New Mexico and filed New Mexico income tax.

Meeting these qualifications will further reduce the number of students to which HB64 would apply.

HB64 also requires institutions charge resident tuition to individuals who have been have been granted special immigrant juvenile status.

In addition to receiving resident tuition, HB64 provides eligibility to the Opportunity Scholarship for the identified population. Students must meet the Opportunity Scholarship requirements.

ADMINISTRATIVE IMPLICATIONS

The Higher Education Department will need to create administrative rules and department processes to address the provisions of HB64. Post-secondary education institutions will be required to implement processes to comply.