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## FISCAL IMPACT REPORT

ORIGINAL DATE 02/04/09

SPONSOR Gutierrez LAST UPDATED \_\_\_\_\_ HB 448

SHORT TITLE NMSU Chicano Student Outreach SB \_\_\_\_\_

ANALYST Haug

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY09	FY10		
	\$55.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Higher Education Department (HED)  
New Mexico State University (NMSU)

### SUMMARY

#### Synopsis of Bill

House Bill 448 appropriates \$55.0 from the general fund to the Board of Regents of New Mexico State University to hire staff for outreach to and retention of students in Chicano programs.

### FISCAL IMPLICATIONS

The appropriation of \$55.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of Fiscal Year 2010 shall revert to the general fund.

### SIGNIFICANT ISSUES

The HED states that this request was not submitted by NMSU to the HED for review and is not included in the Department's funding recommendation for FY10.

The LFC Appropriation Recommendations, Volume II, pages 364-365 states:

The committee has concerns about the growth of research and public service projects within the higher education budget, as well as the alignment of these projects with state goals and strategic

plans. The committee also continues to have significant concerns about accountability and performance outcomes for these projects.

The committee recommendation reduces funding included in the HED request by varying levels from FY09 funding amounts for research projects, public service projects and P-20 pipeline projects focusing on students.

With respect to special projects, higher education institutions advanced 114 proposals for new projects and expansions at a total general fund cost of \$54 million during the HED budget request process in fall 2008.

According to the December 2008 revenue estimate, FY10 recurring revenue will only support a base expenditure level that is \$293 million, or 2.6 percent, less than the FY09 appropriation. All appropriations outside of the general appropriation act will be viewed in this declining revenue context.

The Executive Budget in Brief notes that over the years more than 300 RPSPs have been created, accounting for a large portion of institution budgets. The current RPSPs were reviewed while considering the relevance of the project to the core mission of the institution, the community benefit and the outcomes associated with each project. (Budget in Brief and Policy Highlights, P 9-10.)

The HED notes that The Chicano Program at NMSU offers assistance in navigating a complicated and unfamiliar university environment for Latino students and first generation college students of Latino descent. The primary goal is to help qualified students overcome any cultural or institutional barriers that may prevent them from enrolling in the university and graduating with a four-year degree. This program supports recruitment and retention of Chicano and U.S Latino students.

NMSU states:

The retention rate for first-time non-minority freshman to their second year of college at NMSU has been between 75%-76% in the last 4 years. The retention rate for the Hispanic freshmen has been between 69%-75% in the same period. A cohort of 28 first time-Hispanic freshmen at NMSU who accessed various services was tracked in the academic year of 07-08. Students in this cohort were retained at a rate of 79%. This cohort was tracked before the program received legislative funding for a full-time Assistant Director. Funding in this fiscal year for a full-time Assistant Director has allowed the program to provide more access to students and to support their needs.

Chicano Programs also provides support and leadership development to 12 student organizations and is involved with various agencies and departments on campus and in the community. The increase in staff has enabled Chicano Programs to reach out to more students of all ethnic and racial backgrounds and enable them to stay in school and maximize the effectiveness of the Lottery and other New Mexico Scholarships.