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FISCAL IMPACT REPORT

SPONSOR Ferrary/Bash/
Stansbury ORIGINAL DATE 02/01/21 LAST UPDATED _____ HB 133

SHORT TITLE College Hunger Reduction Pilot Program SB _____

ANALYST Valenzuela

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY21	FY22		
	\$100.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Higher Education Department (HED)

SUMMARY

Synopsis of Bill

House Bill 133 appropriates \$100 thousand from the general fund to the New Mexico Higher Education Department for the purpose of piloting a project to reducing college hunger.

FISCAL IMPLICATIONS

The appropriation of \$100 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY22 shall revert to the general fund.

SIGNIFICANT ISSUES

Several national studies reveal a widening postsecondary attainment gap contributes to growing economic inequality. The same studies illustrate a household income's outsized influence on student success; top performing low- and middle- income students earn bachelor's degrees at the same rate as low-performing students from high-income households.

HB133 is silent on the parameters of a pilot project, presumably to allow HED latitude to define the parameters.

Recent surveys by UNM and NMSU have been completed to quantify the scope of food insecurity on university campuses. According to UNM's study¹, 32 percent of respondents reported being food insecure. A 2019 U.S. General Accounting Office (USGAO) report on *Food Insecurity* addressed substantial variation in similar surveys across the country.² Of note, the GAO cautioned policymakers on applying the results of these broad surveys to significant multidimensional societal issues like food insecurity. To elaborate, when asked by GAO, students and institutions alike reported being unfamiliar with federal and state programs designed to assist with food and housing insecurity.

Higher education institutions capture important financial indicators about students – if used in an actionable manner to support students – that could serve as an early warning system to act, such as outstanding balances, sudden class withdrawals, or declining academic performance. A LFC January 2020 *Student Financial Aid* hearing brief highlighted that students in New Mexico leave more than \$25 million of federal financial aid unused. Stronger student advising and support by institutions could be effective for helping students.

By connecting students to important programs, the GAO report notes colleges and universities are in a strong position to help students. If matched with existing student information, colleges could be transformational in supporting students.

Nationwide, other universities have been aggressive at restructuring their information systems to use this data to help students succeed. Maybe the best example of a disrupter is Georgia State University, a research university located in Atlanta, who works with its data to inform its leadership, in real time, of any potential problems its students may be experiencing. Partnering with a private company, Georgia State – using existing student financial and performance data – began tracking 801 student factors, daily. Using predictive analytics, the University is able to discern if students are attending classes or struggling, withdrawing from courses, or facing challenges. Within 48 hours, Georgia State makes contact with struggling students to triage the problem and work together to ensure the students has the needed supports, including providing short-term financial support. The impact, Georgia State University has doubled its graduation rate since implementing the program.

MFV/al

¹ See Cargas, S. and Dilley, M, *Basic Needs Insecurity at UNM*, 2020 Research Report, September 2020.

² See Larin, K., *FOOD INSECURITY, Better Information Could Help Eligible College Students Access Federal Food Assistance Benefits*, USGAO Report to Congress, December 2018.