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## FISCAL IMPACT REPORT

SPONSOR De La Cruz ORIGINAL DATE 2/15/22  
LAST UPDATED \_\_\_\_\_ HM 52  
SHORT TITLE Study Low-Cost Grad School Student Loans SM \_\_\_\_\_  
ANALYST J.Torres

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY22	FY23	FY24	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>		See Fiscal Implications				

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

Response Received From  
University of New Mexico (UNM)

No Response Received  
Higher Education Department (HED)

### SUMMARY

#### Synopsis of Memorial

HM52 asks that HED study the feasibility of providing low-cost loans to graduate students. HM52 lists the average amounts of national student debt. The bill also lists the statewide average graduate, law, medical and pharmaceutical school debt. HM52 states that after several federal extensions resulting from coronavirus-related relief, loan payments will resume April 30, 2022. It also states: "...borrowers who cannot afford their student loan payments also cannot afford to put food on the table...." According to HM52, the student debt crisis could serve as a deterrent to obtaining the proficiency of a graduate level education in this state.

The requested study is to include: "costs, benefits, funding mechanisms and state resources available." HED is also asked to: "convene a study group of stakeholders," including higher education administrators, instructors, graduate students, and other specified representatives.

HED is to present the findings to the appropriate Legislative committees as of November 1, 2022.

There is no effective date of this memorial. It is assumed that the effective date is 90 days following adjournment of the Legislature.

**FISCAL IMPLICATIONS**

There is no fiscal appropriation to HED for the purpose of conducting this study.

**SIGNIFICANT ISSUES**

UNM states: “HED is currently overburdened and may need financial resources to do such a study. The University of New Mexico’s Financial Aid Office would be able to provide valuable information for such a study”

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

New Mexico higher education students will be directly impacted by the scheduled reinstatement of student loan payments on April 30, 2022.

UNM states: “[i]f If HM52 is not enacted, a study of the feasibility of the state offering low-cost loans to graduate students would not occur.”

JT/al