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FISCAL IMPACT REPORT

SPONSOR Madalena DATE TYPED 01/30/05 HB 221
 SHORT TITLE NMSU Tribal Management Degree Program SB _____
 ANALYST Woods

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	\$500.0			Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to the appropriation for New Mexico State University in the General Appropriations Act. Duplicates SB93

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico State University (NMSU)

New Mexico Commission on Higher Education (CHE) (SB93)

New Mexico Department of Indian Affairs (IAD)

SUMMARY

Synopsis of Bill

House Bill 221 – Making an Appropriation to New Mexico State University for a Tribal Management Degree Program – appropriates \$500,000 from the general fund to the Board of Regents of New Mexico State University for expenditure in FY06 to establish a tribal management degree program through the College of Business Administration and Economics, the College of Extended Learning, and the Southwestern Indian Polytechnic Institute. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

Significant Issues

CHE indicates that the New Mexico Tribal Higher Education Commission and various tribes in New Mexico have been requesting a tribal management degree program from NMSU. In response, the NMSU College of Business Administration and Economics and College of Extended Learning have been in collaboration with the leadership of Southwest Indian Polytechnic Institute (SIPI) to develop a joint program that could be offered via distance education. Activities to be funded in this proposal are start up costs for the implementation of a new degree program and

will generate revenue from the Instruction and General (I&G) higher education funding formula within the General Appropriation Act when students begin enrolling in the program.

NMSU identifies the objectives of the distance education tribal management program as follows:

- Develop in collaboration with SIPI, a distance education tribal management degree program in with a focus on the needs of the American Indian communities.
- Recruit students into the distance education tribal management degree program that are committed to provide effective leadership/management in their communities.
- Increase number of American Indian students transferring from SIPI to NMSU.
- Coordinate with the New Mexico Tribal Higher Education Committee to identify scholarship students.
- Identify best practices to support American Indian students' successful participation in online learning (these practices would also benefit distance education programs for all students).

PERFORMANCE IMPLICATIONS

NMSU suggests that a tribal management degree program positively influences the achievement of New Mexico's goals and objectives for higher education by supporting inter-institutional collaboration and efficiencies, in this case between NMSU and SIPI. It will also increase diversity among New Mexico's higher education students by increasing the number of American Indian first-time students that, in turn, will enhance the undergraduate experience for all students at NMSU. By close collaboration with SIPI and the New Mexico Tribal Higher Education Commission, the tribal management degree program will increase the number of undergraduate transfers from 2-year to 4-year higher education institutions by providing additional student scholarships for American Indian students to obtain a university degree without relocating from their tribal communities. The tribal management degree program will apply and further develop best practices in online learning to support success for American Indian students who are committed to their communities and who are highly motivated to bring effective leadership and management skills to their communities after graduation.

FISCAL IMPLICATIONS

CHE delineates the following appropriation assignments:

NMSU Tribal Management Degree Program Budget	
NMSU: course development, teaching, and marketing	\$300,000
SIPI: course development and teaching	\$100,000
Student scholarships	\$100,000
Total Request	\$500,000

CHE additionally indicates this request was approved by the NMSU Board of Regents in the amount of \$500,000 and submitted to the CHE for review; however the program was not recommended for expansion by the CHE at this time.

The appropriation of \$500,000 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY06 shall revert to the general fund.

ADMINISTRATIVE IMPLICATIONS

NMSU would retain oversight of the program.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Duplicates SB93

Relates to the appropriation for New Mexico State University in the General Appropriations Act.

TECHNICAL ISSUES

NMSU suggests that it has a long history of providing distance education services to New Mexico communities and has effectively demonstrated its capacity to collaborate with tribal governance and local communities to provide online learning in response to that supports local community and tribal needs.

OTHER SUBSTANTIVE ISSUES

IAD notes that while NMSU and SIPI currently provide courses and degrees related to Native American studies and culture, a tribal management degree program would provide Native American students the opportunity to gain the skills and knowledge to effectively manage challenging and complex tribal programs and businesses. Additionally, a tribal management program may include curriculum in tribal government structures, processes and laws, which would prepare students to become managers while at the same time helping the New Mexico tribes enhance their human resources capacity.

BFW/sb