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## FISCAL IMPACT REPORT

**SPONSOR** Campos                      **DATE TYPED** 03/05/05                      **HB** 983

**SHORT TITLE** Tuition Classification of Certain Citizens                      **SB** \_\_\_\_\_

**ANALYST** Williams

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			Indeterminate	Recurring	General Fund --- - higher education funding formula
			Indeterminate	Recurring	General Fund – State Student Financial Aid
			Indeterminate	Recurring	Lottery Scholarship Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

### REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
	Indeterminate		Recurring	Other State Funds – Tuition revenue of institutions

(Parenthesis ( ) Indicate Revenue Decreases)

Relates to Senate Bill 582, House Bill 584 and Senate Bill 482, Senate Bill 546  
Relates to numerous student financial aid and lottery scholarship program bills

### SOURCES OF INFORMATION

LFC Files  
Commission on Higher Education (CHE)

### SUMMARY

#### Synopsis of Bill

House Bill 983 requires non-United States citizens to be classified on the same basis as citizens

when determining tuition rates at state educational institutions included in Article 12, Section 11 of the New Mexico Constitution. Non-United States citizen is defined as a person and the person's children who are not citizens.

### Significant Issues

The bill is targeted to those individuals who are lawfully in the United States. This bill appears to target a different group of students than Senate Bill 582.

In November 2004, the CHE revised its residency regulation (5.7.18 NMAC). One of the changes approved was to delete the former section 5.7.18.9 D. which defined "Non-U.S. Citizen". The language that was deleted from the regulation read as follows: "'Non-U.S. citizen" means persons and their children who are not citizens of the United States shall be classified as residents or non-residents on the same basis as citizens of the United States if they are lawfully in the United States and have obtained permanent resident status from the Immigration and Naturalization Service (INS). Non-citizens on other visas (e.g. diplomatic student, visitors or visiting scholars) shall be classified as nonresidents. Service in the armed forces of the United States shall entitle the noncitizen to be classified as nonresident or resident on the same basis as a citizen.'" The impact of this change was to provide institutions with broader discretion in determining the residency status of prospective students according to the overall residency policy.

### **FISCAL IMPLICATIONS**

The bill does not include an appropriation. Data on the size of the eligible group in New Mexico is currently not available, and the fiscal impact is indeterminate. To the extent this legislation would permit additional non-United States citizens who are legally living in the United States to attend New Mexico post-secondary institutions at resident tuition rates, then the bill could increase general fund expenditures for the higher education system.

### **ADMINISTRATIVE IMPLICATIONS**

CHE notes a revision to rules and regulations governing residency for tuition purposes would be needed if this legislation is enacted.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

See related bills above

### **OTHER SUBSTANTIVE ISSUES**

To evaluate impacts of potential changes to the lottery tuition scholarship program, the legislature may wish to consider requiring an annual review and reporting to the Legislative Finance Committee, Legislative Education Study Committee, Department of Finance and Administration and the Office of the Governor by:

- New Mexico Lottery Authority on revenue situation and outlook and
- Commission on Higher Education on
  - expenditure situation and outlook
  - fund balance situation and outlook

- policy and fiscal impacts of each change to lottery scholarship program enacted by the 2004 legislature

**POSSIBLE QUESTIONS**

1. How would aliens with a visa permitting permanent residence be classified for residency/tuition purposes at higher education institutions under this bill?
2. Would this language apply to international students attending a New Mexico public, post-secondary institution on a student visa?

**AW/yr**