

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill No: HB 846

49th Legislature, 1st Session, 2009

Short Title: College In-State Tuition for Nonresidents

Sponsor(s): Representative Rick Miera

Analyst: Eilani Gerstner

Date: February 28, 2009

Bill Summary:

HB 846 adds a new section of Chapter 21, *State and Private Education Institutions*, to allow state educational institutions to grant competitive scholarships for in-state tuition on a merit basis to out-of-state undergraduate students.

Among its provisions, HB 846 requires that:

- the number of competitive scholarships granted by each institution not exceed 6.0 percent of a state institution's prior year full-time equivalent (FTE) enrollment; and
- the Higher Education Department (HED) adopt and promulgate rules to implement the provisions of the bill.

Fiscal Impact:

HB 846 contains no appropriation.

Issues:

According to HED's analysis of HB 846, the competitive scholarship program, although not specifically referenced in law, was established in 1998 and is currently administered by HED. The analysis states that provisions in current law provide the department with the authority to define resident and nonresident tuition rates.

HED also reports that:

- the department annually sends institutions notification of the number of competitive scholarships they may award based on the institution's undergraduate prior year FTE enrollment;
- currently, except for the University of New Mexico (UNM) and New Mexico State University (NMSU), which each grant 2.5 percent, all other public postsecondary institutions grant 6.0 percent of their prior year undergraduate FTE enrollment in competitive scholarships; and
- this bill would permanently raise the ceiling of allowable competitive scholarship awards at UNM and NMSU from 2.5 percent to 6.0 percent of prior year FTE enrollment.

Related Bills:

None as of 02-28-2009.