

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: HB 472

50th Legislature, 1st Session, 2011

Tracking Number: .185070.1

Short Title: Transfer Approving Division to Higher Ed Dept

Sponsor(s): Representatives Jimmie C. Hall, Thomas A. Anderson, and James P. White

Analyst: Ally Hudson

Date: March 15, 2011

Bill Summary:

HB 472 amends the *Veterans' Services Department Act* and the *Higher Education Department Act* to transfer the State Approving Agency (SAA) for the purpose of veterans' education from the New Mexico Department of Veterans' Services (NMDVS) to the Higher Education Department (HED).

HB 472 includes an effective date of July 1, 2011.

Fiscal Impact:

HB 472 does not contain an appropriation.

Fiscal Issues:

According to an analysis by the Veterans' Service Commission (VSC):

- the SAA is funded through a federal contract;
- the contract will be administered by HED; and
- the federal contract for the SAA is \$166,000 for FY 10, including:
 - salaries;
 - travel cost; and
 - administrative costs.

Substantive Issues:

According to the VSC analysis:

- HB 472 follows the executive order issued by former Governor Richardson transferring the duties of the SAA to HED.
- The majority of states house the SAA within either the public education department or the higher education department.

According to an analysis by HED:

- As of February 19, 2010, HED received the SAA contract from the US Department of Veterans' Affairs (USDVA).
- The NMDVS previously administered the contract, but after discussions between HED and NMDVS, it was determined that HED was the most appropriate state agency to carry out the deliverables of the contract.
- The primary responsibility and focus of the SAA continues to be the review, evaluation, and approval of programs of education and training under state and federal criteria. The programs that can be approved are found in postsecondary educational institutions, vocational and technical schools, apprenticeship programs, other on-the-job training programs, and flight training schools.
- Finally, HED's analysis states, over the past 50 years, SAAs:
 - have become advocates for education and training for veterans and other eligible persons;
 - have become educational partners with the institutions of higher education, facilitating educational opportunities for veterans;
 - have become advocates for the usage of the GI Bill; and
 - have developed a partnership with the federal government.

Background:

HED's analysis explains that, "following World War II, Congress determined that each state should create an agency to approve the educational programs within their borders and to determine which programs were appropriate for veterans to enroll in and utilize their VA educational benefits." Additionally, the analysis indicates, while some states have two or three SAAs, New Mexico has one SAA that approves all school and on-the-job training programs.

HED's analysis further indicates:

- Upon discharge, other than dishonorable, veterans are eligible to receive federal educational benefits through either:
 - a Montgomery GI Bill worth \$30,000 for a period up to 10 years; or
 - the Post-9/11 GI Bill worth \$40,000 for a period up to 15 years.
- According to USDVA, since the original GI bill was enacted in 1944, more than 21.8 million veterans, service members, and family members have received \$83.6 billion in GI benefits for education and training.
- Since its enactment in 1956, the Survivors' and Dependents' Educational Assistance Program has assisted in the education of more than 784,000 dependents of veterans.
- Since its enactment in 1977, there have been approximately 2.7 million veterans, service members, reservists, and National Guardsmen who have participated in the Veteran's Educational Assistance Program.

- In 2008, HED's analysis continues, USDVA provided educational assistance to 336,527 veterans and active-duty personnel; 106,092 reservists and National Guardsmen; and 80,079 survivors and dependents.
- Finally, HED's analysis concludes, NMDVS reports that the state's veteran population (approximately 176,000 individuals) generates an estimated \$426 million in total veterans' affairs compensation benefits for the state. Approximately 3,500 veterans receive educational and vocational rehabilitation funds in the amount of approximately \$32.0 million.

Related Bills:

HB 438a *Create Military War Veteran Scholarship Fund*