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FISCAL IMPACT REPORT

SPONSOR Lente/Johnson/Allison ORIGINAL DATE 2/5/2020
/Roybal Caballero LAST UPDATED _____ HB 136

SHORT TITLE American Indian Student College Readiness Program SB _____

ANALYST Gaussoin

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
	\$650 .0	Recurring	General Fund

*The appropriation is for FY21 and FY22.

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY20	FY21	FY22	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		Indeterminate but likely minimal	Indeterminate but likely minimal		Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to House Bills 134, 137, 138, 139, and 140.

Relates to an appropriation in the General Appropriation Act.

SOURCES OF INFORMATION

LFC Files

Legislative Education Study Committee (LESC) Files

Responses Received From

Higher Education Department (HED)

University of New Mexico (UNM)

SUMMARY

Synopsis of Bill

House Bill 136 appropriates \$650 thousand from the general fund to the Higher Education Department to support a to-be-created American Indian College Readiness Program.

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

The American Indian College Readiness Program would help indigenous high school sophomores and juniors with college applications and admissions, the transition from high school to college, successful college strategies, and accessing college services for indigenous students.

The program would include a summer residential program on a New Mexico college campus.

FISCAL IMPLICATIONS

The appropriation of \$650 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY22 shall revert to the general fund.

HB136 assigns new functions and duties to the HED that would likely increase HED's administrative costs. HED does not estimate these costs.

SIGNIFICANT ISSUES

The *Martinez* and *Yazzie* consolidated lawsuit that found New Mexico is providing an unconstitutionally inadequate public school education focused many of its findings on services to Native American students. LESC reports only 66 percent of Native American high school students graduated on time in 2018, compared with 74 percent of all New Mexico high school students. About 9 percent of all students at New Mexico colleges are Native American, making them slightly underrepresented compared with the state indigenous population. However, LESC notes indigenous students are significantly underrepresented among students attaining four-year degrees, although many complete two-year degrees and other certifications.

If enacted, HB136 will create a college readiness program for American Indian students. This will affect American Indian student college enrollment rates and American Indian student high school graduation rates.

Since 2016, American Indian high school graduation rates have ranged from 61 percent – 65 percent according to graduation data from the New Mexico Public Education Department (NMPED). An American Indian College Readiness program could increase these numbers as well as higher education enrollment for American Indians.

PERFORMANCE IMPLICATIONS

HED notes HB136 does not outline specific performance measures; HED would develop performance measures for the American Indian College Readiness Program in coordination with American Indian tribes and nations in New Mexico.

ADMINISTRATIVE IMPLICATIONS

HB136 assigns new functions and duties to the HED. HED indicates these additional functions and duties would likely increase HED's administrative costs but does not specify a cost.

In addition, not all colleges have the infrastructure in place to manage college readiness programs, raising questions about whether the funds can be used for administration.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HB136 relates to HB134, Funding to Improve Educational Outcomes; HB138, Funding for Yazzie Lawsuit Responses; HB139, Zuni Pueblo Education Improvements; and HB140 Mescalero Apache Education Improvements; all of which propose remedies to Native American education issues raised in the *Martinez* and *Yazzie* consolidated lawsuit. In terms of appropriations, HB134 appropriates almost \$20 million for Native American student supports in state and tribal colleges; HB137 appropriates funds to the Indian Affairs Department for libraries, Internet access, and education projects for Native American nations, tribes, and pueblos; HB139 appropriates funding to IAD for education projects in the Pueblo of Zuni; and HB140, appropriates funding to IAD for education projects at the Mescalero Apache tribe.

The House Appropriations and Finance Committee Substitute for House Bills 2 and 3, the General Appropriation Act, includes a \$6 million appropriation to the Indian education fund but does not make a specific appropriation to HED for an American Indian student college readiness program.

OTHER SUBSTANTIVE ISSUES

UNM indicates funding must be continuous for the program to be successful.

Also from UNM:

Significant issues that may arise would be ensuring that each program provide the basic or same foundation for students across the state, with a curriculum that provides the same high quality programming to prepare students academically and socially to be successful in higher education. Another issue may be providing a consistent cost per student for the program at each institution. Some institutions may already have the foundation and or similar programs in place and will have previous experience in providing a program being proposed. The University of New Mexico has provided college-ready programs for the past 20 years and has excellent success with its residential college readiness programs.

ALTERNATIVES

HED suggests the program could also be funded with federal or private grants, or the state might have other funding sources for an indigenous college readiness program.

UNM points out some colleges and universities have similar programs in place; funding could instead be used to supplement those programs instead of starting a new one.

HFG/sb/al