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FISCAL IMPACT REPORT

SPONSOR Maestas LAST UPDATED 3/1/23
ORIGINAL DATE 2/19/23
BILL
SHORT TITLE Educational Institution Demographic Data NUMBER Senate Bill 465
ANALYST Helms

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT* (dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
		Indeterminate but minimal	Indeterminate but minimal			Educational Institutions, PED, HED operating budgets

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Sources of Information

LFC Files

Responses Received From

University of New Mexico (UNM)
Public Education Department (PED)
Higher Education Department (HED)
New Mexico State University (NMSU)
New Mexico Community Colleges Association (NMCCA)

SUMMARY

Synopsis of Senate Bill 465

Senate Bill 465 (SB465) creates a new act requiring demographic data and data on parent or guardian educational attainment to be collected by educational institutions, defined as any institution receiving funding related to the Public School Capital Outlay Act and any public post-secondary institutions or state educational institutions. The data would be voluntarily collected and reported to the Public Education Department (PED) and Higher Education Department (HED).

The effective date of this bill is July 1, 2023.

FISCAL IMPLICATIONS

This bill does not contain an appropriation.

Any additional reporting requirements will require additional administrative work from any involved institution. The reporting requirements here could have a minor impact on workflows for administrative teams in order to accommodate data collection and could require technical assistance from PED or HED. The bill states these data would be collected on registration or application forms, which would consolidate any additional work. LFC analysis estimates these reporting requirements would not require additional staff and can be absorbed by existing teams.

Analysis from University of New Mexico (UNM) estimates “zero to minor administrative costs.”

SIGNIFICANT ISSUES

SB465 would codify and potentially expedite some aspects of data collection across institutions of higher education, as currently, some higher education institutions may or may not have systems for collecting data on parent or guardian education levels, and collecting this information has been discussed at HED (HED analysis notes, “HED has been discussing the importance of this data element for several years, and may add it to eDEAR in response to the planned review of the at-risk measure in the State Funding Formula planned for FY24”). Additionally, any student who fills out FAFSA for their post-secondary institution provides information on parental education levels, but a school can choose if they track or store this information in a useful or systematized capacity.

Analysis from UNM notes:

This information is already requested by the University of New Mexico on the undergraduate application for admission. It is not requested on the graduate application for admission. If this bill passes, the New Mexico Higher Education Department may provide new or additional guidance on how this data is collected and/or reported.

Any federal or non-profit grant process at statewide or institutional levels requires data on student populations. Requiring data collection on parent or guardian educational attainment can have significant, positive impact for New Mexico’s access to federal grants pertaining to first-generation college student populations. Journals including the *Review of Educational Research*, *Race Ethnicity and Education*, and *Teachers College Record* have quantitative studies showing data on first-generation college students, when used correctly, can help support students and allow colleges to systemically address how parental education may impact present student outcomes.

Analysis from HED on SB465 notes the bill is clear in explicitly prohibiting reporting demographic data that would permit identification of individuals or result in statistical unreliability, and the bill specifies institutions can use this data only for analyzing demographics, improving quality of service, conducting approved research, fulfilling reporting requirements, fulfilling funding requests from federal and private entities, or guiding policy and funding decisions.

Additional analysis from HED specifies how SB465 would coincide with current data collection processes and notes SB465 is consistent with federal privacy protections:

The NMHED has discussed the value of collecting parental education level data on eDEAR for several years. Students who are first-generation college goers in their family often have a more difficult time adjusting to college than students whose parents are college graduates. Being able to identify first-generation students would provide another way to flag students who might be at-risk so that additional support services could be provided to help them succeed.

The NMHED and all institutions are governed by the Family Educational Rights and Privacy Act (FERPA), which ensures the privacy and confidentiality of student data. The protections of this information listed in HB465 are consistent with FERPA and would not require any changes in how institutions keep and protect student data. The NMHED collects data from all public Higher Education Institutions (HEIs) in New Mexico through its Electronic Data Editing and Reporting System (eDEAR). New fields are added to eDEAR as needed, and institutions are normally given up to a year before being required to report in the new fields so that they have time to make the necessary internal changes. If HB465 was to pass, this process could start on July 1, 2023, but it would likely be up to a year before this data could be collected. Institutions could start to collect this information for all new students, but unless they surveyed all currently enrolled students, the information would only be available for the new enrollees.

Data from UNM shows New Mexico institutions have a significant first-generation (students who are the first in their families to attend college) population. Analysis from UNM notes:

New Mexico post-secondary institutions serve students coming from diverse backgrounds related to educational attainment. Some researchers and programs use parent/guardian educational attainment data to evaluate and guide efforts and interventions intended to retain students and promote degree attainment. This data is required or improves competitiveness for certain external programs and grants.

In 2022, UNM was declared a First-generation Forward Institution by the Center for First-gen Student Success. The designation recognizes institutions of higher education who have demonstrated a commitment to improving experiences and advancing outcomes of first-generation college students. UNM has specific resources available to support First-gen students, including the College Enrichment Program (CEP) where advisors support students with any questions, concerns, or challenges. Similarly, the Peer Learning Facilitator program hires students that are low-income, First-gen, or both, to assist in classrooms. The program enables undergraduate students to help others with in-class work or prep, while providing instructors with insights into how to help students succeed. After two successful years in the First-gen Student Success program, institutions are eligible to apply for the Advisory leadership designation.

ADMINISTRATIVE ISSUES

HED and all public higher education institutions would need to ensure that they had database changes, data collection changes, and reporting changes in place to implement HB465.

TECHNICAL ISSUES

Analysis from HED notes SB465 doesn't include some schools that HED includes within its own data collection:

The bill specifies that the educational institutions targeted are (1) those receiving funds pursuant to the Public School Capital Outlay Act, which would presumably embrace all school districts and public schools; and (2) postsecondary institutions and state educational institutions named in Article 12, Section 11 of the state Constitution. Those entities include the NM School for the Deaf and the NM School for the Blind and Visually Impaired, all four-year State Higher Education Institutions and their two-year branches, and NM Military Institute.

Not listed in the Constitution are the independent community colleges: Central New Mexico, Clovis, Luna, Mesalands, and Santa Fe Community Colleges, and Southeast New Mexico College, San Juan College, and New Mexico Junior College.

The eDEAR data collection by the NMHED applies to all public higher education institutions in New Mexico and would also apply to the non-constitutional institutions.

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