

FINANCIAL AID PROGRAMS FOR NEW MEXICO EDUCATORS



NEW MEXICO
HIGHER EDUCATION
DEPARTMENT

Fostering Student Success from Cradle to Career



TEACHER LOAN REPAYMENT PROGRAM

The Teacher Loan Repayment Program aims to increase the number of teachers in designated high-need teacher positions in public schools. The program provides for repayment of the principal and interest accrued on loans obtained from the federal government for teacher education purposes. The program provides **up to \$6,000 per year toward outstanding student loan debt** for licensed teachers in high-need areas across New Mexico, including:

- Bilingual education
- Early childhood education
- Special education
- High-need population schools
- Science, technology, engineering, or math (STEM)
- Career technical education (CTE)

PROGRAM DATA

	FY 21	FY 22 (Preliminary)
Awardees	156 new, 184 renewals	444 new, 140 renewals
Expenditure	\$1,577,714 (Year 1 and 2 awards)	\$3,400,000 (estimated)
Average Award	\$4,640 per year for two years	\$6,000 per year for two years (est.)
Average Awardee Debt	\$42,450	\$48,785

Note: The agency is requesting HB2 Budget Adjustment language to fully fund all awardees with an additional \$1.4 million (current FY 22 budget at \$2 million) and a fund balance transfer to fully fund the program next year (FY 23 request at \$5 million).



TEACHER PREPARATION AFFORDABILITY SCHOLARSHIP PROGRAM

The Teacher Preparation Affordability Scholarship incentivizes eligible New Mexico students to attend and complete an accredited Public Education Department-approved teacher preparation program at a state public or Tribal higher education institution in New Mexico. The scholarship helps to defray educational expenses including tuition, fees, books and course supplies, and living expenses. Students may receive **up to \$6,000 per year to cover educational expenses**. Colleges and universities are allocated funding based on the available budget and projected enrollment for the fiscal and academic year.

FY 21 PROGRAM DATA

2,169 Scholarships awarded (913 Fall 2020; 1,256 Spring 2021)

Expenditure: \$4,904,237 (budgeted \$5 million)

Note: Award data for FY22 is not yet available. The agency is requesting a fund balance transfer of \$5 million for the Teacher Preparation Affordability Scholarship in FY 23.



STRENGTHENING THE TEACHING CAREER PIPELINE

- The number of teacher vacancies in New Mexico increased from 571 in 2020, to 1,048 in 2021. *
- In 2020, 927 students completed an educator preparation program in New Mexico.
- According to a report by the Learning Policy Institute, the financial incentives offered by service scholarships enhance the attraction to teaching and support stronger preparation by eliminating student debt payments, while improving candidates' preparedness. **

* Southwest Outreach Academic Research Evaluation and Policy Center (2021).

** Sutchter, Hammond, & Thomas (2016). A coming crisis in teaching? Teacher supply, demand, and shortages in the U.S. Learning Policy Institute.

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GROW YOUR OWN TEACHERS SCHOLARSHIP PROGRAM

The “Grow Your Own Teachers Act” provides opportunities for school employees to pursue careers in teaching in New Mexico by providing scholarship opportunities for them to pursue bachelor’s degrees in education at a public and Tribal higher education institution. Students may receive **up to \$6,000 per year to cover educational expenses**. The program also provides for professional leave to qualified school employees. Colleges and universities are allocated funding based on the available budget and projected enrollment for the fiscal and academic year.

FY 21 PROGRAM DATA

48 students awarded

Total expenditure: \$112,703

Average award: \$2,223

Note: Award data for FY 22 is not yet available. The agency is requesting \$500,000 for the Grow Your Own Teachers Scholarship in FY 23.

NEW MEXICO HIGHER EDUCATION DEPARTMENT

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TEACHER LOAN-FOR-SERVICE PROGRAM

The Teacher Loan-For-Service Program was created to proactively address New Mexico’s teacher shortage by providing students with financial resources to complete or enhance their postsecondary teacher preparation education at a public college or university in New Mexico.

The program has largely been superseded by the Teacher Preparation Affordability Scholarship. In FY 21 and FY 22, only one qualified applicant was awarded due to a lack of program demand with the Teacher Loan Repayment Program in place. The FY 22 final budget only appropriated \$4.8 thousand for FY 22. Moreover, **between FY 09 and FY 20, 67% of students receiving loans under the Teacher Loan-For-Service Program defaulted** – meaning students in the teacher preparation program could not pay back their loan to the state. Due in part to these persistently high default rates, a 2015 Legislative Finance Committee report recommended the Legislature repeal the Teacher Loan for Service Act and transfer any cash balances to the Teacher Loan Repayment Fund.



JOINING FORCES FOR TEACHER RECRUITMENT & ADVANCEMENT

- Alongside our sister education agencies, we are working to aggregate information about teacher education and training opportunities such as teacher residency and cohort programs.
- The Ready NM workforce initiative in partnership with the Department of Workforce Solutions connects New Mexicans with career opportunities in education. Learn more at Ready.NM.gov.



NEW MEXICO
Early Childhood
Education & Care Department



FINANCIAL AID PROGRAMS FOR ALL NEW MEXICANS



NEW MEXICO
HIGHER EDUCATION
DEPARTMENT

Fostering Student Success from Cradle to Career

GOAL: ENSURE COLLEGE AFFORDABILITY FOR ALL NEW MEXICANS

Establish an all-encompassing, comprehensive free college package for all New Mexicans looking to enroll in training and education programs.



COMPREHENSIVE FREE COLLEGE PACKAGE FOR ALL NEW MEXICANS

New Mexico currently has two financial aid programs that cover the complete cost of tuition – the Opportunity Scholarship and the Lottery Scholarship. The Opportunity Scholarship goes beyond to cover **all tuition and fees** for students who are not Lottery-eligible, covering a multitude of New Mexicans.

The agency is working to develop a comprehensive free college package in New Mexico that will set a national model and example. The goal is simple: whether you are a recent high school graduate, a veteran, someone who lost the Lottery Scholarship, or a New Mexican looking to advance your education while working part time or full time, you can go to college tuition free.

FY 21 PROGRAM DATA

Lottery Scholarship: 15,440
Opportunity Scholarship: 6,000 (estimated)
Total expenditure: \$50.6 million

Note: Award data for FY 22 is not yet available. The agency is requesting \$73 million to support both programs in FY 23.



ISABEL SAENZ, NURSING Western New Mexico University

"I'm a single mother, so it's hard. The hardest thing has also been balancing work and school, but I'm always trying to be an example for my kids, so that's the reason I'm back in school. The scholarship really helped me to be able to go back to school."



FACTS: BENEFITS OF FREE COLLEGE

- Median earnings for associate degree holders working full time are 24% higher, and for bachelor's degree holders are 61% higher than individuals with only a high school diploma.
- Unemployment rates are 2.8% for associate degree holders, 2.1% for bachelor's degree holders, and 4.1% for those with a high school diploma.

OPPORTUNITY SCHOLARSHIP

The Opportunity Scholarship was funded at \$18 million for FY22 and increased from \$10 million in FY21. The program was expanded to include certificates and four-year degrees. Additionally, the scholarship benefited part-time students, one of the only state scholarships in the nation to do so.

**\$18
MILLION**
FOR THE
OPPORTUNITY
SCHOLARSHIP
FY 22

LOTTERY SCHOLARSHIP

The Lottery Scholarship was funded at 100% in 2021 for the first time since 2015 at \$63.5 million for FY 22, over a 30% increase from FY 21. Eligibility also expanded to students at Tribal colleges (FY 20) and home school graduates without needing to take a high school equivalency exam (FY 22).

**\$63.5
MILLION**
FOR THE
LOTTERY
SCHOLARSHIP
FY 22