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FISCAL IMPACT REPORT

SPONSOR:	Crook	DATE TYPED:	02/06/00	HB	226
SHORT TITLE:	Definition of Resident Student			SB	
				ANALYST:	Pacheco-Perez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
	NA		See below	Rec	GF

(Parenthesis () Indicate Expenditure Decreases)

Duplicates SB128

SOURCES OF INFORMATION

Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

This bill amends the definition of resident student for the purposes of assessing in-state tuition at the state's public post-secondary institutions, expanding it to include foreign nationals assigned to armed forces active duty in New Mexico.

Significant Issues

Given that non-resident tuition waivers for FY00 cost the state \$31.3 million, the CHE does not recommend expanding waivers at this time. Tuition waivers provide a mechanism for subsidizing the cost of education for non-resident students. The cost is comprised of two components: 1) the cost to the institution in foregone tuition revenue, and 2) the cost to the state by having these students treated as residents in the funding formula.

FISCAL IMPLICATIONS

While this bill does not make an appropriation, the estimated impact is \$5,447 per university student and \$972 per community college student. The existing military waiver program which provides resident rates for U.S. citizens on active duty in New Mexico costs the state \$3.1 million.

DUPLICATION

This bill duplicates Senate Bill 128.

APP/njw