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FISCAL IMPACT REPORT

ORIGINAL DATE 01/27/10
LAST UPDATED 02/02/10 **HB** 90

SPONSOR Begaye

SHORT TITLE Native American Schools Dual Credit Program **SB** _____

ANALYST Hoffmann

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY10	FY11		
	See narrative		

(Parenthesis () Indicate Expenditure Decreases)

HB 90 relates to SB 114 Dual Credit Text Book Fund.

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY10	FY11	FY12	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total		See narrative				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Indian Affairs Department (IAD)
 Public Education Department (PED)
 Higher Education Department (HED)

SUMMARY

Synopsis of Bill

House Bill 90 would amend the State dual credit statute to allow students attending federal Bureau of Indian Education (BIE) high schools in New Mexico to earn dual credit from higher education institutions, including accredited tribal colleges located within New Mexico. This would afford Bureau of Indian Education (BIE) high school students the same college credit opportunities as students in New Mexico public school districts, charter schools, and other state-supported schools that currently participate in the Statewide Dual Credit Program. Participating BIE schools would be responsible for textbooks, while Tribal colleges (Diné College, Institute of American Indian Arts, Navajo Technical College and the Southwestern Indian Polytechnic Institute) would be responsible for waiving tuition and general fees associated with the Statewide

Dual Credit Program. Eligible BIE high school students would be responsible for arranging transportation to the site of the dual credit course and returning textbooks to the BIE School.

FISCAL IMPLICATIONS

Increased participation in dual-credit courses by adding BIE high school students would appear to have some fiscal impact on the costs of the colleges that choose to participate in the program and waive tuition fees. The PED does not publish enrollment numbers for dual-credit courses, but the high schools that participate in the dual credit program are required to pay for the costs of textbooks and supplies.

Under the current statute, PED and HED are required to make annual reports that require comprehensive data collection from all participants. At this time, PED, HED, BIE schools and tribal schools do not have such a system in place. If the PED were required to develop a system for reporting about the BIE-enrolled students, the estimated cost is about \$200.0 to develop and implement the software, in addition to providing continuous trainings for BIE schools to produce reliable electronic data. The state has submitted a State Longitudinal Data System grant that if funded will be able to provide this resource for expanding the data system requirements.

SIGNIFICANT ISSUES

The IAD states that this amendment is an effort to encourage more Native American students to pursue post-secondary education in New Mexico. The IAD provides further detail as follows.

Currently, “New Mexicans of American Indian ancestry participate less often and less successfully in higher education than do other groups.”¹ Even when American Indians do enroll in public higher education institutions, “many first-time American Indian college students are placed in remedial courses that offer no credit.”² According to the Ready for College 2008 report on remedial classes in New Mexico, American Indian high school graduates had the highest percentage of participation in remedial classes (68%) in 2007 compared to all other ethnicities.³ A 2007 report conducted by the Higher Education Department also indicated that Native American Indian enrollment in higher education institutions in New Mexico is 11,6134; however, only forty percent (40%) of those Native Americans are graduating from those institutions.⁵

In contrast, statistics indicate that American Indian students who enroll in tribal colleges are more likely to graduate than those who attend public college and universities, “due to the support of family, extended family, and a college student population that reflects their culture and identity.”⁶ House Bill 90 seeks to provide an additional mechanism to help Native American students access and succeed in higher education.

¹ See, “State of New Mexico Tribal-State Indian Education Summit Report,” Released June 21, 2006, 14, <http://hed.state.nm.us/cms/kunde/rts/hedstatenmus/docs/435779890-12-02-2009-09-19-16.pdf>.

² *Ibid.*

³ See, “Ready For College 2008: An Annual Report On New Mexico High School Graduates Who Take Remedial Classes In New Mexico Colleges And Universities” NM Office of Education Accountability, August 2008, 12, <http://hed.state.nm.us/cms/kunde/rts/hedstatenmus/docs/749882587-08-25-2008-15-55-21.pdf>.

⁴ See, “American Indian Students in Higher Education and the Indian Education Act,” <http://hed.state.nm.us/cms/kunde/rts/hedstatenmus/docs/799100768-11-08-2007-11-03-02.pdf>.

⁵ *Ibid.*

⁶ See, “State of New Mexico Tribal-State Indian Education Summit Report,” Released June 21, 2006, 15, <http://hed.state.nm.us/cms/kunde/rts/hedstatenmus/docs/435779890-12-02-2009-09-19-16.pdf>.

ADMINISTRATIVE IMPLICATIONS

The IAD is concerned that the State dual credit statute currently requires post-secondary educational institutions to waive all general fees for dual credit courses. The New Mexico Higher Education Department would revise their procedures for the State's higher education funding formula to compensate for the waived fees. House Bill 90 would include tribal colleges in this directive. However, as tribal colleges are not currently included in the State higher education funding formula, it is unclear how they would be compensated for waiving their general fees for dual credit courses. HED would need to revise the state higher education funding formula to include tribal colleges or find some other reimbursement mechanism in order to compensate tribal colleges for any costs associated with waiving fees. Additionally, it would be at the discretion of the tribal college, if owned by a sovereign Indian nation, tribe, or pueblo, to allow students to take dual credit courses at their institution and to waive fees for these courses.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 90 relates to Senate Bill 114, titled the "Dual Credit Text Book Fund." The IAD notes that if the state dual credit statute was amended to include dual credit eligibility for students attending BIE high schools in New Mexico, Senate Bill 114 would still preclude BIE schools from being eligible to receive state funds to provide textbooks and supplies to their students participating in dual credit programs.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Native American high school students from federal BIE high schools would be unable to earn dual credit for high school and post-secondary classes at tribal colleges and public post-secondary educational institutions in New Mexico.

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