Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

# FISCAL IMPACT REPORT

SPONSOR	Cote	ORIGINAL DATE LAST UPDATED	01/25/10 <b>HJM</b>	_1
SHORT TITI	LE Study Uniform Mi	litary Credit at NM Coll	eges SB	
			ANALYST	Pava

# **APPROPRIATION (dollars in thousands)**

Appropri	ation	Recurring	Fund Affected
FY10	FY11	or Non-Rec	
	NFI	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

## **SOURCES OF INFORMATION**

LFC Files

Responses Received From
Department of Finance & Administration (DFA)
Higher Education Department (HED)
Public Education Department (PED)

#### **SUMMARY**

## Synopsis of Bill

House Joint Memorial 1 directs the Higher Education Department to study the feasibility of providing and accepting uniform military credit at all NM colleges in order to allow military personnel who transfer to multiple locations to obtain associate, bachelors, and graduate degrees based on transferable credit from/to all institutions of higher education within New Mexico. Findings are to be presented to the appropriate legislative interim committee by November 2010.

## FISCAL IMPLICATIONS

There is no fiscal impact.

## **SIGNIFICANT ISSUES**

NMHED provided the following:

This request was not submitted to NMHED for review and is not included in the Dept.'s legislative recommendation for FY11.

According to the U.S. Department of Veterans Affairs (USDVA) report on America's Wars, there are approximately 15,707,000 living veterans in the United States. Of those,

# **House Joint Memorial 1 – Page 2**

more than 1.7 million have served in Iraq and Afghanistan. The enactment of the Post-9/11 Veterans Education Assistance Act of 2008 was one of the most significant benefit acts for veterans since the creation of the original GI Bill in 1944. The Post-9/11 GI Bill offers the nearly 2 million service members who have served in Iraq and Afghanistan conflicts generous support for educational expenses. As a result, it is expected to prompt an influx of veterans and military personnel enrolling in higher education.

Credit of military service can be claimed by a veteran or military personnel. Each branch of the military automatically captures military training, experience and standardized test scores and collects the information into military transcripts which are then provided to higher education institutions for evaluation. Colleges and universities then determine how to apply such credits to degree programs.

In addition, the American Council on Education (ACE), created in 1942, evaluates military schools, correspondence courses and occupations to determine the amount and level of academic credit each should be awarded. ACE continuously evaluates military schools, correspondence courses and occupations to determine the amount and level of academic credit each should be awarded. Through ACE, academic credit is also awarded for training received, including Basic Training. The ACE military evaluations program is funded by the Department of Defense (DoD). ACE also provides a link between DoD and the higher education institutions and provides guidance to higher education institutions in interpreting military transcripts and documents. ACE's Guide to the Evaluation of Educational Experiences in the Armed Services has been the standard reference for higher education institutions for recognizing learning acquired in the military.

Also in response to enhanced utilization of the GI Bill, the Service Members Opportunity Colleges (SOC) was created in 1972 to provide educational opportunities to service members who, because they frequently moved from place to place had trouble completing college degrees. SOC functions in cooperation with 15 higher education associations, the Department of Defense, and Active and Reserve Components of the Military Services to expand and improve voluntary postsecondary education opportunities for service members worldwide. SOC is funded by the Department of Defense (DoD) through a contract with the American Association of State Colleges and Universities (AASCU). The contract is managed for DoD by the Defense Activity for Non-Traditional Education Support (DANTES). Members of SOC commit to a set of principles and criteria for the acceptance of military credit. The consortium agreement includes 15 colleges and universities in New Mexico at this time and covers:

- Reasonable Transfer of Credit: avoid excessive loss of previously earned credit and avoid course work duplication.
- Reduced Academic Residency: limited to no more than 25% of degree requirements with no final year or semester in residence (may require 30% for undergraduate degrees offered 100% online).
- Credit for Military Training and Experience: recognize and use ACE Guide to the Evaluation of Educational Experiences in the Armed Services in evaluating and awarding academic credit for military training and experience.
- Credit for Nationally-Recognized Testing Programs: award credit for at least one nationally-recognized testing program such as College-Level Examination Program (CLEP) General and Subject Exams, (DANTES) Subject Standardized Tests (DSST), Excelsior College Examinations (ECE)

# **House Joint Memorial 1 – Page 3**

This study could lead to agreements allowing for dual credit transfer to a larger group of institutions of higher education.

# PERFORMANCE IMPLICATIONS

Although this is an important issue, NMHED currently lacks the appropriate staffing and budgetary resources to meet the request outlined in HJM001.

## ADMINISTRATIVE IMPLICATIONS

The New Mexico Higher Education Department would administer the study.

#### OTHER SUBSTANTIVE ISSUES

According to the New Mexico Department of Veterans Services (NMDVS), there are approximately 200,000 veterans in New Mexico. Of those, 30,000 are Iraqi and Afghanistan veterans. By the 2007-2008 academic year 3,500 Iraqi and Afghanistan veterans were enrolled in New Mexico higher education institutions.

Upon discharge, other than dishonorable, veterans are eligible to receive federal educational benefits through either a Montgomery GI Bill worth \$30,000 for a period up to 10 years or the 9/11 GI Bill worth \$40,000 for a period up to 15 years. Both GI bills cover tuition, fees, and books as well as provide a \$1,200/semester stipend; the GI bills may be used to pursue a certificate, baccalaureate or advanced degree at any four-year university or two-year community college.

## **ALTERNATIVES**

NMHED could recommend all state institutions within the state of New Mexico to become members of the SOC and follow standard guidelines set by the consortium and already utilized by 1,800 colleges and universities across the country. NMHED and NMDVS could provide adequate awareness to the institutions on the tools available in evaluating military transcripts.

# WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Military personnel who obtain credits at multiple institutions of higher education may be at a disadvantage for completing a college degree.

CP/mt