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FISCAL IMPACT REPORT

ORIGINAL DATE 03/08/11

SPONSOR Nava LAST UPDATED _____ HB _____

SHORT TITLE Community College Developmental Education SJM 33

ANALYST Hoffman

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY11	FY12		
	NFI		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Higher Education Department (HED)

SUMMARY

Synopsis of Joint Memorial

Senate Joint Memorial 33 (SJM33) requests that the New Mexico Higher Education Department continue the work of the Developmental Education (DE) Task Force. The DE Task Force is to report to the Legislative Education Study Committee by September 1, 2011 with recommendations to improve student performance in developmental education including funding incentives.

FISCAL IMPLICATIONS

Senate Joint Memorial 33 does not make any appropriations.

The HED states that SJM33 has no direct fiscal implications to the department.

SIGNIFICANT ISSUES

The HED cites a recent policy brief (Jan 2011) by the Education Commission of the States (ECS) that stated, "Almost 60% of students entering the nation's community colleges require some form of remediation in math, reading or English. Only about 15% of these students continue on to college-level work in one year and still fewer complete a postsecondary credential, leaving

millions of adults without the means of attaining a livable wage. To ensure student success and persistence on to college-level work, states must effectively use data and performance accountability to drive innovation in remedial and developmental education.”

ECS’s brief estimates that remedial education could be costing the United States upwards of \$2 billion dollars each year.

NMHED and New Mexico institutions of higher education formed a Developmental Education Task Force in March 2009 in an initial effort to improve programs throughout the state and as an extension of the Lumina Foundation/Jobs for the Future/Achieving the Dream grant to New Mexico. Twenty-seven of the twenty-eight colleges and universities with developmental education programs, including Tribal institutions, attended the initial meeting. The task force was formed for the following purposes:

- To encourage the development of innovations in developmental education and promoting the spread of best practices statewide;
- To establish a statewide learning network and local communities of practice for the dissemination of best practices in developmental education, and
- To ensure that developmental education is a major focus and an adequately funded activity of New Mexico’s colleges.

In order to realize these purposes, three workgroups were formed of the DE Task Force:

- best practices,
- college readiness, and
- measurement and evaluation.

In December of 2009, the NMHED finalized its report with 34 specific recommendations. The 2009 report also clearly stated that remedial education, in itself, was an indicator of student success with a sharp decline in student success with the more remedial courses a student took. Seventy-percent of the students who took remedial courses in one six-year study took four or fewer courses. Of the 30% who took five or more remedial courses, only 2% attained a postsecondary credential after that six-year period.

The report also went on to state that the estimated impact on the State of New Mexico was approximately \$32 million dollars with \$9.8 million in direct state costs and another \$22 million of lost earnings because of the high likelihood of students dropping out before completion.

In 2010, NMHED continued the work of the DE Task Force as the Achieving the Dream grant concluded at the end of 2010. The workgroups met several times through 2010 and submitted a preliminary report to NMHED at the conclusion of 2010. The draft report included proposed DE competencies in math, reading, and English. It also included statewide agreed-upon state performance measures and benchmarks.

PERFORMANCE IMPLICATIONS

An NMHED draft preliminary 2010 Developmental Education report is nearly complete. The DE Task Force has been identified with representatives contacted from each of New Mexico’s higher

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education institutions that offer developmental education. The separate workgroups have met several times throughout 2010 and are prepared to meet again to complete the initiative.

Having a set of recommendations for the LESC by September 1, 2011 is likely.

ADMINISTRATIVE IMPLICATIONS

The HED claims it is currently capable of fulfilling the requirements of SJM33.

TECHNICAL ISSUES

HED comments that its research staff has already agreed to state-wide data elements, measurements, and benchmarks for developmental education. Implementation will be needed.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The HED may not have the imperative to continue the work on developmental education best practices, benchmarks, measurements, and competencies.

JCH/bym