LEGISLATIVE EDUCATION STUDY COMMITTEE BILL ANALYSIS

Bill Number: HB 71a 51st Legislature, 1st Session, 2013

Tracking Number: .191069.2

Short Title: UNM-Gallup as Community College

Sponsor(s): Representatives Patricia A. Lundstrom and Sandra D. Jeff and

Eliseo L. Alcon, and Other

Analyst: <u>Travis Dulany</u> Date: <u>March 6, 2013</u>

AS AMENDED

The House Education Committee amendment adds additional points for consideration for the feasibility study, to include the willingness of the University of New Mexico to:

- issue workforce training certificates in a more expeditious manner; and
- evaluate the efficacy of existing degree and certificate programs and to make changes to the branch's offerings.

Original Bill Summary:

HB 71 adds a new section of higher education provisions in current law to allow the Gallup branch of the University of New Mexico (UNM) to:

- become an independent community college; or
- choose another parent institution with which to affiliate.

The bill further provides for the transfer of indebtedness and property if the Gallup branch decides to separate from UNM.

Finally, the bill requires the Gallup branch and the Higher Education Department (HED) to conduct a study to determine the feasibility of the branch operating successfully as an independent community college or whether another state university would be a better strategic partner for the college, to include:

- any additional costs that might arise as a result of independence or the changing of parent institutions;
- the outstanding debt of the Gallup branch and the adequacy of tax levies for:
 - > operations;
 - > maintenance; and
 - > capital improvements;
- any articulation issues that might arise as a result of independence or changing of parent institutions;
- alternative educational or administrative partnership models;

- an evaluation of the branch college's academic program and management practices and any recommendations for improvement; and
- any other matters relative to the feasibility of the branch college changing its status.

Fiscal Impact:

HB 71 makes no appropriation.

Fiscal Issues:

Both HED and UNM report that they would incur additional costs in order to complete the feasibility study outlined in HB 71, though neither provide an estimate of those costs.

HB 71 provides for the transfer of debt and property in the event that the Gallup branch separates from UNM. It may be important to note that other costs may be associated with the separation that would need to be considered by HED and the Gallup branch when conducting the feasibility study. For example, costs for information technology services, software licenses, human resources operations, or other administrative functions that are housed at the UNM main campus would need to be accounted for prior to the termination of the branch campus agreement.

Background:

UNM currently has four branch campuses in:

- Gallup;
- Los Alamos;
- Taos; and
- Valencia.

According to the various sources¹, UNM-Gallup:

- was founded in 1968;
- is the largest of the four UNM branch campuses;
- serves approximately 2,700 students;
- employs 120 faculty members;
- received \$8.7 million in General Fund appropriations for FY 13;
- has an \$18.8 million budget; and
- offers:

> certificates in 19 disciplines;

- > associate degrees in 28 programs; and
- > seven bachelor's degree programs through distance education courses provided by UNM.

Branch campuses that separated from their parent universities to become independent community colleges in prior years include:

¹ Sources include: the campus' website, a newspaper article quoting the executive director of the Gallup campus, and HB 2, *General Appropriation Act* (2012).

- Clovis Community College, which separated from Eastern New Mexico University in 1990; and
- San Juan College, which separated from New Mexico State University in 1981.

Committee Referrals:

HEC/HAFC/SEC

Related Bills:

*HB 211 Severance Tax Bond Projects HB 605 School District & Community College Elections *SB 60 Severance Tax Bond Projects