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## FISCAL IMPACT REPORT

SPONSOR Lente/Trujillo, CH/  
Trujillo, L/  
Gonzalez/Lundstrom ORIGINAL DATE 2/13/19 LAST UPDATED \_\_\_\_\_ HB 516  
 SHORT TITLE American Indian Educational Outcomes SB \_\_\_\_\_  
 ANALYST Valenzuela/Lobaugh

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY20	FY21		
\$10,300.0		Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to HB311.  
Relates to Appropriations in the General Appropriation Act

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Higher Education Department (HED)  
New Mexico Independent Community Colleges (NMICC)  
Santa Fe Community College (SFCC)

#### Responses Not Received From

Public Education Department (PED)  
Council of University Presidents (CUP)  
University of New Mexico (UNM)  
New Mexico State University (NMSU)  
New Mexico Highlands University (NMHU)  
New Mexico Association of Community Colleges (NMACC)

### SUMMARY

#### Synopsis of Bill

House Bill 516 (HB516) appropriates a total of \$10.3 million from the general fund to the Board of Regents of the University of New Mexico (UNM), the Board of Regents of New Mexico Highlands University (NMHU), and the Board of Regents of New Mexico State University (NMSU) for the purpose of supporting programs for Native American students.

HB516 specifies the programs that the \$8.1 million for UNM, the \$1.9 million for NMHU, and the \$337 thousand for NMSU would support. Any unexpended or unencumbered balance remaining at the end of FY20 would revert to the general fund.

### **FISCAL IMPLICATIONS**

The total appropriation of \$10.3 million contained in HB516 is a recurring expense to the general fund. Any unexpended or unencumbered balances remaining at the end of FY20 would revert from UNM, NMHU, and NMSU to the general fund.

HB516 earmarks the \$8.1 million appropriation to UNM for the following purposes:

- 1.) \$4.1 million to the UNM college of education for a Native American Education Institute (\$550 thousand), a Native American Language Center (\$500 thousand), a Native American Curriculum and Material Development Center (\$550 thousand), a Native American Leadership Education Doctoral Program (\$450 thousand), Native American Education Leadership and Administrator Licensure Programs (\$1.3 million), bilingual education degree programs (\$545 thousand), and a dual license program in special education and elementary education at the UNM Gallup branch campus;
- 2.) \$946.2 thousand to UNM for Native American student services;
- 3.) \$928.7 thousand to the UNM Native American studies program;
- 4.) \$1 million to the UNM School of Medicine for the Center on Native American Health (\$552 thousand) and the community behavioral health division (\$459 thousand);
- 5.) \$393 thousand to the UNM School of Law for the Southwest Indian Law Clinic; and
- 6.) \$725 thousand to the UNM School of Architecture for indigenous planning and design.

HB516 earmarks the \$1.9 million appropriation to NMSU for the following purposes:

- 1.) \$625 thousand for the Ben Lujan leadership institute;
- 2.) \$775 thousand for the NMHU Center for Studies of Diverse Populations;
- 3.) \$250 thousand for the NMHU Native American Social Workers Institute; and
- 4.) \$250 thousand for Native American student support services.

HB516 earmarks the \$337 thousand appropriation to NMSU for Native American programs in the NMSU college of education.

### **SIGNIFICANT ISSUES**

On July 20, 2018, the 1st Judicial District Court issued an initial decision and order on the consolidated *Yazzie v. New Mexico* and *Martinez v. New Mexico* education sufficiency lawsuits, which found New Mexico's public education system failed to provide a sufficient education for

at-risk, English language learner (ELL), Native American, and special education students. On December 20, 2018, the court issued its final findings and conclusions of law in the consolidated lawsuits. In both the initial decision and final findings, the court cited evidence highlighting areas where funding levels, financing methods, and department oversight were deficient.

The state Higher Education Department (HED) has a formal process for reviewing earmarked budget requests for higher education institutions when developing the department's higher education funding recommendation. Although UNM requested \$1.1 million in its FY20 budget request for minority student services, including \$400 thousand for Native American student recruitment and retention, UNM did not specifically request any additional appropriations for the college of education in its budget request for FY20. According to UNM's FY18 financial report of actuals, the UNM college of education expended \$13.5 million for instruction and student academic support in FY18. The \$4.1 million appropriation contained in SB311 would equate to a 30 percent increase above the UNM college of education's FY18 expenditures.

In its budget request for FY20, UNM included \$400 thousand for Native American student services, \$193 thousand for the Southwest Indian Law Clinic, \$255.7 thousand for the Center for Native American Health, and \$97.3 thousand for Native American suicide prevention programs in the UNM Health Science Center's Community Behavioral Health Division. UNM did not specifically request the other additional appropriations contained in HB516. The LFC budget recommendation for FY20 includes \$326.9 thousand for Native American student services, \$193 thousand for the Southwest Indian Law Clinic, \$255.7 thousand for the Center for Native American Health, and \$92.8 thousand for Native American suicide prevention programs in the UNM Health Science Center.

In its budget request for FY20, NMHU included \$100 thousand for a Native American Social Work Institute and \$731.8 thousand for minority student services including the Ben Lujan Leadership Institute and the Center for Studies of Diverse Populations. The LFC budget recommendation for FY20 includes \$50 thousand for a Native American Social Work Institute and \$520.4 thousand for NMHU minority student services including the Ben Lujan Leadership Institute and the Center for Studies of Diverse Population.

NMSU requested, and the LFC FY20 budget recommendation includes, \$275.9 thousand for Native American student services.

### **ADMINISTRATIVE IMPLICATIONS**

HB516 would require UNM, NMHU, and NMSU to monitor their respective appropriations, spend their appropriations for the purposes required by HB516, and revert any unexpended or unencumbered balances at the end of FY20 to the general fund.

### **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

HB516 relates to SB311 which would appropriate \$3.9 million to the UNM college of education for programs and support services for Native American students.

HB516 contains appropriations for higher education research and public service projects which would be funded through the LFC's budget recommendation for FY20 (See Significant Issues Section).

**TECHNICAL ISSUES**

HB516 would require UNM, NMHU, and NMSU to return any unexpended balances from the appropriations in HB516 at the end of FY20 to the state general fund. However, HED reports that state appropriations to public higher education institutions do not typically revert back to the general fund.

MV/CSL/sb