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FISCAL IMPACT REPORT

ORIGINAL DATE 2/11/19

SPONSOR Ingle LAST UPDATED _____ HB _____

SHORT TITLE ENMU Teacher Education Students SB 444

ANALYST Valenzuela

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY19	FY20		
	\$300.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY19	FY20	FY21		
	\$389.0	\$389.0	Recurring	Tuition Revenue

(Parenthesis () Indicate Revenue Decreases)

Duplicates, Relates to, Conflicts with, Companion to HB275 the College of Education
Affordability
Duplicates HB464

SOURCES OF INFORMATION

LFC Files: FY20 LFC Appropriation Recommendation, Volume II

Data for Assessing the Impact Was Not Provided By
Eastern New Mexico University (ENMU)
New Mexico Higher Education Department (NMHED)

SUMMARY

Synopsis of Bill

Senate Bill 444 appropriates \$300 thousand from the general fund to for the purpose of paying for tuition and fees for 50 students, who enroll in the College of Education to pursue a path to obtain a teaching degree. The bill establishes requirements for students who apply for admissions at ENMU, requiring at least a 3.3 GPA and a minimum ACT score of 24. ENMU is required to

select the fifty students to mirror the demographic makeup of the current ENMU student body. For those students who are awarded the funding under SB444, the student would be required to teach in a New Mexico public school for at least 4 years.

FISCAL IMPLICATIONS

Tuition and fees at Eastern New Mexico University (ENMU) for the 2018-2019 academic year totals: \$6,206.64/year. The total tuition and fees cost for 50 students would total \$310,350, with the assumption that ENMU could fill all 50 slots. If all students enrolled, ENMU would generate an additional \$389 thousand in revenue from residence hall and meal plan fees, and from estimated books and supplies for the student cohort.

	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>
SB444 Appropriation (Recurring)	300,000	300,000	300,000	300,000
2018/2019 Tuition & Fees ¹	6,207.00	6,362.18	6,521.23	6,684.26
ENMU Cost of Attendance ¹	14,269.00	14,625.73	14,991.37	15,366.15
	<u>FY20 Cost</u>	<u>FY21 Cost</u>	<u>FY22 Cost</u>	<u>FY23 Cost</u>
Number of Students Supported ¹	48	47	46	45
University Revenue Generated	389,657	389,657	389,657	389,657

¹ Assumed rate of growth

2.5%

Source: LFC Files

The appropriation of \$300 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY20 shall not revert to the general fund.

SIGNIFICANT ISSUES

In 2017, ENMU graduated 61 students in its college of education. Neither ENMU nor HED provided data regarding implementation for SB444 to determine the impact of the constraints, detailing how many students could meet the requirements. The table below provides the number of graduates at ENMU’s College of Education:

ENMU Bachelor's in Education	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Agricultural Teacher Education	4	1		2	1	
Early Childhood Education and Teaching	13	14	16	6	14	18
Elementary Education and Teaching	54	43	22	28	21	14
Physical Education Teaching and Coaching	13	15	15	17	18	20
Special Education and Teaching, General	2	8	3			
Trade and Industrial Teacher Education	<u>16</u>	<u>11</u>	<u>18</u>	<u>8</u>	<u>10</u>	<u>9</u>
Bachelor Degrees Awarded	102	92	74	61	64	61

ADMINISTRATIVE IMPLICATIONS

Enactment of SB444 will have an administrative impact on ENMU, who would be required to develop a system for determining the application of the appropriation to students who are being admitted in the Academic Year (AY) 2020 cycle. Additionally, SB444 requires the eligible

student to commit to teaching in a public school in New Mexico for at least 4 years. ENMU would be required to develop a commitment agreement and track the graduates to ensure compliance with the law.

Implementing the provisions of SB444 will create duplication for ENMU, given that many students who enroll in a four-year degree program at ENMU, and who are from New Mexico, would be eligible for the Lottery Scholarship Program. At ENMU, the lottery scholarship has an approximate value of \$3,000 per year.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

HED administers several student financial aid programs, which accomplish a similar goal to SB444. Specific to teaching, HED manages a teacher-loan-for-service program and a teacher loan repayment program.

In the FY20 LFC Appropriation Recommendation, \$25 million is appropriated for the Teacher Loan Repayment Program.

OTHER SUBSTANTIVE ISSUES

The State of New Mexico is experiencing a severe shortage of teachers within its public school system. This shortage has become so significant and pervasive that school districts are recruiting public school teachers from foreign countries. ENMU believes a scholarship program that pays for tuition/fees for students to attain a Teacher Education degree will attract more students to seek this career path.

MFV/sb/al