

N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY23	FY24	FY25	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

BILL SUMMARY

HB197 amends Section 21-1-4.6 NMSA 1978 (being Laws 2005, Chapter 348, Section 1, as amended) to expand who is eligible for in-state tuition rates and state-funded financial aid regardless of immigration status.

FISCAL IMPLICATIONS

There is no appropriation with this bill. However, as it would potentially expand the pool of students eligible for in-state tuition and eligible for state-funded financial aid, there would be an impact on financial aid funding sources and the budgets of higher education institutions (HEIs).

SIGNIFICANT ISSUES

HB197 amends Section 21-1-4.6 NMSA 1978 (being Laws 2005, Chapter 348, Section 1, as amended) to expand who is eligible for in-state tuition rates and state-funded financial aid regardless of immigration status.

Currently, students are eligible for in-state tuition and state-funded financial aid, regardless of immigration status, if they have attended a secondary educational institution in New Mexico for at least one year and either graduated from a New Mexico high school or received a high school

equivalency credential in New Mexico. The additional groups which would become eligible with HB197 are:

- Students who attended at least one year of adult education courses accredited by the Adult Basic Education division of the New Mexico Higher Education Department (NMHED) or one year at a New Mexico community college.
- Students who submitted documentation that they or their parent/legal guardian has filed a New Mexico personal income tax return at least once in the prior two years.
- Students who applied to the United States Citizenship and Immigration Services (USCIS) for special immigrant juvenile classification as provided in 8 U.S.C. Section 1101(a)(27)(J).

According to the Migration Policy Institute, about 60,000 undocumented individuals currently reside in New Mexico. According to the American Immigrant Council, undocumented residents of New Mexico contribute to \$47,200,000 in state taxes and have a spending power of \$851,000,000.

A 2023 report from The Higher Education Immigration Portal states that about 1,600 undocumented students attended a higher education institution (HEI) in New Mexico - less than 1.5% of the total state headcount in Fall 2022. In Fall 2022, 1,399 students qualified for in-state tuition and/or state-funded financial aid via the existing non-discrimination statute. It is unclear how many new students would qualify were this bill enacted.

Analyses from several states (<https://www.niic.org/issues/education/eduaccess toolkit/toolkit-access-to-postsecondary-education-2/>) show that offering in-state tuition to undocumented students generally has a negligible impact on state budgets.

Undocumented students currently are not eligible for federal financial aid. However, in 24 states, students are eligible for in-state tuition. Of those states, 18 also allow access for state-funded financial aid. Of the 18 states with both in-state tuition and state-funded aid access, current policy in every state but California only provide access for undocumented students who are recent high school (or equivalent) graduates and have attended K-12 schooling in the state. California allows students who have attended adult education or community college for three years to be eligible. HB197 would make New Mexico the state with the greatest access to in-state tuition and state-funded aid to students regardless of their immigration status.

PERFORMANCE IMPLICATIONS

HB197 does not outline specific performance measures.

If funded, the New Mexico Higher Education Department (NMHED) could develop performance measures to gauge its impact.

ADMINISTRATIVE IMPLICATIONS

Higher education institutions (HEIs) would administer tuition rates for students meeting the expanded student group impacted by this bill. The New Mexico Higher Education Department (NMHED) would administer state-funded financial aid for the expanded student group impacted by this bill in conjunction with HEIs.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If HB197 is not enacted, students eligible for in-state tuition and state-funded financial aid would be restricted to those who attended high school in the state and have recently received their high school diploma or equivalent.

AMENDMENTS

N/A