



- Includes all graduate programs, except for the “doctor of medicine.”

## FISCAL IMPLICATIONS

### *Graduate and Professional Students Association-*

SB 233 invests in New Mexico students and decreases the loss of talent to other states aka the “brain drain”. Evidence shows a correlation between graduate programs and remaining within the state. SB 233 will help to increase professionals remaining within the state, particularly credentialed professionals like nurses or lawyers. A large body of research shows that graduates entering the workforce are more capable of taking “healthy risks” such as starting a business or investing earlier in their careers.

### *Graduate Studies-*

There is no overall fiscal impact to the state or to the university, as the total funding level for HED Scholarships remains the same. This bill changes only the eligibility for scholarship funds and the amount/duration of individual scholarship awards.

## SIGNIFICANT ISSUES

### *Graduate and Professional Students Association-*

SB 233 is not currently a recurring fund. Future changes to the bill that include recurring funding would allow for universities to advertise the scholarships as an option, further encouraging residents to choose a New Mexico university. Turning the Graduate Scholarship Act into a reliable scholarship will make the state far more competitive.

Presently, New Mexico universities face enrollment obstacles namely as students consider the cost of attendance relative to their likely post-graduation salaries. While all NM residents meeting the criteria are eligible, priority is given to students with higher financial need or students from underrepresented backgrounds.

The current law has not had a substantive amendment since 1991. The original Graduate Scholarship Act has been completely outstripped by changes in the last 30+ years, specifically inflation and the rising cost of higher education. This bill will address the impending and well documented “enrollment cliff” soon to be felt around the country. Graduate student enrollment will soon decrease drastically, and universities will need every tool possible to yield a class of qualified candidates.

### *Graduate Studies-*

**Section 2 B** – Removing the criterion of “full-time student” and replacing it with a criterion of “enrollment in at least six credit hours” may create confusion because “full-time” status is calculated differently based on whether the student has an assistantship:

- For students with an assistantship, “full-time” status requires enrollment in 6 credits.
- For students without an assistantship, “full-time” status requires enrollment in 9 credits.

**Section 3 A (2)** – Adding specific GPA criteria of “maintains a grade point average of 3.0 or higher on a 4.0 scale” introduces a significant issue when paired with the existing language “remains in good standing as determined by the institution” because:

- UNM Law students are considered to be in good standing with a GPA of 2.0 or above, so the 3.0 GPA requirement would prove detrimental to Law students by holding them to a higher standard than other disciplines/schools.

- The language will also create confusion because of the mismatch between “good academic standing” and a specific GPA.

## PERFORMANCE IMPLICATIONS

N/A.

## ADMINISTRATIVE IMPLICATIONS

### *Graduate and Professional Students Association-*

The Higher Education Department administers the current version of the Graduate Scholarship Act. Minimal changes would be necessary.

### *Graduate Studies-*

At UNM, Graduate Studies administers the HED Graduate Scholarships strategically to recruit graduate students from underrepresented groups in each field. Limiting the award to (a) NM residents and (b) those with greatest financial need will substantially contract the strategic use of this fund by excluding underrepresented students who are (a) nonresident or (b) have lower financial need.

**Section 4** changes the amount of the scholarship from \$7,200 to a value “not to exceed 100% of tuition and fees for the graduate program at the eligible institution.” it is not clear how this would be implemented administratively. As written, every single eligible student could theoretically get a small/meaningless scholarship of only \$100, if an institution simply wanted to spread the money around. If the bill’s intent is not to allow significant variation in scholarship amounts, there should be a minimum scholarship amount stated.

## CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

### *Graduate and Professional Students Association-*

No other laws address graduate scholarships in this manner. This past legislative session some funding was granted to graduate STEM programs however it was nonrecurring and narrow in scope.

### *Graduate Studies-*

**POTENTIAL CONFLICT/CONFUSION** in language that states both that **priority shall be given** to students who are NM residents, and that scholarship **is limited to** students who are NM residents.

- Text indicating scholarship funds **are limited to** NM residents: Section 1.B – “award recipient’ means a New Mexico student awarded a graduate scholarship.”
- Text indicating **priority is given to** NM residents: Section 2. (opening)— “Priority shall be given to students who are New Mexico residents...”

## TECHNICAL ISSUES

N/A.

## OTHER SUBSTANTIVE ISSUES

### *Graduate Studies-*

By removing the requirement that recipients hold some sort of assistantship or internship, the bill will open eligibility to a wider range of students, although we do not have a calculation for how many students will be affected. General impacts:

- **Students with assistantships:** At UNM, approximately 1,500 students receive an assistantship each year, and these positions typically already cover tuition/fees. Students who additionally receive the HED scholarship will be receiving a generous bonus to support their studies.
- **Students with internships or outside employment:** We do not track internship recipients, but many internships are unpaid, meaning that the new HED requirements will not make it necessary for students to engage in unpaid employment in order to receive an award that helps with tuition/fees.
- **Students without any assistantship or internship:** For students who do not have an assistantship to cover tuition/fees, or another kind of paid employment, the scholarships will provide a crucial support to help fund educational expenses.

## ALTERNATIVES

N/A.

## WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

### *Graduate and Professional Students Association-*

Students will continue to seek out the most affordable options in higher education. Graduate students will continue to seek out programs in states where the post-graduation salaries justify the high cost of attendance. This will put New Mexico universities in a reactive position once the enrollment cliff is met (likely within the next few years).

### *Graduate Studies-*

If the bill is not enacted, existing scholarships will continue to be awarded at NM institutions of higher ed, providing up to \$7200 to full-time students who remain in good academic standing and complete assistantship/internship of 10 hours/week during the scholarship period. Students will be able to collect scholarship funds for only two or three years (for master's and PhD students, respectively) instead of four as amended.

## AMENDMENTS

N/A.