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SENATE BILL 727

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

INTRODUCED BY

Don Kidd

AN ACT

**RELATING TO REVENUE; PROVIDING FOR REVENUE DISTRIBUTIONS TO
THE LOTTERY TUITION FUND TO ENSURE THE FUND'S ABILITY TO
CONTINUE TO PROVIDE TUITION SCHOLARSHIPS TO ELIGIBLE STUDENTS;
INCREASING NUMBER OF GAMING MACHINES TO INCREASE REVENUE FROM
THE GAMING TAX; DISTRIBUTING PART OF THE GAMING TAX TO THE
LOTTERY TUITION FUND; CLARIFYING LOTTERY SCHOLARSHIP
PROVISIONS; AMENDING AND ENACTING SECTIONS OF THE NMSA 1978;
MAKING AN APPROPRIATION; DECLARING AN EMERGENCY.**

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

**Section 1. Section 6-24-3 NMSA 1978 (being Laws 1995,
Chapter 155, Section 3) is amended to read:**

**"6-24-3. PURPOSES. -- The purposes of the New Mexico
Lottery Act are to:**

- A. establish and provide for the conduct of a fair**

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1 and honest lottery for the entertainment of the public; and

2 B. provide the maximum amount of revenues, without
3 imposing additional taxes or using other state revenues, for
4 the [purposes] purpose of

5 [~~(1) funding critical capital outlay needs of~~
6 ~~the public schools; and~~

7 ~~(2)] providing tuition assistance to resident~~
8 undergraduates at New Mexico post-secondary educational
9 institutions. "

10 Section 2. Section 6-24-23 NMSA 1978 (being Laws 1995,
11 Chapter 155, Section 23, as amended) is amended to read:

12 "6-24-23. LOTTERY TUITION FUND CREATED--PURPOSE. -- [A-]
13 The "lottery tuition fund" is created in the state treasury.
14 The fund shall be administered by the commission on higher
15 education. Earnings from investment of the fund shall accrue
16 to the credit of the fund. [Any] The balance in the fund at
17 the end of [any] a fiscal year shall [~~remain in the fund for~~
18 ~~appropriation by the legislature as provided in this section.~~

19 B. ~~After appropriation, if any, by the legislature~~
20 ~~for scholarships pursuant to Subsection C of Section 21-1-2~~
21 ~~NMSA 1978, the remaining money in the lottery tuition fund]~~
22 not revert to the general fund and is appropriated to the
23 commission on higher education for distribution to New
24 Mexico's public post-secondary educational institutions to
25 provide tuition assistance for New Mexico resident

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1 undergraduates as provided by law. "

2 Section 3. Section 6-24-24 NMSA 1978 (being Laws 1995,
3 Chapter 155, Section 24, as amended) is amended to read:

4 "6-24-24. DISPOSITION OF REVENUE. - -

5 A. As nearly as practical, an amount equal to at
6 least fifty percent of the gross annual revenues from the sale
7 of lottery tickets shall be returned to the public in the form
8 of lottery prizes.

9 B. The authority shall transmit all net revenues
10 to the state treasurer [~~who shall deposit fifty percent of the~~
11 ~~revenues in the public school capital outlay fund for~~
12 ~~expenditure pursuant to the provisions of the Public School~~
13 ~~Capital Outlay Act and fifty percent]~~ for deposit in the
14 lottery tuition fund. Estimated net revenues shall be
15 transmitted monthly to the state treasurer for deposit in the
16 [~~funds]~~ fund; provided that the total amount of annual net
17 revenues for the fiscal year shall be transmitted no later
18 than August 1 each year.

19 C. In determining net revenues, operating expenses
20 of the lottery include all costs incurred in the operation and
21 administration of the lottery and all costs resulting from any
22 contracts entered into for the purchase or lease of goods or
23 services required by the lottery, including the costs of
24 supplies, materials, tickets, independent audit services,
25 independent studies, data transmission, advertising,

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1 promotion, incentives, public relations, communications,
2 commissions paid to lottery retailers, printing, distribution
3 of tickets, purchases of annuities or investments to be used
4 to pay future installments of winning lottery tickets, debt
5 service and payment of any revenue bonds issued, contingency
6 reserves, transfers to the reserve fund and any other
7 necessary costs incurred in carrying out the provisions of the
8 New Mexico Lottery Act.

9 D. An amount up to two percent of the gross annual
10 revenues shall be set aside as a reserve fund to cover bonuses
11 and incentive plans for lottery retailers, special promotions
12 for retailers, purchasing special promotional giveaways,
13 sponsoring special promotional events, compulsive gambling
14 rehabilitation and such other purposes as the board deems
15 necessary to maintain the integrity and meet the revenue goals
16 of the lottery. The board shall report annually to the
17 governor and each regular session of the legislature on the
18 use of the money in the reserve fund. Any balance in excess
19 of fifty thousand dollars (\$50,000) at the end of any fiscal
20 year shall be transferred to the lottery tuition fund."

21 Section 4. Section 6-24-27 NMSA 1978 (being Laws 1995,
22 Chapter 155, Section 27) is amended to read:

23 "6-24-27. REVENUE AND BUDGET REPORTS--RECORDS--
24 INDEPENDENT AUDITS.--

25 A. The board shall:

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1 (1) submit quarterly and annual reports to
2 the governor, legislative finance committee and lottery
3 oversight committee disclosing the total lottery revenue,
4 prizes, commissions, ticket costs, operating expenses and net
5 revenues of the authority during the reporting period and, in
6 the annual report, describe the organizational structure of
7 the authority and summarize the functions performed by each
8 organizational division within the authority;

9 (2) maintain weekly or more frequent records
10 of lottery transactions, including the distribution of lottery
11 tickets to retailers, revenue received, claims for prizes,
12 prizes paid, prizes forfeited and other financial transactions
13 of the authority; and

14 (3) use the state government fiscal year.

15 B. The board shall provide, for informational
16 purposes, to the department of finance and administration and
17 the legislative finance committee, by December 1 of each year,
18 a copy of the annual proposed operating budget for the
19 authority for the succeeding fiscal year. This budget
20 proposal shall also be accompanied by an estimate of the net
21 revenues to be deposited in the [~~public school capital outlay~~
22 ~~fund and the~~] lottery tuition fund for the current and
23 succeeding fiscal years.

24 C. The board shall contract with an independent
25 certified public accountant or firm for an annual financial

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1 audit of the authority. The certified public accountant or
2 firm shall have no financial interest in any lottery
3 contractor. The certified public accountant or firm shall
4 present an audit report no later than March 1 for the prior
5 fiscal year. The certified public accountant or firm shall
6 evaluate the internal auditing controls in effect during the
7 audit period. The cost of this financial audit shall be an
8 operating expense of the authority. The legislative finance
9 committee may, at any time, order an audit of any phase of the
10 operations of the authority, at the expense of the authority,
11 and shall receive a copy of the annual independent financial
12 audit. A copy of any audit performed by the certified public
13 accountant or ordered by the legislative finance committee
14 shall be transmitted to the governor, the speaker of the house
15 of representatives, the president pro tempore of the senate,
16 the legislative finance committee and the lottery oversight
17 committee. "

18 Section 5. A new Section of the Tax Administration Act
19 is enacted to read:

20 "[NEW MATERIAL] DISTRIBUTION OF GAMING TAX REVENUE TO THE
21 LOTTERY TUITION SCHOLARSHIP RESERVE FUND. --A distribution
22 pursuant to Section 7-1-6.1 NMSA 1978 shall be made to the
23 lottery tuition fund in an amount equal to one-third of the
24 net receipts attributable to the gaming tax. "

25 Section 6. Section 21-1-2 NMSA 1978 (being Laws 1970,

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1 Chapter 9, Section 1, as amended) is amended to read:

2 "21-1-2. [~~MATRICULATION AND~~] TUITION AND FEES--
3 SCHOLARSHIPS. --

4 A. Except as otherwise provided in this section
5 and in Section 21-1-4.3 NMSA 1978, the boards of regents of
6 the university of New Mexico, New Mexico state university, New
7 Mexico highlands university, western New Mexico university,
8 eastern New Mexico university, New Mexico military institute,
9 New Mexico institute of mining and technology and New Mexico
10 junior college shall establish and charge matriculation fees
11 and tuition fees as follows:

12 (1) each student shall be charged a
13 matriculation fee of not less than five dollars (\$5.00) upon
14 enrolling in each institution;

15 (2) each student who is a resident of New
16 Mexico shall be charged a tuition fee of not less than twenty
17 dollars (\$20.00) a year;

18 (3) each student who is not a resident of New
19 Mexico shall be charged a tuition fee of not less than fifty
20 dollars (\$50.00) a year;

21 (4) each student shall be charged a tuition
22 fee of not less than ten dollars (\$10.00) for each summer
23 session; and

24 (5) each student may be charged a tuition fee
25 for extension courses.

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1 B. Except as otherwise provided in this section
2 and in Section 21-1-4.3 NMSA 1978, the board of regents of
3 northern New Mexico state school shall establish and charge
4 each student a matriculation fee and a tuition fee.

5 C. The board of regents of each institution may
6 establish and grant gratis scholarships to students who are
7 residents of New Mexico in an amount not to exceed [~~the~~
8 ~~matriculation fee or~~] tuition and fees [~~or both~~]. These
9 scholarships are in addition to the lottery tuition
10 scholarships authorized in Section 21-1-4.3 NMSA 1978 and
11 shall be granted to the full extent of available funds before
12 lottery tuition scholarships are granted. The number of
13 scholarships established and granted pursuant to this
14 subsection shall not exceed three percent of the preceding
15 fall semester enrollment in each institution and shall not be
16 established and granted for summer sessions. The president of
17 each institution shall select and recommend to the board of
18 regents of his institution, as recipients of scholarships,
19 students who possess good moral character and satisfactory
20 initiative, scholastic standing and personality. At least
21 thirty-three and one-third percent of the gratis scholarships
22 established and granted by each board of regents each year
23 shall be granted on the basis of financial need.

24 D. The board of regents of each institution set
25 out in this subsection may establish and grant, in addition to

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1 those scholarships provided for in Subsection C of this
2 section, athletic scholarships for tuition and fees. In no
3 event shall the board of regents of any institution be allowed
4 to award scholarships for tuition and fees for more than the
5 number of athletic scholarships set out in this subsection and
6 in no event shall more than seventy-five percent of the
7 scholarships granted be for out-of-state residents:

8 (1) the board of regents of the university of
9 New Mexico may grant up to two hundred ninety-three athletic
10 scholarships;

11 (2) the board of regents of New Mexico state
12 university may grant up to two hundred seventy athletic
13 scholarships;

14 (3) the boards of regents of New Mexico
15 highlands university, eastern New Mexico university and
16 western New Mexico university may each grant up to one hundred
17 forty athletic scholarships; and

18 (4) the board of regents of New Mexico junior
19 college may grant up to fifty-two athletic scholarships.

20 E. In the event that the number of athletic
21 scholarships exceeds the number of athletic scholarships
22 permitted that institution by regulations and bylaws of the
23 national collegiate athletic association or the national
24 association of intercollegiate athletics of which that
25 institution is a member, the appropriate board of regents

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1 shall reduce the number of authorized tuition scholarships to
2 comply with association rules and regulations.

3 F. Matriculation fees [~~and~~], tuition fees and
4 other fees shall be fixed and made payable as directed by the
5 board of regents of each institution, collected by the
6 officers of each institution and accounted for as are other
7 funds of the institutions. Matriculation fees shall be
8 charged only once for each institution in which a student
9 enrolls. "

10 Section 7. Section 21-1-4.3 NMSA 1978 (being Laws 1996,
11 Chapter 71, Section 3, as amended) is amended to read:

12 "21-1-4.3. TUITION SCHOLARSHIPS AUTHORIZED--CERTAIN
13 EDUCATIONAL INSTITUTIONS.--

14 A. To the extent that funds are [~~made~~] available
15 [~~by the legislature~~] from the lottery tuition fund, the boards
16 of regents of New Mexico state university, New Mexico
17 institute of mining and technology, eastern New Mexico
18 university, western New Mexico university, the university of
19 New Mexico, New Mexico highlands university and northern New
20 Mexico state school shall award tuition scholarships for
21 qualified resident students attending their respective
22 institutions and branches of those institutions.

23 B. Except as authorized in Subsection C of this
24 section, the tuition scholarships authorized in this section
25 shall [~~apply~~] be awarded only to full-time resident students

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1 who, immediately upon completion of a high school curriculum
2 at a public or accredited private New Mexico high school or
3 upon receiving a graduate equivalent diploma, are accepted for
4 entrance to and attend one of the state educational
5 institutions set forth in this section or one of the branches
6 of those institutions. Each tuition scholarship shall be
7 awarded for up to four consecutive years beginning the second
8 semester of the recipient's first year of enrollment, provided
9 that the recipient has maintained residency in New Mexico and
10 maintained a grade point average of 2.5 or higher on a 4.0
11 scale during his first semester of full-time enrollment.

12 C. The tuition scholarships authorized in this
13 section shall also apply to full-time resident students who,
14 immediately upon completion of a high school curriculum at a
15 public or accredited private New Mexico high school or upon
16 receiving a graduate equivalent diploma, attend a two-year
17 public post-secondary educational institution in New Mexico
18 and who, upon the completion of that curriculum or at the end
19 of two years, whichever is sooner, transfer to one of the
20 post-secondary state educational institutions set forth in
21 this section. Those students shall be eligible for a tuition
22 scholarship for two consecutive years, provided that those
23 students maintain residency in New Mexico, maintain a grade
24 point average of 2.5 or higher on a 4.0 scale and attend the
25 institution full time during the regular academic year.

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1 D. The tuition scholarships authorized in this
2 section shall also apply to full-time resident students who:

3 (1) within one hundred twenty days of
4 completion of a high school curriculum at a public or
5 accredited private New Mexico high school, or of receiving a
6 graduate equivalent diploma, begin service in the United
7 States armed forces; and

8 (2) within one hundred twenty days of
9 completion of honorable service or medical discharge from the
10 service are accepted for entrance to and attend one of the
11 state educational institutions set forth in this section.

12 E. The commission on higher education shall
13 prepare guidelines setting forth explicit student continuing
14 eligibility criteria and guidelines for administration of the
15 tuition scholarship program. Guidelines shall be distributed
16 to the board of regents of each institution to enable a
17 uniform availability of the resident student tuition
18 scholarships. "

19 Section 8. Section 21-1-4.4 NMSA 1978 (being Laws 1996,
20 Chapter 71, Section 4) is amended to read:

21 "21-1-4.4. COMMISSION ON HIGHER EDUCATION-- DETERMINATION
22 OF LOTTERY TUITION SCHOLARSHIPS-- USE OF LOTTERY TUITION
23 FUND.-- Prior to June 1 of each year, the commission on higher
24 education shall determine the amount of money available for
25 lottery tuition scholarships at state public post-secondary

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1 educational institutions. Based on the amount [~~appropriated~~
2 ~~by the legislature~~] available from the lottery tuition fund
3 and on the projected enrollment at all public post-secondary
4 educational institutions, the ~~commission~~ on higher education
5 shall establish the percentage of tuition that shall be
6 awarded for qualified resident students attending New Mexico
7 public post-secondary educational institutions. The
8 percentage of tuition awarded shall be the same for each
9 institution, regardless of the actual cost of tuition at each
10 institution."

11 Section 9. Section 21-13-10 NMSA 1978 (being Laws 1963,
12 Chapter 17, Section 9, as amended) is amended to read:

13 "21-13-10. BOARD DUTIES. --

14 A. It is the duty of the ~~community~~ college board
15 to determine financial and educational policies of the
16 ~~community~~ college. The ~~community~~ college board shall provide
17 for the ~~management~~ of the ~~community~~ college and execution of
18 these policies by selecting a competent president for the
19 ~~community~~ college, and, upon the president's recommendation,
20 the board shall employ other administrative personnel,
21 instructional staff or other personnel as ~~may~~ be needed for
22 the operation, ~~maintenance~~ and administration of the ~~community~~
23 college.

24 B. The ~~community~~ college board shall have the
25 power to fix tuition and fee rates for resident and

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1 nonresident students of the district, to accept gifts, to
2 accept federal aid, to purchase, hold, sell and rent property
3 and equipment and to promote the general welfare of the
4 institution for the best interest of educational service to
5 the people of the community college district.

6 C. To the extent that funds are ~~made~~ available
7 ~~[by the legislature]~~ from the lottery tuition fund, the
8 community college board shall award lottery tuition
9 scholarships for qualified resident students attending their
10 respective institutions. All other scholarship funds
11 available to the board shall be used before granting any
12 lottery tuition scholarships.

13 D. The lottery tuition scholarships authorized in
14 this section shall apply only to full-time resident students
15 who, immediately upon completion of a high school curriculum
16 at a public or accredited private New Mexico high school or
17 upon receiving a graduate equivalent diploma, are accepted for
18 entrance to and attend a community college. Each tuition
19 scholarship shall be awarded for up to two consecutive years
20 beginning the second semester of the recipient's first year of
21 enrollment, provided that the recipient has maintained
22 residency in New Mexico and maintained a grade-point average
23 of 2.5 or higher on a 4.0 scale during his first semester of
24 full-time enrollment.

25 E. The commission on higher education shall

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1 prepare guidelines setting forth explicit student continuing
2 eligibility criteria and guidelines for administration of the
3 tuition scholarship program. Guidelines shall be distributed
4 to community college boards to enable a uniform availability
5 of the scholarship. "

6 Section 10. Section 21-13-19 NMSA 1978 (being Laws 1968,
7 Chapter 70, Section 2, as amended) is amended to read:

8 "21-13-19. ENROLLMENT DEFINED- - PAYMENTS- - SCHOLARSHIPS. - -

9 A. For those students in community colleges taking
10 college-level courses, full-time-equivalent students shall be
11 defined and computed by the commission on higher education in
12 the same manner in which it defines and computes full-time-
13 equivalent students for all other college-level programs
14 within its jurisdiction.

15 B. No student shall be included in any
16 calculations made under the provisions of this section if the
17 student is enrolled in a course the cost of which is totally
18 reimbursed from federal, state or private sources. The public
19 school district shall transfer to the community college the
20 tuition and fees for any student who, during the term, is
21 counted in the membership of the public school district and
22 will receive high school credit for coursework at the
23 community college.

24 C. The commission on higher education shall not
25 recommend an appropriation greater than three hundred twenty-

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1 five dollars (\$325) for each full-time-equivalent student for
2 any community college that levies a tax at a rate less than
3 two dollars (\$2.00), unless a lower amount is required by
4 operation of the rate limitation provisions of Section
5 7-37-7.1 NMSA 1978 upon a rate of at least two dollars (\$2.00)
6 on each one thousand dollars (\$1,000) of net taxable value, as
7 that term is defined in the Property Tax Code, or any
8 community college that reduces a previously authorized tax
9 levy, except as required by the operation of the rate
10 limitation provisions of Section 7-37-7.1 NMSA 1978.

11 D. The commission on higher education shall
12 require from the community college such reports as the
13 commission deems necessary for the purpose of determining the
14 number of full-time-equivalent students at the community
15 college eligible to receive support under this section.

16 E. A community college board shall establish
17 tuition and fee rates for its respective institutions for
18 full-time, part-time, resident and nonresident students, as
19 defined by the commission on higher education.

20 F. A community college board may establish and
21 grant gratis scholarships to students who are residents of New
22 Mexico in an amount not to exceed [~~the matriculation fee or~~]
23 tuition and fees [~~or both. Except as provided for lottery~~
24 ~~scholarships~~]. These scholarships are in addition to the
25 lottery tuition scholarships authorized in Section 21-13-10

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1 NMSA 1978 and shall be granted to the full extent of available
2 funds before lottery tuition scholarships are granted. The
3 number of gratis scholarships established and granted shall
4 not exceed three percent of the preceding fall semester
5 enrollment in each institution and shall not be established
6 and granted for summer sessions. The president of each
7 institution shall select and recommend to the community
8 college board of his institution, as recipients of
9 scholarships, students who possess good moral character and
10 satisfactory initiative, scholastic standing and personality.
11 At least thirty-three and one-third percent of the gratis
12 scholarships established and granted by each community college
13 board each year shall be granted on the basis of financial
14 need. "

15 Section 11. Section 21-14-5 NMSA 1978 (being Laws 1957,
16 Chapter 143, Section 4, as amended) is amended to read:

17 "21-14-5. FINANCING OF BRANCH COMMUNITY COLLEGES--
18 TUITION AND FEE [~~WAIVERS~~] SCHOLARSHIPS. --

19 A. Financing of branch community colleges shall be
20 by tuition and fees, which shall be set by the board of
21 regents of the parent institution, by gifts and grants and by
22 other funds as may be made available pursuant to the
23 provisions of the College District Tax Act or Chapter 21,
24 Article 14 NMSA 1978.

25 B. The board of regents of the respective parent

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1 institution of the branch community college may establish and
2 grant gratis scholarships to students of the branch community
3 college who are residents of New Mexico in an amount not to
4 exceed [~~the matriculation fee or~~] tuition and fees [~~or both.~~
5 ~~Except as provided in Section 21-1-4.3 NMSA 1978~~]. These
6 scholarships are in addition to the lottery tuition
7 scholarships authorized in Section 21-1-4.3 NMSA 1978 and
8 shall be granted to the full extent of available funds before
9 lottery tuition scholarships are granted. The number of
10 gratis scholarships established and granted shall not exceed
11 three percent of the preceding fall semester enrollment in the
12 branch community college and shall not be established and
13 granted for summer sessions. The president of each
14 institution shall select and recommend to the board of regents
15 of his institution, as recipients of scholarships, students
16 who possess good moral character and satisfactory initiative,
17 scholastic standing and personality. At least thirty-three
18 and one-third percent of the gratis scholarships established
19 and granted by the board of regents for a branch community
20 college each year shall be granted on the basis of financial
21 need. "

22 Section 12. Section 21-16-10 NMSA 1978 (being Laws 1968,
23 Chapter 59, Section 3, as amended) is amended to read:

24 "21-16-10. APPROPRIATION--DISTRIBUTION--SCHOLARSHIPS. --

25 A. The commission on higher education shall

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1 recommend an appropriation for each technical and vocational
2 institute based upon its financial requirements in relation to
3 its authorized program and its available funds from non-
4 general fund sources; provided, the recommended appropriation
5 shall be an amount not less than three hundred twenty-five
6 dollars (\$325) for each full-time-equivalent student.

7 B. The commission on higher education shall by
8 rule provide for the method for calculating the number of
9 full-time-equivalent students in technical and vocational
10 institutes. No student shall be included in any calculation
11 of the number of full-time-equivalent students if the student
12 is enrolled in a course, the cost of which is totally
13 reimbursed from federal, state or private sources. The public
14 school district shall transfer to the technical and vocational
15 institute the tuition and fees for any student who, during the
16 term, is counted in the membership of the public school
17 district and will receive high school credit for coursework at
18 the technical and vocational institute.

19 C. The commission on higher education shall not
20 recommend an appropriation greater than three hundred
21 twenty-five dollars (\$325) for each full-time-equivalent
22 student for any technical and vocational institute that levies
23 a tax at a rate less than two dollars (\$2.00), unless a lower
24 amount is required by operation of the rate limitation
25 provisions of Section 7-37-7.1 NMSA 1978 upon a rate approved

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1 by the electors of at least two dollars (\$2.00) on each one
2 thousand dollars (\$1,000) of net taxable value, as that term
3 is defined in the Property Tax Code, or any technical and
4 vocational institute that reduces a previously authorized tax
5 levy, except as required by the operation of the rate
6 limitation provisions of Section 7-37-7.1 NMSA 1978.

7 D. The board may establish and grant gratis
8 scholarships to students who are residents of New Mexico in an
9 amount not to exceed [~~the matriculation fee or~~] tuition and
10 fees [~~or both. Except as provided in Section 21-16-10.1 NMSA~~
11 ~~1978~~]. These scholarships are in addition to the lottery
12 tuition scholarships authorized in Section 21-16-10.1 NMSA
13 1978 and shall be granted to the full extent of available
14 funds before lottery tuition scholarship are granted. The
15 number of scholarships established and granted shall not
16 exceed three percent of the preceding fall semester enrollment
17 in the technical and vocational institute and shall not be
18 established and granted for summer sessions. The president of
19 the technical and vocational institute shall select and
20 recommend to the board as recipients of scholarships students
21 who possess good moral character and satisfactory initiative,
22 scholastic standing and personality. At least thirty-three
23 and one-third percent of the gratis scholarships established
24 and granted by the board each year shall be granted on the
25 basis of financial need. "

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1 Section 13. Section 21-16-10.1 NMSA 1978 (being Laws
2 1996, Chapter 71, Section 6, as amended) is amended to read:

3 "21-16-10.1. LOTTERY TUITION SCHOLARSHIPS AUTHORIZED. --

4 A. To the extent that funds are [~~made~~] available
5 [~~by the legislature~~] from the lottery tuition fund, the board
6 of a technical and vocational institute shall award lottery
7 tuition scholarships for qualified resident students attending
8 a technical and vocational institute. All other scholarship
9 funds available to the board shall be used before granting any
10 lottery tuition scholarships.

11 B. The lottery tuition scholarships authorized in
12 this section shall apply only to full-time resident students
13 who, immediately upon completion of a high school curriculum
14 at a public or accredited private New Mexico high school or
15 upon receiving a graduate equivalent diploma, are accepted for
16 entrance to and attend a technical and vocational institute.
17 Each lottery tuition scholarship shall be awarded for up to
18 two consecutive years beginning the second semester of the
19 recipient's first year of enrollment, provided that the
20 recipient has maintained residency in New Mexico and
21 maintained a grade-point average of 2.5 or higher on a 4.0
22 scale during his first semester of full-time enrollment with
23 renewal of an additional two years upon transfer.

24 C. The commission on higher education shall
25 prepare guidelines setting forth explicit student continuing

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1 eligibility criteria and guidelines for administration of the
2 tuition scholarship program. Guidelines shall be distributed
3 to the boards of technical and vocational institutes to enable
4 a uniform availability of the scholarships. "

5 Section 14. Section 60-2E-27 NMSA 1978 (being Laws 1997,
6 Chapter 190, Section 29, as amended) is amended to read:

7 "60-2E-27. GAMING OPERATOR LICENSEES--SPECIAL CONDITIONS
8 FOR RACETRACKS--NUMBER OF GAMING MACHINES--DAYS AND HOURS OF
9 OPERATIONS. --

10 A. A racetrack licensed by the state racing
11 commission pursuant to the Horse Racing Act to conduct live
12 horse races or simulcast races may be issued a gaming
13 operator's license to operate gaming machines on its premises
14 where live racing is conducted.

15 B. A racetrack's gaming operator's license shall
16 automatically become void if:

17 (1) the racetrack no longer holds an active
18 license to conduct pari-mutuel wagering; or

19 (2) the racetrack fails to maintain a minimum
20 of three live race days a week with at least nine live races
21 on each race day during its licensed race meet in the 1997
22 calendar year and in the 1998 and subsequent calendar years,
23 four live race days a week with at least nine live races on
24 each race day during its licensed race meet.

25 C. [~~A gaming operator licensee that is a racetrack~~

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1 ~~may have up to three hundred licensed gaming machines, but]~~
2 The number of gaming machines to be located on the
3 ~~[licensee's]~~ premises of a racetrack that is a gaming operator
4 licensee shall be specified in the ~~[gaming operator's]~~
5 license. The number of licensed gaming machines authorized
6 for a racetrack that is a gaming operator licensee is based
7 upon the number of live race days held in a calendar year by
8 the licensee as follows:

9 (1) up to three hundred if seventeen through
10 thirty live race days are held;

11 (2) up to four hundred fifty if thirty-one
12 through forty-five live race days are held;

13 (3) up to six hundred if forty-six through
14 sixty live race days are held;

15 (4) up to seven hundred fifty if sixty-one
16 through seventy-five live race days are held;

17 (5) up to nine hundred if seventy-six through
18 ninety live race days are held; and

19 (6) up to one thousand two hundred if ninety-
20 one through three hundred sixty-five live race days are held.

21 D. Gaming machines on a racetrack gaming operator
22 licensee's premises may be played only on days when the
23 racetrack is either conducting live horse races or
24 simulcasting horse race meets. A gaming operator licensee
25 that is a racetrack shall be permitted to conduct such games

underscored material = new
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1 on only the aforementioned days for a daily period not to
2 exceed twelve hours at the discretion of such licensee.

3 E. Alcoholic beverages shall not be sold, served,
4 delivered or consumed in the area restricted pursuant to
5 Subsection F of Section 60-2E-26 NMSA 1978. "

6 Section 15. EMERGENCY.--It is necessary for the public
7 peace, health and safety that this act take effect
8 immediately.

9 - 24 -