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LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
53rd Legislature, 2nd Session, 2018

Bill Number	<u>HB68/HECS</u>	Sponsor	<u>HEC</u>
Tracking Number	<u>.209878.1</u>	Committee Referrals	<u>HEC/HAFC</u>
Short Title	<u>NMMI Opportunity Scholarship</u>		
Analyst	<u>Terrazas</u>	Original Date	<u>1/30/18</u>
		Last Updated	<u></u>

BILL SUMMARY

Synopsis of Bill

The House Education Committee Substitute for House Bill 68 (HB68/HECS) creates the “Luciano ‘Lucky’ Varela Opportunity Scholarship Fund” to implement the “Luciano ‘Lucky’ Varela Opportunity Scholarship” at the New Mexico Military Institute (NMMI) to increase the number of low-income New Mexico high school students attending NMMI.

FISCAL IMPACT

HB68/HECS does not contain an appropriation. The fund shall not revert at the end of a fiscal year. Any investment interest earned shall be credited to the fund.

HB68/HECS allows the board of regents of NMMI, with the approval of the Higher Education Department, to transfer up to \$500 thousand of the institute’s budget balances, including existing scholarship endowments, to the Luciano “Lucky” Varela Opportunity Scholarship Fund established to implement the Luciano “Lucky” Varela Opportunity Scholarship. HB68/HECS allows up to \$500 thousand of funds appropriated to the Legislative Scholarship Fund to be transferred to the Luciano “Lucky” Varela Opportunity Scholarship Fund.

SUBSTANTIVE ISSUES

HB68/HECS allows NMMI to direct its budget balances to the creation of a needs-based Luciano “Lucky” Varela Opportunity Scholarship.

NMMI is one of four military junior colleges in the United States. It is the only state-supported co-educational college preparatory high school and junior college in the country and annually enrolls approximately 1,000 students from 43 states, the District of Columbia, and 35 foreign nations. Over three-quarters of the students, 78 percent, are male and 22 percent are female. During the 2016-2017 school year, 40 percent of the 436 high school students were New Mexico residents (see Attachment 1). NMMI high school students comprise 49.3 percent of their student population and junior college students comprise 50.6 percent. According to NMMI, 35 percent of

high school students continue onto the junior college and, historically, over 90 percent of NMMI graduates go on to attend a four-year college, including University of New Mexico, New Mexico State University, Texas Tech University, Stanford University, Harvard University, Rice University, and the United States military service academies.

Leadership training is provided to all cadets at the college level through the Reserve Officers Training Corps (ROTC) program, and at the high school level through the Junior ROTC program. The ROTC program offers college cadets the opportunity to receive a commission in the U.S. Army through the Two-Year Early Commissioning Program. Cadets may pursue commissions in the U.S. Army, Air Force, Navy, Marine Corps, Coast Guard, and Merchant Marines through the Service Academy Preparatory Program.

NMMI's first year cost of attendance (including tuition, fees, room, meal plan, uniforms, and a laptop) for New Mexico residents attending during the 2017-2018 school year totals \$12,373. Returning students pay approximately \$2,350 less due to having purchased their uniforms, unless students outgrow or wear out their uniform. According to NMMI, about 95 percent of students enrolled in their college program receive federal or scholarship assistance ranging from \$300 to \$16 thousand and totaling nearly \$3.4 million. About 71 percent of students in the high school program receive scholarship assistance ranging from \$150 to \$7,000 totaling nearly \$1.2 million. NMMI junior college students are also eligible for the New Mexico Legislative Lottery Scholarship.

Students who apply for admission into NMMI are encouraged to apply for the General Richard T. Knowles Legislative Scholarship, which allows each of New Mexico's 112 legislators to nominate four students from their district for scholarship consideration. Applicants not selected may be eligible to receive a Legislative Scholarship not awarded in an open contiguous district. Students awarded the Legislative Scholarship may receive the award for up to four years. Criteria for eligibility include scholastic ability, faculty recommendations, standardized test scores, letters of recommendation, school honors, and extracurricular activities. However, unlike the proposed Luciano "Lucky" Varela Opportunity Scholarship, the General Richard T. Knowles Legislative Scholarship is not needs-based.

ADMINISTRATIVE IMPLICATIONS

NMMI board of regents would need to establish criteria based on need, up to the total cost of attendance, in accordance with the NMMI admission requirements for New Mexico high school residents and annually establish a number of Luciano "Lucky" Varela Opportunity Scholarships available for New Mexico high school students who meet the established criteria.

RELATED BILLS

Relates to SB84, NM Reconnect Scholarship Act, which provides certain students with tuition scholarships to attend community college.

SOURCES OF INFORMATION

- LESC Files

DT/rab

Residence of NMMI Students from New Mexico

Fall 2017

City	New High School Students	Returning High School Students	Total
Roswell	11	28	39
Albuquerque	8	9	17
Carlsbad	3	5	8
Las Cruces	4	3	7
Santa Fe	2	5	7
Rio Rancho	3	3	6
Alamogordo	4	2	6
Farmington	1	3	4
Artesia	2	2	4
Ruidoso/Alto	3	1	4
Hobbs	3		3
Tijeras	2	1	3
Portales	1	1	2
Bloomfield	1	1	2
Deming		2	2
Hagerman		2	2
Moriarty	2		2
Peralta	2		2
Santa Rosa		2	2
Socorro		2	2
Truth or Consequences	1	1	2
Dexter		1	1
Los Lunas		1	1
Holloman	1		1
Arrey		1	1
Belen	1		1
Bosque		1	1
Clovis		1	1
Continental Divide	1		1
Corrales	1		1
Crownpoint	1		1
Española	1		1
Gallup		1	1
La Plata	1		1
Lamy	1		1
Loving		1	1
Lovington	1		1
Maxwell		1	1
Mescalero		1	1
Reserve		1	1
Silver		1	1
Taos		1	1
Tome		1	1
Vaughn	1		1
Total	63	86	149