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HOUSE BILL 561

54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019

INTRODUCED BY

Patricia Roybal Caballero

AN ACT

RELATING TO HIGHER EDUCATION; MAKING THE LOTTERY TUITION
SCHOLARSHIP A FULL SCHOLARSHIP BASED ON FINANCIAL NEED.

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

SECTION 1. Section 21-21N-2 NMSA 1978 (being Laws 2014,
Chapter 80, Section 2, as amended) is amended to read:

"21-21N-2. DEFINITIONS.--As used in the Legislative
Lottery Tuition Scholarship Act:

A. "community college" means a branch community
college of a four-year state educational institution, a two-
year state educational institution or a community college or
technical and vocational institute established pursuant to
Chapter 21, Article 13 or 16 NMSA 1978, respectively;

B. "comprehensive institution" means eastern New
Mexico university, western New Mexico university, New Mexico

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1 highlands university or northern New Mexico college;

2 C. "department" means the higher education
3 department;

4 D. "full time" means fifteen or more credit hours
5 each semester of the regular academic year in state educational
6 institutions and twelve or more credit hours each semester of
7 the regular academic year in community colleges or for legacy
8 students in any program semester;

9 E. "fund" means the lottery tuition fund;

10 F. "legacy student" means a full-time resident
11 student who has received for three or more program semesters by
12 the end of fiscal year 2014 the legislative lottery scholarship
13 awarded pursuant to the former provisions of Sections 21-1-4.3,
14 21-13-10 and 21-16-10.1 NMSA 1978 prior to the enactment of the
15 Legislative Lottery Tuition Scholarship Act;

16 G. "program semesters" means those semesters for
17 which a legacy or qualified student may receive a tuition
18 scholarship and excludes the first semester of attendance at a
19 public post-secondary educational institution;

20 H. "public post-secondary educational institution"
21 means a four-year state educational institution or a community
22 college;

23 I. "qualified student" means a full-time student
24 who demonstrates financial need and graduated from a public or
25 accredited private New Mexico high school or who received a

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1 high school equivalency credential while maintaining residency
2 in New Mexico and who:

3 (1) either:

4 (a) within sixteen months of graduation
5 or receipt of a high school equivalency credential, was
6 accepted for entrance to and attended a public post-secondary
7 educational institution; or

8 (b) within four months of graduation or
9 receipt of a high school equivalency credential, began service
10 in the United States armed forces and within sixteen months of
11 completion of honorable service or medical discharge from the
12 service, attended a public post-secondary educational
13 institution; and

14 (2) successfully completed the first semester
15 at a public post-secondary educational institution with a grade
16 point average of 2.5 or higher on a 4.0 scale during the first
17 semester of full-time enrollment;

18 J. "research institution" means the university of
19 New Mexico, New Mexico state university or New Mexico institute
20 of mining and technology;

21 K. "state educational institution" means an
22 institution of higher education enumerated in Article 12,
23 Section 11 of the constitution of New Mexico; and

24 L. "tuition scholarship" means the scholarship that
25 provides tuition assistance per program semester for a

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1 qualified student or legacy student attending a public post-
2 secondary educational institution."

3 SECTION 2. Section 21-21N-3 NMSA 1978 (being Laws 2014,
4 Chapter 80, Section 3, as amended) is amended to read:

5 "21-21N-3. TUITION SCHOLARSHIPS AUTHORIZED--QUALIFIED
6 STUDENTS.--

7 A. To the extent that funds are made available by
8 the legislature from the fund, the boards of regents or
9 governing bodies of public post-secondary educational
10 institutions shall award tuition scholarships in department-
11 approved amounts to qualified students and legacy students
12 attending their respective public post-secondary educational
13 institutions.

14 B. Beginning in fiscal year 2015:

15 (1) a legacy student is eligible to receive a
16 tuition scholarship until the total number of program semesters
17 for which the legislative lottery scholarship is received
18 pursuant to the former provisions of Sections 21-1-4.3,
19 21-13-10 and 21-16-10.1 NMSA 1978 or the Legislative Lottery
20 Tuition Scholarship Act reaches eight; provided that the legacy
21 student maintains residency in New Mexico, maintains a grade
22 point average of 2.5 or higher on a 4.0 scale and completes
23 twelve or more credit hours per program semester; and

24 (2) a qualified student who is not a legacy
25 student is eligible to receive ~~the~~ a full tuition scholarship

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1 for a maximum of seven program semesters and in an amount
2 determined pursuant to the provisions of Section 21-21N-4 NMSA
3 1978.

4 C. Except as otherwise provided in this section, a
5 tuition scholarship may be awarded to a qualified student
6 [~~who~~]:

7 (1) who maintains residency in New Mexico;

8 (2) who maintains a grade point average of 2.5
9 or higher on a 4.0 scale; [~~and~~]

10 (3) who completes:

11 (a) for a student attending a four-year
12 public post-secondary educational institution, fifteen or more
13 credit hours per program semester; and

14 (b) for a student attending a two-year
15 public post-secondary educational institution, twelve or more
16 credit hours per program semester; and

17 (4) whose family or household income does not
18 exceed two hundred forty percent of the current federal poverty
19 level guidelines applicable to New Mexico, published by the
20 United States department of health and human services.

21 D. For students with disabilities who may require
22 accommodations, the department, in consultation with the
23 student and the office at the public post-secondary educational
24 institution that serves students with disabilities, shall
25 review both the definition of "full time" and the maximum

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1 number of consecutive program semesters of eligibility and
2 adjust either or both as deemed reasonable and appropriate,
3 based on the student's disability needs. In no case, however,
4 shall "full time" mean fewer than six credit hours per
5 semester, and in no case shall eligibility extend beyond
6 fourteen consecutive program semesters."

7 SECTION 3. Section 21-21N-4 NMSA 1978 (being Laws 2014,
8 Chapter 80, Section 4, as amended) is amended to read:

9 "21-21N-4. TUITION SCHOLARSHIP AMOUNT--FUND.--

10 ~~[A. Prior to June 1 of each year, based on the~~
11 ~~amount appropriated]~~ Subject to appropriation by the
12 legislature from the fund ~~[and on the projected enrollment at~~
13 ~~all public post-secondary educational institutions]~~, the
14 department shall

15 ~~[(1) determine the total amount of money~~
16 ~~available for all tuition scholarships for qualified students;~~

17 ~~(2) determine the award amount for research~~
18 ~~institutions, comprehensive institutions and community~~
19 ~~colleges; and~~

20 ~~(3) notify all public post-secondary~~
21 ~~educational institutions of the determinations made pursuant to~~
22 ~~Paragraphs (1) and (2) of this subsection.~~

23 ~~B. In determining distribution and award amounts~~
24 ~~for the tuition scholarship program, the department shall:~~

25 ~~(1) maintain the minimum fund balance pursuant~~

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1 ~~to Section 21-21N-5 NMSA 1978;~~

2 ~~(2) distribute to all public post-secondary~~
3 ~~educational institutions an amount not to exceed the remaining~~
4 ~~balance in the fund; and~~

5 ~~(3) subject to the provisions of Paragraphs~~
6 ~~(1) and (2) of this subsection]~~ distribute to each public post-
7 secondary educational institution an amount based on:

8 ~~[(a)]~~ A. the projected enrollment at each four-year
9 public post-secondary educational institution of qualified
10 students in their first through seventh program semesters,
11 including qualified students in their fourth through seventh
12 program semesters who transferred from community colleges;

13 ~~[(b)]~~ B. the projected enrollment at each community
14 college of qualified students in their first through third
15 program semesters; and

16 ~~[(c)]~~ C. an award for each scholarship recipient
17 distributed in amounts as follows: 1) one thousand five
18 hundred dollars (\$1,500) per scholarship per program semester
19 for a student enrolled at a research institution; 2) one
20 thousand twenty dollars (\$1,020) per scholarship per program
21 semester for a student enrolled at a comprehensive institution;
22 and 3) three hundred eighty dollars (\$380) per scholarship per
23 program semester for a student enrolled at a community college.

24 G. If the total amount available pursuant to
25 Paragraph (1) of Subsection A of this section is less than the

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1 ~~amount calculated in Subsection B of this section, the~~
2 ~~department shall decrease the scholarship award amounts in a~~
3 ~~manner that maintains the distribution in the same proportions~~
4 ~~as provided in Subparagraph (c) of Paragraph (3) of Subsection~~
5 ~~B of this section.~~

6 ~~D. If the total amount available pursuant to~~
7 ~~Paragraph (1) of Subsection A of this section is more than the~~
8 ~~amount calculated in Subsection B of this section, the~~
9 ~~department shall increase the scholarship award amounts in a~~
10 ~~manner that maintains the distribution in the same proportions~~
11 ~~as provided in Subparagraph (c) of Paragraph (3) of Subsection~~
12 ~~B of this section.]~~

13 C. the average of in-state tuition costs charged
14 by:

15 (1) research institutions for each research
16 institution;

17 (2) comprehensive institutions for each
18 comprehensive institution; and

19 (3) community colleges for each community
20 college, except that the uniform percentage for a two-year
21 state educational institution shall be based on the uniform
22 percentage for community colleges."

23 SECTION 4. Section 21-21N-5 NMSA 1978 (being Laws 1995,
24 Chapter 155, Section 23, as amended) is amended to read:

25 "21-21N-5. LOTTERY TUITION FUND CREATED--PURPOSE.--

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1 A. The "lottery tuition fund" is created in the
2 state treasury. The fund shall be administered by the
3 department. Earnings from investment of the fund shall accrue
4 to the credit of the fund. The fund shall maintain an annual
5 average balance of [~~two million dollars (\$2,000,000)~~] one
6 million dollars (\$1,000,000), and any balance in the fund at
7 the end of any fiscal year shall remain in the fund for
8 appropriation by the legislature as provided in this section.

9 B. Money in the fund shall be appropriated by the
10 legislature to the department for distribution to New Mexico's
11 public post-secondary educational institutions to provide
12 tuition assistance for qualified students and legacy students
13 as provided in the Legislative Lottery Tuition Scholarship
14 Act."

15 **SECTION 5.** Section 21-21N-6 NMSA 1978 (being Laws 2014,
16 Chapter 80, Section 6) is amended to read:

17 "21-21N-6. DEPARTMENT RULEMAKING AND REPORTING.--

18 A. The department shall promulgate rules setting
19 forth explicit criteria in accordance with the Legislative
20 Lottery Tuition Scholarship Act for

21 [~~(1)~~] student qualification and continuing
22 eligibility [~~and~~

23 ~~(2) calculating the tuition scholarship award~~
24 ~~amount pursuant to Section 4 of the Legislative Lottery Tuition~~
25 ~~Scholarship Act and guidelines for the administration of the~~

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1 ~~tuition scholarship program]~~.

2 B. The department shall report by November 1 of each
3 year to the legislative finance committee and the department of
4 finance and administration on:

5 (1) the status of the fund;

6 (2) tuition scholarship program

7 participation data aggregated for each public post-secondary
8 educational institution to show:

9 (a) the number of qualified students and
10 the number of legacy students who received tuition scholarships
11 in the prior twelve-month period;

12 (b) the total number of students,
13 including qualified students and legacy students, enrolled in
14 the prior twelve-month period;

15 (c) for each semester, the amount of
16 tuition scholarships funded and the amount of tuition costs
17 that were not offset by the tuition scholarship; and

18 (d) the number of qualified students and
19 the number of legacy students who graduated with a degree and,
20 for each qualified student, the number of consecutive semesters
21 and nonconsecutive semesters attended prior to graduation; and

22 (3) any additional information required or
23 requested by the legislative finance committee or the
24 department of finance and administration."

25 SECTION 6. A new section of the Legislative Lottery

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Tuition Scholarship Act is enacted to read:
"[NEW MATERIAL] LOTTERY TUITION SCHOLARSHIP--APPLICATION
BY STUDENT.--Prior to consideration for a lottery tuition
scholarship each year, a student shall submit to the intended
public post-secondary educational institution a completed:
A. lottery tuition scholarship application form
developed by the public post-secondary educational institution
or the department; or
B. free application for federal student aid
provided pursuant to the federal Higher Education Act of 1965."