

HOUSE EDUCATION COMMITTEE SUBSTITUTE FOR
HOUSE BILL 14

54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020

AN ACT

RELATING TO HIGHER EDUCATION; CREATING THE OPPORTUNITY
SCHOLARSHIP ACT; CREATING THE OPPORTUNITY SCHOLARSHIP FUND;
MAKING AN APPROPRIATION.

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

SECTION 1. [NEW MATERIAL] SHORT TITLE.--This act may be
cited as the "Opportunity Scholarship Act".

SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the
Opportunity 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. "department" means the higher education

1 department;

2 C. "eligible institution" means a public post-
3 secondary educational institution or a tribal college that has
4 a current and valid memorandum of understanding regarding
5 institution eligibility with the department, and which
6 memorandum of understanding is approved by the department;

7 D. "four-year opportunity scholarship" means a
8 scholarship that provides tuition assistance per program
9 semester for a qualified student enrolled in a four-year
10 program at an eligible institution;

11 E. "full time" means fifteen or more credit hours
12 each program semester of the regular academic year in four-year
13 programs and twelve or more credit hours each program semester
14 of the regular academic year in two-year programs;

15 F. "fund" means the opportunity scholarship fund;

16 G. "opportunity scholarship", without modification,
17 includes a two-year opportunity scholarship and a four-year
18 opportunity scholarship;

19 H. "program semesters" means those semesters for
20 which a qualified student may receive an opportunity
21 scholarship;

22 I. "public post-secondary educational institution"
23 means a state educational institution or a community college;

24 J. "qualified student" means a recent graduate
25 learner or a returning student learner;

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1 K. "recent graduate learner" means a full-time
2 student who does not have an associate's, bachelor's, master's
3 or doctoral degree and who graduated from a public or
4 accredited private New Mexico high school or who received a
5 high school equivalency credential while maintaining residency
6 in New Mexico and who:

7 (1) either:

8 (a) within sixteen months of graduation
9 or receipt of a high school equivalency credential, was
10 accepted for entrance to and attended an eligible institution;
11 or

12 (b) within four months of graduation or
13 receipt of a high school equivalency credential, began service
14 in the United States armed forces and, within sixteen months of
15 completion of honorable service or medical discharge from the
16 service, attended an eligible institution; and

17 (2) successfully completed the first semester
18 at an eligible institution with a grade point average of 2.5 or
19 higher on a 4.0 scale during the first semester of full-time
20 enrollment and maintains a cumulative grade point average of
21 2.5 or higher on a 4.0 scale at an eligible institution;

22 L. "returning student learner" means a student
23 twenty-four years of age or older who has a high school diploma
24 or who has received a high school equivalency credential and
25 who does not have an associate's, bachelor's, master's or

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1 doctoral degree, who has been a resident of New Mexico for the
2 preceding twelve consecutive months and who maintains a
3 cumulative grade point average of 2.0 or higher on a 4.0 scale
4 at an eligible institution;

5 M. "state educational institution" means an
6 institution of higher education enumerated in Article 12,
7 Section 11 of the constitution of New Mexico;

8 N. "tribal college" means a tribally, federally or
9 congressionally chartered eligible institution located in New
10 Mexico that is accredited by the higher learning commission;

11 O. "tuition and fees" means mandatory costs paid by
12 or for a qualified student to an eligible institution for
13 coursework; and

14 P. "two-year opportunity scholarship" means a
15 scholarship that provides tuition assistance per program
16 semester for a qualified student enrolled in a two-year program
17 at an eligible institution.

18 SECTION 3. [NEW MATERIAL] OPPORTUNITY SCHOLARSHIPS
19 AUTHORIZED--QUALIFIED STUDENTS.--

20 A. To the extent that money is available in the
21 fund, the boards of regents or governing bodies of eligible
22 institutions shall award opportunity scholarships in
23 department-approved amounts to qualified students attending
24 their respective eligible institutions.

25 B. A qualified student is eligible to receive an

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1 opportunity scholarship; provided that the student maintains
2 residency in New Mexico and:

3 (1) for a recent graduate learner, for a
4 maximum of seven program semesters, achieves the earlier of:

5 (a) completion of a full-time course
6 load per program semester up to one hundred eighty credit
7 hours; or

8 (b) receipt of a bachelor's degree; and

9 (2) for a returning student learner, for a
10 maximum of ten program semesters, achieves the earlier of:

11 (a) completion of six or more credit
12 hours per program semester up to ninety credit hours; or

13 (b) receipt of an associate's degree.

14 C. No qualified student shall simultaneously
15 receive an opportunity scholarship as a recent graduate learner
16 and a returning student learner.

17 D. For students with disabilities who may require
18 accommodations, the department, in consultation with the
19 student and the office at the eligible institution that serves
20 students with disabilities, shall review the maximum number of
21 consecutive program semesters of eligibility and adjust it as
22 deemed reasonable and appropriate, based on the student's
23 disability needs. In no case, however, shall eligibility
24 extend beyond fourteen consecutive program semesters. The
25 definition of "qualified student" notwithstanding, a New Mexico

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1 resident who had to leave the state to receive an education
2 pursuant to the federal Individuals with Disabilities Education
3 Act shall be eligible for an opportunity scholarship if the
4 student graduated from an accredited high school in another
5 state and otherwise meets the qualifications for an opportunity
6 scholarship pursuant to the definition of "qualified student"
7 and this section.

8 SECTION 4. [NEW MATERIAL] OPPORTUNITY SCHOLARSHIP
9 AMOUNT.--

10 A. Prior to June 1 of each year, based on the
11 amount appropriated by the legislature from the fund for two-
12 year opportunity scholarships and four-year opportunity
13 scholarships and on the projected enrollment at all eligible
14 institutions, the department shall:

15 (1) determine the total amount of money
16 necessary to pay for opportunity scholarships for recent
17 graduate learners at each eligible institution;

18 (2) determine the total amount of money
19 necessary to pay for opportunity scholarships for returning
20 student learners at each eligible institution; and

21 (3) notify each eligible institution of the
22 determinations made pursuant to Paragraphs (1) and (2) of this
23 subsection.

24 B. The department shall distribute an amount not to
25 exceed the remaining balance in the fund; and, to the extent

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1 that money is available in the fund, an amount that shall pay
 2 the balance of the full cost of tuition and fees for qualified
 3 students at each eligible institution after all state non-loan-
 4 based student financial aid has been paid to or on behalf of
 5 the student.

6 SECTION 5. [NEW MATERIAL] OPPORTUNITY SCHOLARSHIP FUND
 7 CREATED--PURPOSE.--

8 A. The "opportunity scholarship fund" is created in
 9 the state treasury. The fund consists of all money
 10 appropriated to the fund and any grants, gifts and bequests
 11 made to the fund. The fund shall be administered by the
 12 department. Earnings from investment of the fund shall accrue
 13 to the credit of the fund. Any balance in the fund at the end
 14 of any fiscal year shall remain in the fund for appropriation
 15 by the legislature as provided in this section.

16 B. Money in the fund is subject to appropriation by
 17 the legislature to the department for distribution to eligible
 18 institutions to provide tuition and fee assistance for
 19 qualified students as provided for in the Opportunity
 20 Scholarship Act.

21 SECTION 6. [NEW MATERIAL] DEPARTMENT RULEMAKING AND
 22 REPORTING.--

23 A. The department shall promulgate rules setting
 24 forth explicit criteria in accordance with the Opportunity
 25 Scholarship Act for:

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1 (1) student qualification and continuing
2 eligibility;

3 (2) calculating the total amount of money
4 necessary to pay for opportunity scholarships at each eligible
5 institution pursuant to Section 4 of the Opportunity
6 Scholarship Act and guidelines for the administration of the
7 opportunity scholarship program; and

8 (3) requirements for the memoranda of
9 understanding regarding institution eligibility to participate
10 in the opportunity scholarship program.

11 B. The department shall report by November 1 of
12 each year to the legislative finance committee and the
13 department of finance and administration on the:

14 (1) status of the fund; and

15 (2) opportunity scholarship program
16 participation data aggregated for each eligible institution to
17 show the:

18 (a) number of qualified students who
19 received opportunity scholarships in the prior academic year;

20 (b) total number of students enrolled in
21 eligible institutions in the prior academic year; and

22 (c) number of qualified students who
23 graduated with a degree and, for each qualified student, the
24 number of consecutive semesters and nonconsecutive semesters
25 attended prior to graduation.

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