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FISCAL IMPACT REPORT

SPONSOR:	Chavez	DATE TYPED:	2/3/00	HB	HJM 9
SHORT TITLE:	Limit Tuition Increase On Lottery Scholarship			SB	
				ANALYST:	Lockwood

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
		NFI			

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 19, 53, 254 SB 114, 157, 253 HJM 2

SOURCES OF INFORMATION

Commission on Higher Education (CHE)

State Department of Education (SDE)

SUMMARY

Synopsis of Bill

HJM 9 requests the Commission on Higher Education to explore methods of limiting increases in tuition for lottery tuition scholarship recipients and report the findings at the next legislative session.

Significant Issues

CHE reports that, given the projected number of eligible students under current law, and the anticipated transfers from the NM Lottery, the FY01 scholarship expenditures will outpace revenues. Based on current projections, the CHE expects to reduce the amount of each tuition scholarship to an amount less than 100% of the cost of tuition, possibly to 70-80% of tuition in future years.

AL/prr