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## FISCAL IMPACT REPORT

SPONSOR: Ingle DATE TYPED: 02/22/01 HB \_\_\_\_\_  
 SHORT TITLE: Limit Tuition Increase For Scholarships SB 304  
 ANALYST: Fernandez

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY01	FY02	FY01	FY02		
		See Narrative			

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Relates to Appropriation in The General Appropriation Act HB22, HB28, HB56 and SB59

### SOURCES OF INFORMATION

Commission on Higher Education (CHE)  
 New Mexico Lottery Authority

### SUMMARY

#### Synopsis of Bill

Senate Bill 304 amends current statutes governing postsecondary institutions to prohibit them from increasing tuition for students that are recipients of Lottery Success Scholarships as long as the student remains at the institution and is eligible for the scholarship.

#### Significant Issues

CHE indicates that Article 12, Section 13 of the New Mexico constitution provides for the control and management of the four-year institutions and Northern New Mexico Community College by each of the board of regents. Setting annual tuition is considered part of the management responsibilities delegated to the institutions.

### FISCAL IMPLICATIONS

Projections from CHE indicate that if no changes to the program or current statute are made, the program will run short of the funding needed to provide 100-percent tuition scholarships to students in FY03. The projections are based on an assumption of 9 percent tuition increases at universities and 5 percent at community colleges.

**Senate Bill 304 -- Page 2**

According to CHE, this bill would address the issue of rising costs of the Lottery Success Scholarship Program that are driven by tuition increases from institutions.

**CONFLICT/DUPLICATION/COMPANIONSHIP/RELATIONSHIP**

This bill is related to HB22, HB28, HB56 and SB59. These bills also propose amendments to the Lottery Success Scholarship program.

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