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FISCAL IMPACT REPORT



SPONSOR: Lopez DATE TYPED: 01/29/02 HB _____

SHORT TITLE: Single Parent Scholarship Act SB 128

ANALYST: Fernandez

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring Or Non-Rec	Fund Affected
FY02	FY03	FY02	FY03		
	2,000.0			Recurring	Single Parent Scholarship

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Relates to Appropriation in The General Appropriation Act _____

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY02	FY03			
	2,000.0		Recurring	Single Parent Scholarship
	(2,000.0)		Recurring	Lottery Tuition Scholarship

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC files
 Commission on Higher Education (CHE)
 New Mexico Lottery Authority

SUMMARY

Synopsis of Bill

Senate Bill 128 creates a scholarship program for low-income single parents returning to a public

post-secondary institution in New Mexico to continue their education. The program is funded with net revenues from the lottery and is in effect July 1, 2002 through June 30, 2006.

Significant Issues

Qualifications for a scholarship:

- ◆ Must be a single custodial parent with financial need;
- ◆ Must be enrolled full-time in a post-secondary institution;
- ◆ Must be a United States citizen and resident of New Mexico for in-state tuition purposes;
- ◆ Returned to school after not being enrolled in a post-secondary institution for at least two semesters prior to the qualifying semester; and
- ◆ Maintain a 3.0 grade point average or higher each semester.

Recipients that qualify for a scholarship can receive up to \$375 per semester or \$750 per year and may use the money for tuition, books, fees, child care or other costs incurred while attending a post-secondary institution.

FISCAL IMPLICATIONS

Senate Bill 128 creates the Single Parent Scholarship Fund and appropriates \$2,000.0 to the fund from net revenues from the Lottery Tuition Fund. This appropriation is a recurring expense to the Single Parent Scholarship Fund for fiscal years 2003 through 2006. Any unexpended or unencumbered balance remaining at the end of fiscal years 2003 through 2006 shall not revert. After fiscal year 2006, all net revenues from the lottery shall be deposited in the Lottery Tuition Fund.

Senate Bill 128 also amends Section 6-24-24 NMSA 1978, to direct the State Treasurer to deposit \$2,000.0 of net revenues from the lottery into the Single Parent Scholarship Fund and the remainder of the net revenues into the Lottery Tuition Fund.

Initial cost estimates provided by the CHE indicate this program would serve approximately 2,300 single parent returning students at a total cost of \$1,908.4.

ADMINISTRATIVE IMPLICATIONS

The CHE will administer the fund and develop appropriate rules and regulations. In addition, the commission will develop a process for the reduction of awards in the event the number of eligible award recipients exceeds the amount of money available each semester for the program.

OTHER SUBSTANTIVE ISSUES

This is a Legislative Finance Committee sponsored bill.

CTF/njw