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## FISCAL IMPACT REPORT

SPONSOR Taylor DATE TYPED 03/03/05 HB 544

SHORT TITLE Lottery Scholarships for Military Dependents SB \_\_\_\_\_

ANALYST Williams

### APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			Minimal	Recurring	Lottery Tuition Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to numerous student financial aid and lottery tuition scholarship bills

#### SOURCES OF INFORMATION

- LFC Files
- New Mexico Lottery (NML)
- Commission on Higher Education (CHE)

#### SUMMARY

##### Synopsis of Bill

House Bill 544 extends eligibility for lottery tuition scholarships to include qualifying students who are dependents of New Mexico residents stationed outside of New Mexico due to service in the United States armed forces. These students may qualify by completing a high school curriculum at any public or private accredited high school or receiving a graduate equivalent diploma and immediately attending a qualifying New Mexico educational institution. The bill limits the authorization to eligible New Mexico residents paying New Mexico income taxes.

#### FISCAL IMPLICATIONS

The projected fiscal impact is expected to be minimal.

#### TECHNICAL ISSUES

The bill is not specific to the type of New Mexico income tax.

## OTHER SUBSTANTIVE ISSUES

To evaluate impacts of potential changes to the lottery tuition scholarship program, the legislature may wish to consider requiring an annual review and reporting to the Legislative Finance Committee, Legislative Education Study Committee, Department of Finance and Administration and the Office of the Governor by:

- New Mexico Lottery Authority on revenue situation and outlook and
- Commission on Higher Education on
  - expenditure situation and outlook
  - fund balance situation and outlook
  - policy and fiscal impacts of each change to lottery scholarship program enacted by the 2004 legislature

AW/lg