AN ACT

RELATING TO HIGHER EDUCATION; REQUIRING THE HIGHER EDUCATION DEPARTMENT TO INCLUDE ALL PHYSICAL EDUCATION STUDENT CREDIT HOURS FOR PURPOSES OF DETERMINING FUNDING FOR COMMUNITY COLLEGES AND BRANCH COMMUNITY COLLEGES THAT PROVIDE PHYSICAL EDUCATION.

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

SECTION 1. Section 21-13-19 NMSA 1978 (being Laws 1968, Chapter 70, Section 2, as amended) is amended to read:

"21-13-19. ENROLLMENT DEFINED--PAYMENTS.--

- A. For those students in community colleges taking college-level courses, full-time-equivalent students shall be defined and computed by the higher education department in the same manner in which it defines and computes full-timeequivalent students for all other college-level programs within its jurisdiction.
- No student shall be included in any calculations made under the provisions of this section if the student is enrolled in a course the cost of which is totally reimbursed from federal, state or private sources.
- The higher education department shall not recommend an appropriation greater than three hundred twenty-five dollars (\$325) for each full-time-equivalent student for any community college that levies a tax at a rate HB 327

less than two dollars (\$2.00), unless a lower amount is required by operation of the rate limitation provisions of Section 7-37-7.1 NMSA 1978 upon a rate of at least two dollars (\$2.00) on each one thousand dollars (\$1,000) of net taxable value, as that term is defined in the Property Tax Code, or any community college that reduces a previously authorized tax levy, except as required by the operation of the rate limitation provisions of Section 7-37-7.1 NMSA 1978.

- D. The higher education department shall require from the community college such reports as the department deems necessary for the purpose of determining the number of full-time-equivalent students at the community college eligible to receive support under this section.
- E. A community college board shall establish tuition and fee rates for its respective institutions for full-time, part-time, resident and nonresident students, as defined by the higher education department.
- F. A community college board may establish and grant gratis scholarships to students who are residents of New Mexico in an amount not to exceed the matriculation fee or tuition and fees, or both. The gratis scholarships are in addition to the lottery tuition scholarships authorized in Section 21-13-10 NMSA 1978 and shall be granted to the full extent of available funds before lottery tuition scholarships are granted. The number of scholarships established and

granted pursuant to this subsection shall not exceed three percent of the preceding fall semester enrollment in each institution and shall not be established and granted for summer sessions. The president of each institution shall select and recommend to the community college board of the president's institution, as recipients of scholarships, students who possess good moral character and satisfactory initiative, scholastic standing and personality. All of the gratis scholarships established and granted by each community college board each year shall be granted on the basis of financial need.

- G. A student in a home school or private school who meets the eligibility criteria in rules promulgated by the public education department and higher education department may apply for dual credit courses, provided that the student pays the full cost of dual credit courses.
- H. The higher education department shall include all physical education student credit hours for purposes of determining funding for any community college that provides physical education courses."
- SECTION 2. Section 21-14-9 NMSA 1978 (being Laws 1973, Chapter 371, Section 1, as amended) is amended to read:
 - "21-14-9. STATE SUPPORT--APPROPRIATION.--
- A. The higher education department shall recommend an appropriation for each branch community college based upon $$\operatorname{HB}$$ 327 $$\operatorname{Page}$$ 3

the college's financial requirements in relation to its authorized program and its available funds from non-general fund sources; provided that the recommended appropriation shall be an amount not less than three hundred twenty-five dollars (\$325) for each full-time-equivalent student.

- B. The higher education department shall not recommend an appropriation greater than three hundred twenty-five dollars (\$325) for each full-time-equivalent student for any branch community college that levies a tax at a rate less than one dollar (\$1.00), unless a lower amount is required by operation of the rate limitation provisions of Section 7-37-7.1 NMSA 1978 upon a rate approved by the electors of at least one dollar (\$1.00) on each one thousand dollars (\$1,000) of net taxable value, as that term is defined in the Property Tax Code, or any branch community college that reduces a previously authorized tax levy, except as required by the operation of the rate limitation provisions of Section 7-37-7.1 NMSA 1978.
- C. The higher education department shall include all physical education student credit hours for purposes of determining funding for any branch community college that provides physical education courses."