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HOUSE BILL 263

51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014

INTRODUCED BY

Jason C. Harper and Craig W. Brandt

AN ACT

RELATING TO HIGHER EDUCATION; ENACTING THE LEGISLATIVE LOTTERY SCHOLARSHIP ACT TO EXTEND THE FINANCIAL SOLVENCY OF THE LOTTERY TUITION FUND; PROVIDING, FOR ALL QUALIFIED STUDENTS, A UNIFORM AWARD AMOUNT TO BE ADJUSTED ANNUALLY; AMENDING, REPEALING, RECOMPILING AND ENACTING SECTIONS OF THE NMSA 1978; DECLARING AN EMERGENCY.

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

SECTION 1. [NEW MATERIAL] SHORT TITLE.--Sections 1 through 6 of this act may be cited as the "Legislative Lottery Scholarship Act".

SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the Legislative Lottery Scholarship Act:

A. "community college" means a branch community college of a state educational institution or a community

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1 college or technical and vocational institute established
2 pursuant to Chapter 21, Article 13 or 16 NMSA 1978,
3 respectively;

4 B. "comprehensive institution" means eastern New
5 Mexico university, western New Mexico university, New Mexico
6 highlands university or northern New Mexico college;

7 C. "department" means the higher education
8 department;

9 D. "fund" means the lottery tuition fund;

10 E. "legislative lottery scholarship" means a
11 scholarship that provides financial assistance only for tuition
12 costs incurred by a qualified student attending any public
13 post-secondary educational institution in a uniform amount
14 determined annually by the department;

15 F. "public post-secondary educational institution"
16 means a community college, comprehensive institution, research
17 institution or state educational institution;

18 G. "qualified student" means a student who meets
19 eligibility requirements pursuant to the Legislative Lottery
20 Scholarship Act and department rules; who graduated with a
21 diploma from a public or accredited private New Mexico high
22 school or received a high school equivalency credential in New
23 Mexico; and who either:

24 (1) immediately upon graduation or receipt of
25 a high school equivalency credential was accepted for entrance

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1 to and attended a public post-secondary educational
2 institution; or

3 (2) within one hundred twenty days of
4 completion of a high school curriculum or receipt of a high
5 school equivalency credential began service in the United
6 States armed forces and within one year of completion of
7 honorable service or medical discharge from the service
8 attended a public post-secondary educational institution;

9 H. "research institution" means the university of
10 New Mexico, New Mexico state university or New Mexico institute
11 of mining and technology; and

12 I. "state educational institution" means an
13 institution of higher education enumerated in Article 12,
14 Section 11 of the constitution of New Mexico.

15 SECTION 3. [NEW MATERIAL] LEGISLATIVE LOTTERY

16 SCHOLARSHIP--AMOUNT--NOTIFICATION.--No later than June 1, 2014
17 and no later than June 1 of each subsequent year, based on the
18 amount appropriated by the legislature from the fund and on the
19 projected enrollment at all public post-secondary educational
20 institutions, the department shall:

21 A. determine the amount of money available for
22 legislative lottery scholarships at all public post-secondary
23 educational institutions;

24 B. determine the uniform award amount of a
25 legislative lottery scholarship for the upcoming academic year:

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1 (1) for a qualified student attending a public
2 post-secondary educational institution; and

3 (2) as necessary to award the maximum amount
4 available to assist qualified students with tuition costs while
5 ensuring the solvency of the fund as projected in the most
6 recent actuarial evaluation of the fund;

7 C. notify all public post-secondary educational
8 institutions of the determinations made pursuant to Subsections
9 A and B of this section; and

10 D. distribute to a public post-secondary
11 educational institution a legislative lottery tuition
12 scholarship for each qualified student in the uniform award
13 amount; provided that, if the uniform award amount exceeds the
14 cost of tuition, the department shall distribute to a public
15 post-secondary educational institution a legislative lottery
16 scholarship only in the amount of the tuition charged.

17 SECTION 4. [NEW MATERIAL] LEGISLATIVE LOTTERY
18 SCHOLARSHIPS--AUTHORIZED--QUALIFIED STUDENTS.--

19 A. To the extent that funds are made available by
20 the legislature from the fund, the boards of regents or
21 governing bodies of public post-secondary educational
22 institutions shall provide legislative lottery scholarship
23 awards to qualified students attending their respective public
24 post-secondary educational institutions in the uniform award
25 amount determined by the department; provided that if the

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1 uniform award amount exceeds the cost of tuition, the public
2 post-secondary educational institution shall receive and award
3 a legislative lottery scholarship only in the amount of the
4 tuition charged.

5 B. Beginning in fiscal year 2015, except as
6 otherwise provided in this section, a legislative lottery
7 scholarship in a department-determined amount shall be awarded
8 to a qualified student:

9 (1) after completion of the first semester of
10 full-time enrollment with a grade point average of 2.5 or
11 higher on a 4.0 scale at a public post-secondary educational
12 institution;

13 (2) for up to seven consecutive semesters of
14 attendance at a comprehensive institution, research institution
15 or state educational institution or three consecutive semesters
16 of attendance at a community college followed with no hiatus in
17 attendance by four consecutive semesters of attendance at a
18 comprehensive institution, research institution or state
19 educational institution; and

20 (3) for each semester that the qualified
21 student:

22 (a) maintains residency in New Mexico;

23 (b) maintains a grade point average of
24 2.5 or higher on a 4.0 scale;

25 (c) completes twelve or more credit

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1 hours; and

2 (d) meets any additional eligibility
3 requirements established in rule by the department.

4 C. Notwithstanding the eligibility provisions for a
5 qualified student set forth in this section, the department, in
6 consultation with a student with disabilities and the office at
7 a public post-secondary educational institution that serves
8 students with disabilities, shall review the minimum credit
9 hours and the maximum number of consecutive semesters required
10 for eligibility in this section and adjust either or both as
11 deemed reasonable and appropriate, based on the needs of the
12 student with disabilities who requires and requests an
13 accommodation. In no case, however, shall fewer than six
14 credit hours per semester be required, and in no case shall
15 eligibility extend beyond fourteen consecutive semesters.

16 SECTION 5. Section 6-24-23 NMSA 1978 (being Laws 1995,
17 Chapter 155, Section 23, as amended) is recompiled in the
18 Legislative Lottery Scholarship Act and is amended to read:

19 "LOTTERY TUITION FUND CREATED--PURPOSE.--

20 A. The "lottery tuition fund" is created in the
21 state treasury. The fund shall be administered by the
22 [~~commission on higher education~~] department. Earnings from
23 investment of the fund shall accrue to the credit of the fund.
24 Any balance in the fund at the end of any fiscal year shall
25 remain in the fund for appropriation by the legislature as

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1 provided in this section.

2 B. Money in the [~~lottery tuition~~] fund [~~is~~] shall
3 be appropriated by the legislature to the [~~commission on higher~~
4 ~~education~~] department for distribution to New Mexico's public
5 post-secondary educational institutions to provide tuition
6 assistance for [~~New Mexico resident undergraduates as provided~~
7 ~~by law~~] qualified students as provided in the Legislative
8 Lottery Scholarship Act."

9 SECTION 6. [NEW MATERIAL] DEPARTMENT RULEMAKING AND
10 REPORTING.--

11 A. The department shall promulgate rules setting
12 forth explicit criteria for:

13 (1) student qualification and continuing
14 eligibility;

15 (2) determining the award amount of a
16 legislative lottery scholarship pursuant to the Legislative
17 Lottery Scholarship Act; and

18 (3) guidelines for the administration of the
19 legislative lottery scholarship program.

20 B. Immediately after promulgation, the department
21 shall distribute the rules to boards of regents and governing
22 boards of public post-secondary educational institutions.

23 C. By November 1 of each year, the department shall
24 report to the legislative finance committee and the department
25 of finance and administration on:

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1 (1) the status of the fund;

2 (2) legislative lottery scholarship program
3 participation data aggregated for each public post-secondary
4 educational institution to show:

5 (a) the number of qualified students who
6 received legislative lottery scholarships in the prior fiscal
7 year;

8 (b) the total number of students,
9 including qualified students, enrolled in the prior fiscal
10 year;

11 (c) for each semester, the total amount
12 of legislative lottery scholarships funded and the total amount
13 of other financial assistance that students applied to tuition
14 costs;

15 (d) the number of qualified students who
16 graduated with a degree and, for each qualified student, the
17 number of consecutive semesters and nonconsecutive semesters
18 attended prior to graduation; and

19 (e) the number of qualified students who
20 received a legislative lottery scholarship and subsequently
21 became ineligible for a legislative lottery scholarship and the
22 reasons for ineligibility; and

23 (3) any additional information required or
24 requested by the legislative finance committee and the
25 department of finance and administration.

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1 SECTION 7. Section 21-13-10 NMSA 1978 (being Laws 1963,
2 Chapter 17, Section 9, as amended) is amended to read:

3 "21-13-10. BOARD DUTIES.--

4 A. It is the duty of the community college board to
5 determine financial and educational policies of the community
6 college. The community college board shall provide for the
7 management of the community college and execution of these
8 policies by selecting a competent president for the community
9 college, and, upon the president's recommendation, the board
10 shall employ other administrative personnel, instructional
11 staff or other personnel as may be needed for the operation,
12 maintenance and administration of the community college.

13 B. The community college board shall have the power
14 to fix tuition and fee rates for resident and nonresident
15 students of the community college district, to accept gifts, to
16 accept federal aid, to purchase, hold, sell and rent property
17 and equipment and to promote the general welfare of the
18 institution for the best interest of educational service to the
19 people of the community college district.

20 ~~[G. To the extent that funds are made available by~~
21 ~~the legislature from the lottery tuition fund, the community~~
22 ~~college board shall award legislative lottery scholarships for~~
23 ~~qualified resident students attending their respective~~
24 ~~institutions.~~

25 ~~D. The legislative lottery scholarships authorized~~

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1 ~~in this section shall apply only to full-time resident students~~
2 ~~who, immediately upon completion of a high school curriculum at~~
3 ~~a public or accredited private New Mexico high school or upon~~
4 ~~receiving a graduate equivalent diploma, are accepted for~~
5 ~~entrance to and attend a community college. Each legislative~~
6 ~~lottery scholarship shall be awarded for up to two consecutive~~
7 ~~years beginning the second semester of the recipient's first~~
8 ~~year of enrollment, provided that the recipient has maintained~~
9 ~~residency in New Mexico and maintained a grade point average of~~
10 ~~2.5 or higher on a 4.0 scale during the first semester of full-~~
11 ~~time enrollment.~~

12 ~~E. The higher education department shall prepare~~
13 ~~guidelines setting forth explicit student continuing~~
14 ~~eligibility criteria and guidelines for administration of the~~
15 ~~legislative lottery scholarship program. Guidelines shall be~~
16 ~~distributed to community college boards to enable a uniform~~
17 ~~availability of the resident student lottery tuition~~
18 ~~scholarships.~~

19 ~~F. For purposes of the legislative lottery~~
20 ~~scholarship program as it applies to students with disabilities~~
21 ~~who may require special accommodations, the higher education~~
22 ~~department, in consultation with the student and the office at~~
23 ~~the community college that serves students with disabilities,~~
24 ~~shall review both the definition of "full time" and the maximum~~
25 ~~number of consecutive semesters of eligibility and adjust~~

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1 ~~either or both as deemed reasonable and appropriate, based on~~
2 ~~the student's disability needs. In no case, however, shall~~
3 ~~"full time" mean fewer than six credit hours per semester, and~~
4 ~~in no case shall eligibility extend beyond fourteen consecutive~~
5 ~~semesters.]"~~

6 SECTION 8. REPEAL.--Sections 21-1-4.3, 21-1-4.4 and
7 21-16-10.1 NMSA 1978 (being Laws 1996, Chapter 71, Sections 3,
8 4 and 6, as amended) are repealed.

9 SECTION 9. EMERGENCY.--It is necessary for the public
10 peace, health and safety that this act take effect immediately.

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