LEGISLATIVE EDUCATION STUDY COMMITTEE BILL ANALYSIS

Bill Number: SB 658

52nd Legislature, 1st Session, 2015

Tracking Number: <u>.200504.1</u>

Short Title: Military Combat Veteran Scholarship Act

Sponsor(s): <u>Senator Michael S. Sanchez</u>

Analyst: <u>Travis Dulany</u>

Date: March 10, 2015

Bill Summary:

SB 658 creates the Military Combat Veteran Scholarship Act.

Among its provisions, the bill requires that:

- New Mexico public postsecondary educational institutions establish and grant, in addition to certain scholarships provided for in statute (see "**Substantive Issues**," below), gratis scholarships for tuition and fees for qualified military combat veterans;
- that a military combat veteran scholarship be granted in an amount necessary to meet, but not exceed, the matriculation fee or tuition and fees owed after exhausting all other sources of free financial aid, including private scholarships and grants and public scholarships and grants listed on the website of the US Department of Veterans Affairs and in Chapter 21 NMSA 1978;
- the Higher Education Department (HED) collaborate with the US Department of Veterans Affairs and the student to ensure that all other available sources of free financial aid are exhausted before determining the availability and calculating the amount of the military combat veteran scholarship; and
- to be deemed a qualified military combat veteran for the purposes of the act, a student must:
 - maintain residency in New Mexico;
 - have graduated from a high school in the state or received a high school equivalency certificate (see "Technical Issues," below) in the state; and
 - > provide a certification from the US Department of Veterans Affairs of having:
 - served on active duty in a theater of combat operations under an order of the President of the United States; and
 - separated from the military with an honorable or general discharge.

Finally, SB 658 creates a military combat veteran scholarship fund in each public postsecondary educational institution. Starting with FY 16, a "sufficient amount of the appropriations" from the Legislature at each institution are to be transferred to the institution's military combat veteran scholarship fund.

Fiscal Impact:

SB 658 does not contain an appropriation.

Technical Issues:

The sponsor may wish to consider changing "high school equivalency certificate" on page 3, line 2 to "high school equivalency credential" in order to conform to language in current statute.¹

Substantive Issues:

As noted in the "**Bill Summary**," above, SB 658 requires public postsecondary educational institutions to establish and grant gratis scholarships for qualified military combat veterans, in addition to those scholarships outlined in Section 21-1-2 NMSA 1978, as follows:

- the board of regents of each institution may establish and grant, in a number not to exceed 3.0 percent of the preceding fall semester enrollment in each institution, gratis scholarships:
 - to students who are residents of New Mexico, in an amount not to exceed the matriculation fee or tuition and fees;
 - > in addition to the Legislative Lottery Tuition Scholarship;
 - granted to the full extent of available funds before Legislative Lottery Tuition Scholarships are granted;
 - to students selected based upon the recommendation of the institution's president "who possess good moral character and satisfactory innovative, scholastic standing and personality"; and
 - > to students on the basis of financial need for two-thirds of the recipients; and
- the board of regents or governing board of each institution may establish, in addition the scholarships noted above, athletic scholarships for tuition and fees:
 - no more than 75 percent of these scholarships may be granted for out-of-state residents; and
 - ➤ these scholarships may be granted at certain institutions as follows:
 - the University of New Mexico may grant up to 293 athletic scholarships;
 - New Mexico State University may grant up to 270 athletic scholarships;
 - New Mexico Highlands University, Eastern New Mexico University, and Western New Mexico University may each grant up to 140 athletic scholarships; and
 - New Mexico Junior College may grant up to 52 athletic scholarships.

Other provisions in current law outline several other scholarship programs that military veterans may access:

• The Vietnam Veterans' Scholarship Fund provides scholarships to state and non-state institutions in New Mexico for required student fees, book allowances, and tuition for Vietnam veterans who are undergraduate students and residents of New Mexico. According to the Fiscal Impact Report (FIR) from the Legislative Finance Committee, for

¹ See Section 22-2-8.8 NMSA 1978

FY 15, the Vietnam Veterans' Scholarship Fund received a \$141,100 General Fund appropriation, and HAFC CS/HB 2, *General Appropriations Act of 2015*, as passed by the House of Representatives, includes this same level of funding for FY 16.

- The **Military War Veteran Scholarship Fund** provides scholarships to military war veterans who were residents of New Mexico at the original time of entry into the armed forces or who have lived in New Mexico for 10 years or more. The FIR indicates that this fund received \$30,000 in FY 15, and HAFC CS/HB 2, *General Appropriations Act of 2015*, as passed by the House of Representatives, includes this same level of funding for FY 16. In order to qualify for this scholarship, the recipient must have been awarded:
 - ➤ a Southwest Asia Service Medal;
 - ➤ a Global War on Terror Service Medal;
 - ➢ an Iraq Campaign Medal;
 - ➤ an Afghanistan Campaign Medal;
 - any other medal issued for service in the US Armed Forces in support of any US military campaign or armed conflict as defined by Congress or presidential executive order; or
 - any other campaign medal issued for service after August 1, 1990 in the US Armed Forces during periods of armed conflict as defined by Congress or executive order.
- Finally, some veterans may be eligible for the **Legislative Lottery Tuition Scholarship**, which currently provides 95 percent of average tuition costs. In addition to certain credit-hour and grade-point-average requirements, veterans qualify for this scholarship if the student:
 - begins service with the US Armed forces within 120 days of completion of a high school curriculum or receipt of a high school equivalency credential; and
 - within one year of completion of honorable service or medical discharge, attends a public postsecondary educational institution.

<u>Committee Referrals</u>:

SEC/SFC

Related Bills:

SB 11a Scholarship for National Merit Scholars HB 427 Resident Tuition for Veteran Family Members