SENATE BILL 652

44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

INTRODUCED BY

Ben D. Altamirano

AN ACT

RELATING TO LOTTERY TUITION SCHOLARSHIPS; EXPANDING TUITION

SCHOLARSHIP OPPORTUNITIES FOR STUDENTS WHO DELAY GOING TO

COLLEGE OR NEED COLLEGE REMEDIAL WORK AND STUDENTS WITH

PHYSICAL AND DEVELOPMENTAL DISABILITIES; MAKING CERTAIN HIGH

SCHOOL STUDENTS ELIGIBLE FOR A TUITION SCHOLARSHIP IN THEIR

FIRST SEMESTER OF COLLEGE; AMENDING SECTIONS OF THE NMSA 1978.

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

Section 1. Section 21-1-4.3 NMSA 1978 (being Laws 1996, Chapter 71, Section 3) is amended to read:

"21-1-4. 3. TUITION SCHOLARSHIPS AUTHORIZED--CERTAIN EDUCATIONAL INSTITUTIONS. --

A. To the extent that funds are made available by the legislature from the lottery tuition fund, the boards of regents of New Mexico state university, New Mexico institute . 126288. 2

of mining and technology, eastern New Mexico university, western New Mexico university, the university of New Mexico, New Mexico highlands university and northern New Mexico state school shall award tuition scholarships for qualified resident students attending their respective institutions and branches of those institutions.

- B. Except as <u>otherwise</u> authorized in [Subsection C of] this section, the tuition scholarships authorized in this section shall apply only to full-time resident students who, immediately upon completion of a high school curriculum at a public or accredited private New Mexico high school or upon receiving a graduate equivalent diploma, are accepted for entrance to and attend one of the state educational institutions set forth in this section or one of the branches of those institutions. Each tuition scholarship shall be awarded for up to four consecutive years beginning the second semester of the recipient's first year of enrollment, provided that the recipient has maintained residency in New Mexico and maintained a grade point average of 2.5 or higher on a 4.0 scale during his first semester of full-time enrollment.
- C. The tuition scholarships authorized in this section shall also apply to full-time resident students who, immediately upon completion of a high school curriculum at a public or accredited private New Mexico high school or upon receiving a graduate equivalent diploma, attend a two-year

public post-secondary educational institution in New Mexico and who, upon the completion of that curriculum or at the end of [two years] six semesters, whichever is sooner, transfer to one of the post-secondary state educational institutions set forth in this section. Those students shall be eligible for a tuition scholarship for two consecutive years, provided that those students maintain residency in New Mexico, maintain a grade-point average of 2.5 or higher on a 4.0 scale and attend the institution full time during the regular academic year.

D. A student to whom a tuition scholarship applies
pursuant to Subsection B or C of this section and who received
a high school grade point average of 3.0 or higher or finished
in the top quartile of the high school graduating class shall
be awarded a scholarship beginning with the student's first
semester of enrollment. The scholarship shall not exceed four
consecutive years beginning with the first semester of
enrollment and is subject to all other requirements for the
award and continuation of the scholarship.

E. A part-time student taking at least six

semester hours who has a physical or developmental disability

is eligible for a tuition scholarship if the student meets the

other requirements for the scholarship pursuant to Subsection

B, C or F or this section. For purposes of this subsection,

"physical or developmental disability" means that the student

either:

1	(1) has a specified disability as documented
2	in his individualized education program pursuant to the
3	federal Individuals with Disabilities Education Act; or
4	(2) has a disability that meets the
5	eligibility requirements pursuant to Section 504 of the
6	federal Rehabilitation Act.
7	F. A resident student who completed a high school
8	curriculum at a public or accredited private New Mexico high
9	school or received a graduate equivalent diploma in 1997 or
10	later and who does not immediately enroll full time in a
11	public post-secondary educational institution shall be awarded
12	a tuition scholarship beginning the second semester of his
13	<u>later enrollment, if:</u>
14	(1) the student is accepted for entrance and
15	attends full time a state educational institution, a branch of
16	such an institution or a two-year public post-secondary
17	educational institution no later than the fall semester of
18	2001 or the fifth semester after completion of the high school
19	curriculum or receipt of a graduate equivalent diploma,
20	whichever is later;
21	(2) the student maintains the necessary grade
22	point average during his first semester of full-time
23	enrollment and meets all other requirements for the
24	schol arshi p; and
25	
	(3) at least six hours of the student's full-

time enrollment in the first semester is college-level course work.

[D.] G. The commission on higher education shall prepare guidelines setting forth explicit student continuing eligibility criteria and guidelines for administration of the tuition scholarship program. Guidelines shall be distributed to the board of regents of each institution to enable a uniform availability of the resident student tuition scholarships."

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

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

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

B. The community college board shall have the power to fix tuition and fee rates for resident and nonresident students of the district, to accept gifts, to

accept federal aid, to purchase, hold, sell and rent property and equipment and to promote the general welfare of the institution for the best interest of educational service to the people of the community college district.

- C. To the extent that funds are made available by the legislature from the lottery tuition fund, the community college board shall award tuition scholarships for qualified resident students attending their respective institutions.
- D. The tuition scholarships authorized in this section shall apply only to full-time resident students who, immediately upon completion of a high school curriculum at a public or accredited private New Mexico high school or upon receiving a graduate equivalent diploma, are accepted for entrance to and attend a community college. Each tuition scholarship shall be awarded for up to [two consecutive years] six consecutive semesters beginning the second semester of the recipient's first year of enrollment, provided that the recipient has maintained residency in New Mexico and maintained a grade-point average of 2.5 or higher on a 4.0 scale during his first semester of full-time enrollment.
- E. A student to whom a tuition scholarship applies

 pursuant to Subsection D of this section and who received a

 high school grade point average of 3.0 or higher or finished

 in the top quartile of the high school graduating class shall

 be awarded a scholarship beginning with the student's first

. 126288. 2

1

	_
2	consecutive years beginning with the first semester of
3	enrollment and is subject to all other requirements for the
4	award and continuation of the scholarship.
5	F. A part-time student taking at least six
6	semester hours who has a physical or developmental disability
7	is eligible for a tuition scholarship if the student meets the
8	other requirements for the scholarship pursuant to Subsection
9	D or G of this section. For purposes of this subsection,
10	"physical or developmental disability" means that the student
11	either:
12	(1) has a specified disability as documented
13	in his individualized education program pursuant to the
14	federal Individuals with Disabilities Education Act; or
15	(2) has a disability that meets the
16	eligibility requirements pursuant to Section 504 of the
17	federal Rehabilitation Act.
18	G. A resident student who completed a high school
19	curriculum at a public or accredited private New Mexico high
20	school or received a graduate equivalent diploma in 1997 or
21	later and who does not immediately enroll full time in a
22	public post-secondary educational institution shall be awarded
23	a tuition scholarship beginning the second semester of his
24	<u>later enrollment, if:</u>

(1) the student is accepted for entrance and

semester of enrollment. The scholarship shall not exceed four

1	attends full time a community college no later than the fall
2	semester of 2001 or the fifth semester after completion of the
3	high school curriculum or receipt of a graduate equivalent
4	diploma, whichever is later;
5	(2) the student maintains the necessary grade
6	point average during his first semester of full-time
7	enrollment and meets all other requirements for the
8	schol arshi p; and

(3) at least six hours of the student's fulltime enrollment in the first semester is college-level course work.

[E.] H. The commission on higher education shall prepare guidelines setting forth explicit student continuing eligibility criteria and guidelines for administration of the tuition scholarship program. Guidelines shall be distributed to community college boards to enable a uniform availability of the resident student tuition scholarship."

Section 3. Section 21-16-10.1 NMSA 1978 (being Laws 1996, Chapter 71, Section 6) is amended to read:

"21-16-10.1. TUITION SCHOLARSHIPS AUTHORIZED. --

A. To the extent that funds are made available by the legislature from the lottery tuition fund, the board of a technical and vocational institute shall award tuition scholarships for qualified resident students attending a technical and vocational institute.

B. The tuition scholarships authorized in this section shall apply only to full-time resident students who, immediately upon completion of a high school curriculum at a public or accredited private New Mexico high school or upon receiving a graduate equivalent diploma, are accepted for entrance to and attend a technical and vocational institute. Each tuition scholarship shall be awarded for up to [two consecutive years] six consecutive semesters beginning the second semester of the recipient's first year of enrollment, provided that the recipient has maintained residency in New Mexico and maintained a grade-point average of 2.5 or higher on a 4.0 scale during his first semester of full-time enrollment.

C. A student to whom a tuition scholarship applies
pursuant to Subsection B of this section and who received a
high school grade point average of 3.0 or higher or finished
in the top quartile of the high school graduating class shall
be awarded a scholarship beginning with the student's first
semester of enrollment. The scholarship shall not exceed four
consecutive years beginning with the first semester of
enrollment and is subject to all other requirements for the
award and continuation of the scholarship.

D. A part-time student taking at least six
semester hours who has a physical or developmental disability
is eligible for a tuition scholarship if the student meets the

•
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

2

3

4

5

other requirements for the scholarship pursuant to Subsection

B or E of this section. For purposes of this subsection,

"physical or developmental disability" means that the student either:

(1) has a specified disability as documented in his individualized education program pursuant to the federal Individuals with Disabilities Education Act; or

(2) has a disability that meets the eligibility requirements pursuant to Section 504 of the federal Rehabilitation Act.

E. A resident student who completed a high school curriculum at a public or accredited private New Mexico high school or received a graduate equivalent diploma in 1997 or later and who does not immediately enroll full time in a public post-secondary educational institution shall be awarded a tuition scholarship beginning the second semester of his later enrollment, if:

attends full time a technical and vocational institute no
later than the fall semester of 2001 or the fifth semester
after completion of the high school curriculum or receipt of a
graduate equivalent diploma, whichever is later;

(2) the student maintains the necessary grade

point average during his first semester of full-time

enrollment and meets all other requirements for the

scholarship; and

(3) at least six hours of the student's fulltime enrollment in the first semester is college-level course work.

[C.] F. The commission on higher education shall prepare guidelines setting forth explicit student continuing eligibility criteria and guidelines for administration of the tuition scholarship program. Guidelines shall be distributed to the boards of technical and vocational institutes to enable a uniform availability of the resident student tuition scholarships."

Section 4. Section 21-17-6.1 NMSA 1978 (being Laws 1996, Chapter 71, Section 7) is amended to read:

"21-17-6.1. TUITION SCHOLARSHIPS AUTHORIZED. --

A. To the extent that funds are made available by the legislature from the lottery tuition fund, the board of an area vocational school shall award tuition scholarships for qualified resident students attending its area vocational school.

B. The tuition scholarships authorized in this section shall apply only to full-time resident students who, immediately upon completion of a high school curriculum at a public or accredited private New Mexico high school or upon receiving a graduate equivalent diploma, are accepted for entrance to and attend an area vocational school. Each

tuition scholarship shall be awarded for up to [two consecutive years] six consecutive semesters beginning the second semester of the recipient's first year of enrollment, provided that the recipient has maintained residency in New Mexico and maintained a grade-point average of 2.5 or higher on a 4.0 scale during his first semester of full-time enrollment.

C. A student to whom a tuition scholarship applies
pursuant to Subsection B of this section and who received a
high school grade point average of 3.0 or higher or finished
in the top quartile of the high school graduating class shall
be awarded a scholarship beginning with the student's first
semester of enrollment. The scholarship shall not exceed four
consecutive years beginning with the first semester of
enrollment and is subject to all other requirements for the
award and continuation of the scholarship.

D. A part-time student taking at least six

semester hours who has a physical or developmental disability

is eligible for a tuition scholarship if the student meets the

other requirements for the scholarship pursuant to Subsection

B or E of this section. For purposes of this subsection,

"physical or developmental disability" means that the student

either:

(1) has a specified disability as documented in his individualized education program pursuant to the

	9
	10
	11
	12
	13
	14
	15
	16
	17
	18
•	19
	20
	21
 	22
	23
	24
-	25

. 126288. 2

point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full- time enrollment in the first semester is college-level course	
eligibility requirements pursuant to Section 504 of the federal Rehabilitation Act. E. A resident student who completed a high school curriculum at a public or accredited private New Mexico high school or received a graduate equivalent diploma in 1997 or later and who does not immediately enroll full time in a public post-secondary educational institution shall be awarded a tuition scholarship beginning the second semester of his later enrollment, if: (1) the student is accepted for entrance and attends full time an area vocational school no later than the fall semester of 2001 or the fifth semester after completion of the high school curriculum or receipt of a graduate equivalent diploma, whichever is later; (2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full- time enrollment in the first semester is college-level course	federal Individuals with Disabilities Education Act; or
E. A resident student who completed a high school curriculum at a public or accredited private New Mexico high school or received a graduate equivalent diploma in 1997 or later and who does not immediately enroll full time in a public post-secondary educational institution shall be awarded a tuition scholarship beginning the second semester of his later enrollment, if: (1) the student is accepted for entrance and attends full time an area vocational school no later than the fall semester of 2001 or the fifth semester after completion of the high school curriculum or receipt of a graduate equivalent diploma, whichever is later: (2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full-time enrollment in the first semester is college-level course	(2) has a disability that meets the
E. A resident student who completed a high school curriculum at a public or accredited private New Mexico high school or received a graduate equivalent diploma in 1997 or later and who does not immediately enroll full time in a public post-secondary educational institution shall be awarded a tuition scholarship beginning the second semester of his later enrollment, if: (1) the student is accepted for entrance and attends full time an area vocational school no later than the fall semester of 2001 or the fifth semester after completion of the high school curriculum or receipt of a graduate equivalent diploma, whichever is later; (2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full-time enrollment in the first semester is college-level course	eligibility requirements pursuant to Section 504 of the
curriculum at a public or accredited private New Mexico high school or received a graduate equivalent diploma in 1997 or later and who does not immediately enroll full time in a public post-secondary educational institution shall be awarded a tuition scholarship beginning the second semester of his later enrollment, if: (1) the student is accepted for entrance and attends full time an area vocational school no later than the fall semester of 2001 or the fifth semester after completion of the high school curriculum or receipt of a graduate equivalent diploma, whichever is later; (2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full-time enrollment in the first semester is college-level course	<u>federal Rehabilitation Act.</u>
school or received a graduate equivalent diploma in 1997 or later and who does not immediately enroll full time in a public post-secondary educational institution shall be awarded a tuition scholarship beginning the second semester of his later enrollment, if: (1) the student is accepted for entrance and attends full time an area vocational school no later than the fall semester of 2001 or the fifth semester after completion of the high school curriculum or receipt of a graduate equivalent diploma, whichever is later; (2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full- time enrollment in the first semester is college-level course	E. A resident student who completed a high school
later and who does not immediately enroll full time in a public post-secondary educational institution shall be awarded a tuition scholarship beginning the second semester of his later enrollment, if: (1) the student is accepted for entrance and attends full time an area vocational school no later than the fall semester of 2001 or the fifth semester after completion of the high school curriculum or receipt of a graduate equivalent diploma, whichever is later; (2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full- time enrollment in the first semester is college-level course	curriculum at a public or accredited private New Mexico high
public post-secondary educational institution shall be awarded a tuition scholarship beginning the second semester of his later enrollment, if: (1) the student is accepted for entrance and attends full time an area vocational school no later than the fall semester of 2001 or the fifth semester after completion of the high school curriculum or receipt of a graduate equivalent diploma, whichever is later; (2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full-time enrollment in the first semester is college-level course	school or received a graduate equivalent diploma in 1997 or
a tuition scholarship beginning the second semester of his later enrollment, if: (1) the student is accepted for entrance and attends full time an area vocational school no later than the fall semester of 2001 or the fifth semester after completion of the high school curriculum or receipt of a graduate equivalent diploma, whichever is later; (2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full-time enrollment in the first semester is college-level course	later and who does not immediately enroll full time in a
later enrollment, if: (1) the student is accepted for entrance and attends full time an area vocational school no later than the fall semester of 2001 or the fifth semester after completion of the high school curriculum or receipt of a graduate equivalent diploma, whichever is later; (2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full-time enrollment in the first semester is college-level course	public post-secondary educational institution shall be awarded
(1) the student is accepted for entrance and attends full time an area vocational school no later than the fall semester of 2001 or the fifth semester after completion of the high school curriculum or receipt of a graduate equivalent diploma, whichever is later; (2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full-time enrollment in the first semester is college-level course	a tuition scholarship beginning the second semester of his
attends full time an area vocational school no later than the fall semester of 2001 or the fifth semester after completion of the high school curriculum or receipt of a graduate equivalent diploma, whichever is later; (2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full- time enrollment in the first semester is college-level course	<u>later enrollment, if:</u>
fall semester of 2001 or the fifth semester after completion of the high school curriculum or receipt of a graduate equivalent diploma, whichever is later; (2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full- time enrollment in the first semester is college-level course	(1) the student is accepted for entrance and
of the high school curriculum or receipt of a graduate equivalent diploma, whichever is later; (2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full- time enrollment in the first semester is college-level course	attends full time an area vocational school no later than the
equivalent diploma, whichever is later; (2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full- time enrollment in the first semester is college-level course	fall semester of 2001 or the fifth semester after completion
(2) the student maintains the necessary grade point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full- time enrollment in the first semester is college-level course	of the high school curriculum or receipt of a graduate
point average during his first semester of full-time enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full- time enrollment in the first semester is college-level course	equivalent diploma, whichever is later;
enrollment and meets all other requirements for the scholarship; and (3) at least six hours of the student's full- time enrollment in the first semester is college-level course	(2) the student maintains the necessary grade
scholarship; and (3) at least six hours of the student's full- time enrollment in the first semester is college-level course	point average during his first semester of full-time
(3) at least six hours of the student's full- time enrollment in the first semester is college-level course	enrollment and meets all other requirements for the
time enrollment in the first semester is college-level course	schol arshi p; and
	(3) at least six hours of the student's full-
work	time enrollment in the first semester is college-level course
WOT K.	work.
[C.] F. The commission on higher education shall	[C.] F. The commission on higher education shall

prepare guidelines setting forth explicit student

qualification criteria and guidelines for administration of the tuition scholarship program. Guidelines shall be distributed to the boards of all area vocational schools to enable a uniform availability of the resident student tuition scholarships."

- 14 -

underscored material = new [bracketed naterial] = delete

FORTY-FOURTH LEGISLATURE FIRST SESSION, 1999

March 11, 1999

Mr. President:

Your EDUCATION COMMITTEE, to whom has been referred

SENATE BILLS 14, 126, 453, 527, 550, 652, & 669

has had them under consideration and reports same with recommendation that they DO NOT PASS, but that

SENATE EDUCATION COMMITTEE SUBSTITUTE FOR SENATE BILLS 14, 126, 453, 527, 550, 652, & 669

DO PASS, and thence referred to the FINANCE COMMITTEE.

Respectfully submitted,

C 1	1	/SB	772
D .		OD.	112

1				
2				
3				
4			Cynthia Nava,	Chai rman
5				
6				
7	Adopted_		Not	
8	Adopted_			
9		(Chief Clerk)		(Chief Clerk)
10				
11				
12		Date		
13				
14				
15	The roll	call vote was <u>6</u> Fo	or <u>0</u> Against	
16	Yes:	6		
17	No:	0		
18	Excused:	Adair, Duran, Gorha	m, Lopez	
19	Absent:	None		
20				
21	S0014ED1			
22				
23				
24				
25				

SENSETATE LEDUCATION COMMITTEE SUBSTITUTE POR 69 44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

AN ACT

RELATING TO LOTTERY REVENUE; PROVIDING FOR LEGISLATIVE LOTTERY SUCCESS SCHOLARSHIPS; PROVIDING FOR DISTRIBUTION OF LOTTERY REVENUE.

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

Section 1. Section 6-24-3 NMSA 1978 (being Laws 1995, Chapter 155, Section 3) is amended to read:

"6-24-3. PURPOSES.--The purposes of the New Mexico Lottery Act are to:

- A. establish and provide for the conduct of a fair and honest lottery for the entertainment of the public; and
- B. provide the maximum amount of revenues, without imposing additional taxes or using other state revenues, for the purposes of:
- (1) funding critical capital outlay needs of .128805.2

SEC/SB 14, et al.

the public schools; and

(2) providing tuition assistance to resident undergraduates at New Mexico post-secondary educational institutions, which shall be known as "legislative lottery success scholarships"."

Section 2. Section 6-24-23 NMSA 1978 (being Laws 1995, Chapter 155, Section 23, as amended) is amended to read:

"6-24-23. [LOTTERY TUITION] LEGISLATIVE LOTTERY SUCCESS
SCHOLARSHIP FUND CREATED--PURPOSE. --

A. The "[lottery tuition] legislative lottery success scholarship fund" is created in the state treasury. The fund shall be administered by the commission on higher education. Earnings from investment of the fund shall accrue to the credit of the fund. Any balance in the fund at the end of any fiscal year shall remain in the fund for appropriation by the legislature as provided in this section.

B. After appropriation, if any, by the legislature for scholarships pursuant to Subsection C of Section 21-1-2 NMSA 1978, the remaining money in the [lottery tuition] legislative lottery success scholarship fund is appropriated to the commission on higher education for distribution to New Mexico's public post-secondary educational institutions to provide tuition assistance for New Mexico resident undergraduates as provided by law."

Section 3. Section 6-24-24 NMSA 1978 (being Laws 1995, . 128805. 2

Chapter 155, Section 24) is amended to read:

"6-24-24. DISPOSITION OF REVENUE. --

A. As nearly as practical, an amount equal to at least fifty percent of the gross annual revenues from the sale of lottery tickets shall be returned to the public in the form of lottery prizes.

B. The authority shall transmit all net revenues to the state treasurer, who shall deposit sixty percent of the revenues in the public school capital outlay fund for expenditure pursuant to the provisions of the Public School Capital Outlay Act and forty percent in the [lottery tuition] legislative lottery success scholarship fund. Estimated net revenues shall be transmitted monthly to the state treasurer for deposit in the funds, [provided] and the total amount of annual net revenues for the fiscal year shall be transmitted no later than August 1 each year.

C. In determining net revenues, operating expenses of the lottery include all costs incurred in the operation and administration of the lottery and all costs resulting from any contracts entered into for the purchase or lease of goods or services required by the lottery, including [but not limited to] the costs of supplies, materials, tickets, independent audit services, independent studies, data transmission, advertising, promotion, incentives, public relations, communications, commissions paid to lottery retailers,

printing, distribution of tickets, purchases of annuities or investments to be used to pay future installments of winning lottery tickets, debt service and payment of any revenue bonds issued, contingency reserves, transfers to the reserve fund and any other necessary costs incurred in carrying out the provisions of the New Mexico Lottery Act.

D. An amount up to two percent of the gross annual revenues shall be set aside as a reserve fund to cover bonuses and incentive plans for lottery retailers, special promotions for retailers, purchasing special promotional giveaways, sponsoring special promotional events, compulsive gambling rehabilitation and such other purposes as the board deems necessary to maintain the integrity and meet the revenue goals of the lottery. The board shall report annually to the governor and each regular session of the legislature on the use of the money in the reserve fund. Any balance in excess of fifty thousand dollars (\$50,000) at the end of any fiscal year shall be transferred to the [lottery tuition] legislative lottery success scholarship fund."

Section 4. Section 6-24-27 NMSA 1978 (being Laws 1995, Chapter 155, Section 27) is amended to read:

"6-24-27. REVENUE AND BUDGET REPORTS--RECORDS--INDEPENDENT AUDITS.--

A. The board shall:

(1) submit quarterly and annual reports to the .128805.2

governor, legislative finance committee and lottery oversight committee disclosing the total lottery revenue, prizes, commissions, ticket costs, operating expenses and net revenues of the authority during the reporting period and, in the annual report, describe the organizational structure of the authority and summarize the functions performed by each organizational division within the authority;

- (2) maintain weekly or more frequent records of lottery transactions, including the distribution of lottery tickets to retailers, revenue received, claims for prizes, prizes paid, prizes forfeited and other financial transactions of the authority; and
 - (3) use the state government fiscal year.
- B. The board shall provide, for informational purposes, to the department of finance and administration and the legislative finance committee, by December 1 of each year, a copy of the annual proposed operating budget for the authority for the succeeding fiscal year. This budget proposal shall also be accompanied by an estimate of the net revenues to be deposited in the public school capital outlay fund and the [lottery tuition] legislative lottery success scholarship fund for the current and succeeding fiscal years.
- C. The board shall contract with an independent certified public accountant or firm for an annual financial audit of the authority. The certified public accountant or

SEC/SB 14, et al.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

firm shall have no financial interest in any lottery The certified public accountant or firm shall contractor. present an audit report no later than March 1 for the prior fiscal year. The certified public accountant or firm shall evaluate the internal auditing controls in effect during the The cost of this financial audit shall be an audit period. operating expense of the authority. The legislative finance committee may, at any time, order an audit of any phase of the operations of the authority, at the expense of the authority, and shall receive a copy of the annual independent financial A copy of any audit performed by the certified public accountant or ordered by the legislative finance committee shall be transmitted to the governor, the speaker of the house of representatives, the president pro tempore of the senate, the legislative finance committee and the lottery oversight committee. "

Section 5. Section 21-1-4.3 NMSA 1978 (being Laws 1996, Chapter 71, Section 3) is amended to read:

"21-1-4.3. [TUITION] <u>LEGISLATIVE LOTTERY SUCCESS</u>
SCHOLARSHIPS AUTHORIZED--CERTAIN EDUCATIONAL INSTITUTIONS.--

A. To the extent that funds are made available by the legislature from the [lottery tuition] legislative lottery success scholarship fund, the boards of regents of New Mexico state university, New Mexico institute of mining and technology, eastern New Mexico university, western New Mexico . 128805. 2

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

university, the university of New Mexico, New Mexico highlands university [and], northern New Mexico state school and New Mexico military institute and the governing boards of the other public post-secondary educational institutions shall award [tuition] legislative lottery success scholarships for qualified resident students attending their respective institutions and branches of those institutions.

В. Except as authorized in [Subsection] Subsections C through F of this section, the [tuition] legislative lottery success scholarships authorized in this section shall apply [only] to full-time resident students who, immediately upon completion of a high school curriculum at a public or accredited private New Mexico high school or an out-of-state high school that the student attended and graduated from as a student qualifying for out-of-state tuition payments pursuant to Subsection A of Section 22-8-30 NMSA 1978 or upon receiving a graduate equivalent diploma, are accepted for entrance to and attend one of the [state] public post-secondary educational institutions set forth in this section [or one of the branches of those institutions. Each [tuition] legislative lottery success scholarship shall be awarded for up to four consecutive years beginning the second semester of the recipient's first year of enrollment [provided that] if the recipient has maintained residency in New Mexico and [maintained] obtained a grade point average of 2.5 or higher

SEC/SB 14, et al.

1

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

on a 4.0 scale during his first semester of full-time enrollment.

The [tuition] legislative lottery success scholarships authorized in this section shall also apply to full-time resident students who, immediately upon completion of a high school curriculum at a public or accredited private New Mexico high school or an out-of-state high school that the student attended and graduated from as a student qualifying for out-of-state tuition payments pursuant to Subsection A of Section 22-8-30 NMSA 1978 or upon receiving a graduate equivalent diploma, attend a two-year public post-secondary educational institution in New Mexico and who, upon the completion of that curriculum or at the end of [two years] six semesters, whichever is sooner, transfer to one of the public post-secondary [state] educational institutions set forth in this section. Those students shall be eligible [for a tuition to continue the legislative lottery success scholarship for [two consecutive years provided that] additional semesters not to exceed a total of eight consecutive semesters if those students [maintain] obtain residency in New Mexico, maintain a grade-point average of 2.5 or higher on a 4.0 scale and attend the institution full time during the regular academic year.

D. The legislative lottery success scholarships
authorized in this section shall also apply to part-time
. 128805. 2

students taking at least six semester hours who have a
physical or developmental disability if they meet the other
$\underline{\text{requirements for the scholarship pursuant to Subsection B, } C}$
or G of this section. For purposes of this subsection,
"physical or developmental disability" means that the student
either:

- (1) has a specified disability as documented in his individualized education program pursuant to the federal Individuals with Disabilities Education Act; or
- (2) has a disability that meets the eligibility requirements pursuant to Section 504 of the federal

 Rehabilitation Act.
- E. The legislative lottery success scholarships
 authorized in this section shall also apply to a student who
 would not qualify for a scholarship under Subsection B or C of
 this section solely because the student completed a high
 school curriculum at a high school located outside of New
 Mexico if:
- (1) while in high school the student was a dependent of a person engaged in active duty in the United States armed forces; and
- (2) the person engaged in active duty was a resident of New Mexico immediately before entering the United States armed forces, entered military duty in New Mexico, paid New Mexico personal income taxes while engaged in active duty

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

and was absent from New Mexico because of the active duty in the United States armed forces.

Beginning January 1, 2001, the legislative lottery success scholarships authorized in this section shall also apply to full-time resident students who, within one hundred twenty days of completion of a high school curriculum at a public or accredited private New Mexico high school or an out-of-state high school that the student attended and graduated from as a student qualifying for out-of-state tuition payments pursuant to Subsection A of Section 22-8-30 NMSA 1978 or upon receiving a graduate equivalent diploma, began service in the United States armed forces and who have been honorably discharged. Those students who enroll in a New Mexico public post-secondary educational institution within one year of military discharge shall be eligible for a legislative lottery success scholarship, provided that those students maintain residency in New Mexico, maintain a gradepoint average of 2.5 or higher on a 4.0 scale and attend the institution full time during the regular academic year.

[E.] G. The commission on higher education shall [prepare guidelines setting forth explicit student continuing eligibility criteria and] adopt rules in collaboration with the public post-secondary educational institutions to implement the provisions of the legislative lottery success scholarship program. The rules shall include explicit initial

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

and continuing student eligibility criteria, probation

provisions for initial and continuing eligibility and

considerations for professional judgment when special

circumstances exist. The rules shall incorporate guidelines

for administration of the [tuition] legislative lottery

success scholarship program. Guidelines shall be distributed

to community college boards to enable a uniform availability

of the resident student [tuition] legislative lottery success

scholarship."

Section 6. Section 21-1-4.4 NMSA 1978 (being Laws 1996, Chapter 71, Section 4) is amended to read:

"21-1-4.4. COMMISSION ON HIGHER EDUCATION -- DETERMINATION OF [TUITION] LEGISLATIVE LOTTERY SUCCESS SCHOLARSHIPS--USE OF [LOTTERY TUITION] LEGISLATIVE LOTTERY SUCCESS SCHOLARSHIP FUND. -- Prior to June 1 of each year, the commission on higher education shall determine the amount of money available for [tuition] legislative lottery success scholarships at [state] public post-secondary educational institutions. Based on the amount appropriated by the legislature from the [lottery tuition | legislative lottery success scholarship fund and on the projected enrollment at all public post-secondary educational institutions, the commission on higher education shall establish the percentage of tuition that shall be awarded for qualified resident students attending New Mexico public post-secondary educational institutions. The

SEC/SB 14, et al.

percentage of tuition awarded shall be the same for each institution, regardless of the actual cost of tuition at each institution."

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

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

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

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

C. To the extent that funds are made available by the legislature from the [lottery tuition] legislative lottery . 128805. 2

success scholarship fund, the community college board shall
award [tuition] legislative lottery success scholarships for
qualified resident students attending their respective
institutions.

[D. The tuition scholarships authorized in this

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

E.-] D. The commission on higher education shall [prepare guidelines setting forth explicit student continuing eligibility criteria and] adopt rules in collaboration with the community colleges to implement the provisions of the legislative lottery success scholarship program. The rules shall include explicit initial and continuing student eligibility criteria, probation provisions for initial and continuing eligibility and considerations for professional judgment when special circumstances exist. The rules shall

SEC/SB 14, et al.

incorporate guidelines for administration of the tuition
scholarship program. Guidelines shall be distributed to
community college boards to enable a uniform availability of
the resident student [tuition] legislative lottery success
scholarship."

Section 8. Section 21-16-10.1 NMSA 1978 (being Laws 1996, Chapter 71, Section 6) is amended to read:

"21-16-10. 1. [TUITION] <u>LEGISLATIVE LOTTERY SUCCESS</u>
SCHOLARSHIPS AUTHORIZED. --

A. To the extent that funds are made available by the legislature from the [lottery tuition] legislative lottery success scholarship fund, the board of a technical and vocational institute shall award [tuition] legislative lottery success scholarships for qualified resident students attending a technical and vocational institute.

[B. The tuition scholarships authorized in this section shall apply only to full-time resident students who, immediately upon completion of a high school curriculum at a public or accredited private New Mexico high school, or upon receiving a graduate equivalent diploma, are accepted for entrance to and attend a technical and vocational institute.

Each tuition scholarship shall be awarded for up to two consecutive years beginning the second semester of the recipient's first year of enrollment, provided that the recipient has maintained residency in New Mexico and

maintained a grade point average of 2.5 or higher on a 4.0 scale during his first semester of full-time enrollment.

E.] B. The commission on higher education shall [prepare guidelines setting forth explicit student continuing eligibility criteria and] adopt rules in collaboration with the technical and vocational institutes to implement the provisions of the legislative lottery success scholarship program. The rules shall include explicit initial and continuing student eligibility criteria, probation provisions for initial and continuing eligibility and considerations for professional judgment when special circumstances exist. The rules shall incorporate guidelines for administration of the [tuition] scholarship program. Guidelines shall be distributed to the boards of technical and vocational institutes to enable a uniform availability of the resident student [tuition] legislative lottery success scholarships."

Section 9. Section 21-17-6.1 NMSA 1978 (being Laws 1996, Chapter 71, Section 7) is amended to read:

"21-17-6.1. [TUITION] <u>LEGISLATIVE LOTTERY SUCCESS</u>
SCHOLARSHIPS AUTHORIZED. --

A. To the extent that funds are made available by the legislature from the [lottery tuition] legislative lottery success scholarship fund, the board of an area vocational school shall award [tuition] legislative lottery success scholarships for qualified resident students attending its

SEC/SB 14, et al.

area vocational school.

[B. The tuition scholarships authorized in this section shall apply only to full-time resident students who, immediately upon completion of a high school curriculum at a public or accredited private New Mexico high school, or upon receiving a graduate equivalent diploma, are accepted for entrance to and attend an area vocational school. Each tuition scholarship shall be awarded for up to two consecutive years beginning the second semester of the recipient's first year of enrollment, provided that the recipient has maintained residency in New Mexico and maintained a grade point average of 2.5 or higher on a 4.0 scale during his first semester of full-time enrollment.

E.] B. The commission on higher education shall [prepare guidelines setting forth explicit student qualification criteria and] adopt rules in collaboration with the area vocational schools to implement the provisions of the legislative lottery success scholarship program. The rules shall include explicit initial and continuing student eligibility criteria, probation provisions for initial and continuing eligibility and considerations for professional judgment when special circumstances exist. The rules shall incorporate guidelines for administration of the [tuition] scholarship program. Guidelines shall be distributed to the boards of all area vocational schools to enable a uniform

- 32 -

availability of	the resident	student	[tui ti on]	<u>l egi sl ati ve</u>
lottery success	schol arshi ps.	"		

Section 10. REPEAL. -- Laws 1995, Chapter 155, Section 38 is repealed.

Section 11. EFFECTIVE DATE.--The effective date of the provisions of Sections 1 through 9 of this act is July 1, 1999.

- 33 -

129117.1

FORTY-FOURTH LEGISLATURE

1 FIRST SESSION 2 3 4 March 14, 1999 5 6 7 SENATE FLOOR AMENDMENT number _____ to SENATE EDUCATION 8 COMMITTEE SUBSTITUTE 9 FOR SENATE BILLS 14, 10 126, 453, 527, 550, 652 11 & 669 12 **13** Amendment sponsored by Senator Don Kidd 14 **15** 16 1. On page 7, lines 16 and 17, strike "or upon receiving a **17** graduate equivalent diploma". 18 19 On page 7, line 20, before the period insert: 2. 20 21 'or to full- or part-time resident students who have received a 22 graduate equivalent diploma who are accepted for entrance to and 23 attend a two-year public post-secondary educational 24

- 35 -

underscored material = new [bracketed-material] = delete

FORTY- FOURTH LEGI SLATURE

SEC/SB 14, et al.	FIRST SESSION
SFl/SEC/SB 14, et al.	Page 36
i nsti tuti on".	
	Don Ki dd
Adopted	Not Adopted
(6) (6)	
(Chief Clerk)	(Chi ef Cl erk)
Date	
100117 1	20
. 129117. 1	- 36 -

underscored naterial = new [bracketed naterial] = delete

FORTY-FOURTH LEGISLATURE FIRST SESSION

SFI/SEC/SB 14, et al. Page 37 FORTY-FOURTH LEGISLATURE FIRST SESSION, 1999 March 13, 1999 Mr. President: Your **FINANCE COMMTTEE**, to whom has been referred SENATE EDUCATION COMMITTEE SUBSTITUTE FOR SENATE BILLS 14, 126, 453, 527, 550, 652 & 669 has had it under consideration and reports same with recommendation that it **DO PASS**. Respectfully submitted,

129117.1

underscored material = new [bracketed_material] = delete

FORTY-FOURTH LEGISLATURE FIRST SESSION

SEC/SB 14, et al.

SFI /SEC/	SB 14, et al.						Page	3
			Ben D.	Al tani ran	o, Cha	i ruan		
Adopted_			Not					
Adopted_								
	(Chief Clerk				(Chi	ef Cler	k)	
	Date							
The roll	call vote was	<u>8</u> For_	0_ Agai r	ıst				
Yes:	8							
No:	0							
Excused:	Carraro, Eise	ıstadt, 1	Lyons, T	sosie, Fi	del			
Absent:	None							
S0014FC1								