CEMATE	DITI	700
SFNATE	KIII	590

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

INTRODUCED BY

Richard M. Romero

AN ACT

RELATING TO LOTTERY SCHOLARSHIPS; ENABLING STUDENTS WHOSE FAMILIES CHOOSE TO CLAIM THE FEDERAL HOPE SCHOLARSHIP TAX CREDIT OR LIFETIME LEARNING TAX CREDIT TO RECEIVE REDUCED LOTTERY TUITION SCHOLARSHIPS; 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, as amended) 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 of mining and technology, eastern New Mexico university,

2

3

4

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

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.

- Except as authorized in Subsection C of this В. 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, 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. The tuition scholarships authorized in this section shall also apply to full-time resident students who:
- (1) within one hundred twenty days of completion of a high school curriculum at a public or accredited private New Mexico high school, or of receiving a graduate equivalent diploma, begin service in the United States armed forces; and
- (2) within one hundred twenty days of completion of honorable service or medical discharge from the service are accepted for entrance to and attend one of the state educational institutions set forth in this section.
- E. 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

schol arshi ps.

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

A student who qualifies for a lottery tuition scholarship pursuant to this section and whose family has or will claim a federal hope scholarship tax credit or federal lifetime learning tax credit for qualified tuition and expenses incurred by the student shall be eligible for a reduced lottery tuition scholarship equal to the amount of the lottery tuition scholarship authorized for that year less the amount of the tuition paid for which a federal tax credit has been or will be taken for the year to which the lottery tuition scholarship applies or shall forgo the lottery tuition scholarship for the year, if the amount of tuition paid for which a federal tax credit has been or will be claimed exceeds the lottery tuition scholarship amount for that year. The commission on higher education shall provide information about the federal hope scholarship tax credit and federal lifetime <u>learning tax credit to eligible students and their families</u> and encourage families who would benefit from taking the federal tax credit to do so as a way to provide greater lottery tuition scholarship benefits for more students."

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 is the duty of the community college board to determine financial and educational policies of the .134477.1

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.

 All other scholarship funds available to the board shall be used before granting any lottery tuition scholarships.
- 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. 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 scholarship.
- F. A student who qualifies for a lottery tuition scholarship pursuant to this section and whose family has or will claim a federal hope scholarship tax credit or federal lifetime learning tax credit for qualified tuition and expenses incurred by the student shall be eligible for a reduced lottery tuition scholarship equal to the amount of the lottery tuition scholarship authorized for that year less the amount of the tuition paid for which a federal tax credit has been or will be taken for the year to which the lottery tuition scholarship applies or shall forgo the lottery tuition scholarship for the year, if the amount of tuition paid for

which a federal tax credit has been or will be claimed exceeds
the lottery tuition scholarship amount for that year. The
commission on higher education shall provide information about
the federal hope scholarship tax credit and federal lifetime
learning tax credit to eligible students and their families
and encourage families who would benefit from taking the
federal tax credit to do so as a way to provide greater
lottery tuition scholarship benefits for more students."

Section 3. Section 21-16-10.1 NMSA 1978 (being Laws 1996, Chapter 71, Section 6, as amended) 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. All other scholarship funds available to the board shall be used before granting any lottery tuition scholarships.

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 with renewal of an additional two years upon transfer.

- C. 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 scholarships.
- D. A student who qualifies for a lottery tuition scholarship pursuant to this section and whose family has or will claim a federal hope scholarship tax credit or federal lifetime learning tax credit for qualified tuition and expenses incurred by the student shall be eligible for a reduced lottery tuition scholarship equal to the amount of the lottery tuition scholarship authorized for that year less the amount of the tuition paid for which a federal tax credit has been or will be taken for the year to which the lottery tuition scholarship applies or shall forgo the lottery tuition scholarship for the year, if the amount of tuition paid for which a federal tax credit has been or will be claimed exceeds the lottery tuition scholarship amount for that year. The

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

$\underline{\textbf{commission on higher education shall provide information about}}$		
the federal hope scholarship tax credit and federal lifetime		
learning tax credit to eligible students and their families		
and encourage families who would benefit from taking the		
federal tax credit to do so as a way to provide greater		
lottery tuition scholarship benefits for more students."		

- 9 -