## SENATE FINANCE COMMITTEE SUBSTITUTE FOR SENATE BILL 377

46TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2003

## AN ACT

RELATING TO HIGHER EDUCATION; ELIMINATING THE REQUIREMENT THAT CERTAIN TWO-YEAR INSTITUTIONS MUST USE ALL OTHER SCHOLARSHIP FUNDS BEFORE GRANTING ANY LOTTERY TUITION SCHOLARSHIPS.

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

Section 1. 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 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 fulltime 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] resident student tuition scholarships."

Section 2. 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 commission on higher education in the same manner in which it defines and computes full-time-equivalent students for all other college-level programs within its jurisdiction.

B. 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 public school district shall transfer to the community college the tuition and fees for any student who, during the term, is counted in the membership of the public school district and will receive high school credit for coursework at the community college.

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C. The commission on higher education 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 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 commission on higher education shall require from the community college such reports as the commission 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 commission on higher education.
- 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. [Except as provided for lottery

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scholarships 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 his institution, as recipients of scholarships, students who possess good moral character and satisfactory initiative, scholastic standing and personality. At least thirty-three and one-third percent of the gratis scholarships established and granted by each community college board each year shall be granted on the basis of financial need. "

Section 3. Section 21-16-10 NMSA 1978 (being Laws 1968, Chapter 59, Section 3, as amended) is amended to read:

"21-16-10. APPROPRI ATI ON--DI STRI BUTI ON. --

A. The commission on higher education shall recommend an appropriation for each technical and vocational institute based upon its financial requirements in relation to its authorized program and its available funds from non-general fund sources; provided, the recommended appropriation shall be an amount not less than three hundred twenty-five dollars

(\$325) for each full-time-equivalent student.

B. The commission on higher education shall by rule provide for the method for calculating the number of full-time-equivalent students in technical and vocational institutes. No student shall be included in any calculation of the number of full-time-equivalent students if the student is enrolled in a course, the cost of which is totally reimbursed from federal, state or private sources. The public school district shall transfer to the technical and vocational institute the tuition and fees for any student who, during the term, is counted in the membership of the public school district and will receive high school credit for coursework at the technical and vocational institute.

C. The commission on higher education shall not recommend an appropriation greater than three hundred twenty-five dollars (\$325) for each full-time-equivalent student for any technical and vocational institute that levies a tax at a rate 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 approved by the electors 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 technical and vocational institute that reduces a previously authorized tax levy, except as required by the operation of the rate

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limitation provisions of Section 7-37-7.1 NMSA 1978.

The 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, [Except as provided in Section 21-16-10.1 NMSA 1978] The gratis scholarships are in addition to the lottery tuition scholarships authorized in Section 21-16-10.1 NMSA 1978 and shall be granted to the full extent of available funds before <u>lottery tuition scholarships are granted.</u> The number of scholarships established and granted pursuant to this subsection shall not exceed three percent of the preceding fall semester enrollment in the technical and vocational institute and shall not be established and granted for summer sessions. The president of the technical and vocational institute shall select and recommend to the board as recipients of scholarships students who possess good moral character and satisfactory initiative, scholastic standing and personality. thirty-three and one-third percent of the gratis scholarships established and granted by the board each year shall be granted on the basis of financial need."

Section 4. 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 .147359.1

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 <u>resident student tuition</u> scholarships."