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 college established by private individuals, municipalities, or counties.
college or technical and vocational institute established pursuant to Chapter 21, Article 13 or 16 NMSA 1978,
respectively;

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

C. "department" means the higher education department;

D. "fund" means the lottery tuition fund;

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

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

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

(1) immediately upon graduation or receipt of a high school equivalency credential was accepted for entrance
to and attended a public post-secondary educational institution; or

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

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

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

SECTION 3. [NEW MATERIAL] LEGISLATIVE LOTTERY SCHOLARSHIP--AMOUNT--NOTIFICATION.--No later than June 1, 2014 and no later than June 1 of each subsequent year, based on the amount appropriated by the legislature from the fund and on the projected enrollment at all public post-secondary educational institutions, the department shall:

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

B. determine the uniform award amount of a legislative lottery scholarship for the upcoming academic year:
(1) for a qualified student attending a public post-secondary educational institution; and

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

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

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

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

A. To the extent that funds are made available by the legislature from the fund, the boards of regents or governing bodies of public post-secondary educational institutions shall provide legislative lottery scholarship awards to qualified students attending their respective public post-secondary educational institutions in the uniform award amount determined by the department; provided that if the
uniform award amount exceeds the cost of tuition, the public
post-secondary educational institution shall receive and award
a legislative lottery scholarship only in the amount of the
tuition charged.

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

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

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

(3) for each semester that the qualified
student:

(a) maintains residency in New Mexico;
(b) maintains a grade point average of
2.5 or higher on a 4.0 scale;
(c) completes twelve or more credit
hours; and

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

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

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

"LOTTERY TUITION FUND CREATED--PURPOSE.--

A. The "lottery tuition fund" is created in the
state treasury. The fund shall be administered by the
[commission on higher education] department. 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

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- 6 -
provided in this section.

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

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

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

   (1) student qualification and continuing eligibility;
   
   (2) determining the award amount of a legislative lottery scholarship pursuant to the Legislative Lottery Scholarship Act; and
   
   (3) guidelines for the administration of the legislative lottery scholarship program.

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

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

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- 7 -
(1) the status of the fund;

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

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

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

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

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

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

(3) any additional information required or requested by the legislative finance committee and the department of finance and administration.
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 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 community college 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.

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

D. The legislative lottery 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 legislative lottery 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 the first semester of full-time enrollment.

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

F. For purposes of the legislative lottery scholarship program as it applies to students with disabilities who may require special accommodations, the higher education department, in consultation with the student and the office at the community college that serves students with disabilities, shall review both the definition of "full time" and the maximum number of consecutive semesters of eligibility and adjust .195643.7
either or both as deemed reasonable and appropriate, based on
the student's disability needs. In no case, however, shall
"full time" mean fewer than six credit hours per semester, and
in no case shall eligibility extend beyond fourteen consecutive
semesters."

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

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

- 11 -