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AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;
MAKING CHANGES TO THE LEGISLATIVE LOTTERY SCHOLARSHIP PROGRAM
TO EXTEND ITS FINANCIAL SOLVENCY; CHANGING THE AMOUNT OF
AWARDS; REQUIRING A MINIMUM BALANCE IN THE LOTTERY TUITION
FUND; DISTRIBUTING MONEY FROM THE LIQUOR EXCISE TAX TO THE
LOTTERY TUITION FUND; AMENDING, REPEALING, RECOMPILING AND
ENACTING SECTIONS OF THE NMSA 1978; MAKING APPROPRIATIONS;
DECLARING AN EMERGENCY.

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

SECTION 1. SHORT TITLE.--Sections 1 through 6 of this
act may be cited as the "Legislative Lottery Tuition
Scholarship Act".

SECTION 2. DEFINITIONS.--As used in the Legislative
Lottery Tuition Scholarship Act:

A. "community college" means a branch community
college of a state educational institution or a community
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;

1 C. "department" means the higher education
2 department;

3 D. "full time" means fifteen or more credit hours
4 each semester of the regular academic year in state
5 educational institutions and twelve or more credit hours each
6 semester of the regular academic year in community colleges
7 or for legacy students in any program semester;

8 E. "fund" means the lottery tuition fund;

9 F. "legacy student" means a full-time resident
10 student who has received for three or more program semesters
11 by the end of fiscal year 2014 the legislative lottery
12 scholarship awarded pursuant to the former provisions of
13 Sections 21-1-4.3, 21-13-10 and 21-16-10.1 NMSA 1978 prior to
14 the enactment of the Legislative Lottery Tuition Scholarship
15 Act;

16 G. "program semesters" means those semesters for
17 which a legacy or qualified student may receive a tuition
18 scholarship and excludes the first semester of attendance at
19 a public post-secondary educational institution;

20 H. "public post-secondary educational institution"
21 means a community college, comprehensive institution,
22 research institution or state educational institution;

23 I. "qualified student" means a full-time student
24 who graduated from a public or accredited private New Mexico
25 high school or who received a high school equivalency

1 credential while maintaining residency in New Mexico and who:

2 (1) either:

3 (a) immediately upon graduation or
4 receipt of a credential was accepted for entrance to and
5 attended a public post-secondary educational institution; or

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

12 (2) successfully completed the first
13 semester at a public post-secondary educational institution
14 with a grade point average of 2.5 or higher on a 4.0 scale
15 during the first semester of full-time enrollment;

16 J. "research institution" means the university of
17 New Mexico, New Mexico state university or New Mexico
18 institute of mining and technology;

19 K. "state educational institution" means an
20 institution of higher education enumerated in Article 12,
21 Section 11 of the constitution of New Mexico and excludes a
22 research institution; and

23 L. "tuition scholarship" means the scholarship
24 that provides tuition assistance per semester for a qualified
25 student or legacy student attending a public post-secondary

1 educational institution.

2 SECTION 3. TUITION SCHOLARSHIPS AUTHORIZED--QUALIFIED
3 STUDENTS.--

4 A. To the extent that funds are made available by
5 the legislature from the fund, the boards of regents or
6 governing bodies of public post-secondary educational
7 institutions shall award tuition scholarships in
8 department-approved amounts to qualified students and legacy
9 students attending their respective public post-secondary
10 educational institutions.

11 B. Beginning in fiscal year 2015:

12 (1) a legacy student is eligible to receive
13 a tuition scholarship until the total number of semesters for
14 which the legislative lottery scholarship was received
15 pursuant to the former provisions of Sections 21-1-4.3,
16 21-13-10 and 21-16-10.1 NMSA 1978 or the Legislative Lottery
17 Tuition Scholarship Act reaches eight; provided that the
18 legacy student maintains residency in New Mexico, maintains a
19 grade point average of 2.5 or higher on a 4.0 scale and
20 completes twelve or more credit hours per semester; and

21 (2) a qualified student who is not a legacy
22 student is eligible to receive the tuition scholarship for a
23 maximum of seven program semesters ~~starting in the second~~
24 ~~program semester~~, and in an amount determined pursuant to the
25 provisions of Section 4 of the Legislative Lottery Tuition

1 Scholarship Act.

2 C. Except as otherwise provided in this section, a
3 tuition scholarship may be awarded to a qualified student
4 who:

5 (1) maintains residency in New Mexico;

6 (2) maintains a grade point average of 2.5
7 or higher on a 4.0 scale; and

8 (3) completes:

9 (a) for a student attending a four-year
10 public post-secondary educational institution, fifteen or
11 more credit hours per semester; and

12 (b) for a student attending a two-year
13 public post-secondary educational institution, twelve or more
14 credit hours per semester.

15 D. For students with disabilities who may require
16 accommodations, the department, in consultation with the
17 student and the office at the public post-secondary
18 educational institution that serves students with
19 disabilities, shall review both the definition of "full time"
20 and the maximum number of consecutive semesters of
21 eligibility and adjust either or both as deemed reasonable
22 and appropriate, based on the student's disability needs. In
23 no case, however, shall "full time" mean fewer than six
24 credit hours per semester, and in no case shall eligibility
25 extend beyond fourteen consecutive semesters.

1 SECTION 4. TUITION SCHOLARSHIP AMOUNT--FUND.--

2 A. Prior to June 1 of each year, based on the
3 amount appropriated by the legislature from the fund and on
4 the projected enrollment at all public post-secondary
5 educational institutions, the department shall:

6 (1) determine the total amount of money
7 available for all tuition scholarships for qualified
8 students;

9 (2) determine the uniform percentage by
10 which to calculate tuition scholarships for qualified
11 students attending any public post-secondary educational
12 institution; and

13 (3) notify all public post-secondary
14 educational institutions of the determinations made pursuant
15 to Paragraphs (1) and (2) of this subsection.

16 B. In determining distribution and award amounts
17 for the tuition scholarship program, the department shall:

18 (1) maintain the minimum fund balance
19 pursuant to Section 5 of the Legislative Lottery Tuition
20 Scholarship Act;

21 (2) distribute to all public post-secondary
22 educational institutions an amount not to exceed the
23 remaining balance in the fund; and

24 (3) subject to the provisions of Paragraphs
25 (1) and (2) of this subsection, distribute to each public

1 post-secondary educational institution an amount based on:

2 (a) the projected enrollment at each
3 comprehensive institution, research institution and state
4 educational institution of qualified students in their second
5 through eighth ~~program~~ semesters, including qualified
6 students in their fifth through eighth ~~program~~ semesters who
7 transferred from community colleges;

8 (b) the projected enrollment at each
9 community college of qualified students in their second
10 through fourth ~~program~~ semesters; and

11 (c) a uniform percentage of the average
12 of in-state tuition costs charged by: 1) research
13 institutions for each research institution; 2) comprehensive
14 institutions for each comprehensive institution; and 3)
15 community colleges for each community college.

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

20 "LOTTERY TUITION FUND CREATED--PURPOSE.--

21 A. The "lottery tuition fund" is created in the
22 state treasury. The fund shall be administered by the
23 department. Earnings from investment of the fund shall
24 accrue to the credit of the fund. The fund shall maintain an
25 annual average balance of two million dollars (\$2,000,000),

1 and any balance in the fund at the end of any fiscal year
2 shall remain in the fund for appropriation by the legislature
3 as provided in this section.

4 B. Money in the fund shall be appropriated by the
5 legislature to the department for distribution to New
6 Mexico's public post-secondary educational institutions to
7 provide tuition assistance for qualified students and legacy
8 students as provided in the Legislative Lottery Tuition
9 Scholarship Act."

10 SECTION 6. DEPARTMENT RULEMAKING AND REPORTING.--

11 A. The department shall promulgate rules setting
12 forth explicit criteria in accordance with the Legislative
13 Lottery Tuition Scholarship Act for:

14 (1) student qualification and continuing
15 eligibility; and

16 (2) calculating the tuition scholarship
17 award amount pursuant to Section 4 of the Legislative Lottery
18 Tuition Scholarship Act and guidelines for the administration
19 of the tuition scholarship program.

20 B. The department shall report by November 1 of
21 each year to the legislative finance committee and the
22 department of finance and administration on:

23 (1) the status of the fund;

24 (2) tuition scholarship program

25 participation data aggregated for each public post-secondary

1 educational institution to show:

2 (a) the number of qualified students
3 and the number of legacy students who received tuition
4 scholarships in the prior twelve-month period;

5 (b) the total number of students,
6 including qualified students and legacy students, enrolled in
7 the prior twelve-month period;

8 (c) for each semester, the amount of
9 tuition scholarships funded and the amount of tuition costs
10 that were not offset by the tuition scholarship; and

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

16 (3) any additional information required or
17 requested by the legislative finance committee or the
18 department of finance and administration.

19 SECTION 7. Section 7-1-6.40 NMSA 1978 (being Laws 1997,
20 Chapter 182, Section 1, as amended) is amended to read:

21 "7-1-6.40. DISTRIBUTION--LOCAL DWI GRANT FUND--
22 MUNICIPALITIES--LOTTERY TUITION FUND.--

23 A. A distribution pursuant to Section 7-1-6.1
24 NMSA 1978 shall be made to the local DWI grant fund in an
25 amount equal to forty-one and fifty hundredths percent of the

1 net receipts attributable to the liquor excise tax.

2 B. A distribution pursuant to Section 7-1-6.1
3 NMSA 1978 of twenty thousand seven hundred fifty dollars
4 (\$20,750) monthly from the net receipts attributable to the
5 liquor excise tax shall be made to a municipality that is
6 located in a class A county and that has a population
7 according to the most recent federal decennial census of more
8 than thirty thousand but less than sixty thousand. The
9 distribution pursuant to this subsection shall be used by the
10 municipality only for the provision of alcohol treatment and
11 rehabilitation services for street inebriates.

12 C. From July 1, 2015 to July 1, 2017, a
13 distribution pursuant to Section 7-1-6.1 NMSA 1978 of
14 thirty-nine percent of the net receipts attributable to the
15 liquor excise tax shall be made to the lottery tuition fund."

16 SECTION 8. Section 21-13-10 NMSA 1978 (being Laws 1963,
17 Chapter 17, Section 9, as amended) is amended to read:

18 "21-13-10. BOARD DUTIES.--

19 A. It is the duty of the community college board
20 to determine financial and educational policies of the
21 community college. The community college board shall provide
22 for the management of the community college and execution of
23 these policies by selecting a competent president for the
24 community college, and, upon the president's recommendation,
25 the board shall employ other administrative personnel,

1 instructional staff or other personnel as may be needed for
2 the operation, maintenance and administration of the
3 community college.

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

12 SECTION 9. APPROPRIATION.--Eleven million dollars
13 (\$11,000,000) is appropriated from the student financial aid
14 fund of the higher education department to the lottery
15 tuition fund for expenditure in fiscal year 2014 and
16 subsequent fiscal years to supplement the lottery tuition
17 fund. Any unexpended or unencumbered balance remaining at
18 the end of a fiscal year shall not revert.

19 SECTION 10. REPEAL.--Sections 21-1-4.3, 21-1-4.4 and
20 21-16-10.1 NMSA 1978 (being Laws 1996, Chapter 71, Sections
21 3, 4 and 6, as amended) are repealed.

22 SECTION 11. EMERGENCY.--It is necessary for the public
23 peace, health and safety that this act take effect
24 immediately.