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SENATE BILL 657

52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015

INTRODUCED BY

Michael S. Sanchez

AN ACT

RELATING TO HIGHER EDUCATION; MAKING THE LOTTERY TUITION
SCHOLARSHIP A FULL SCHOLARSHIP BASED ON FINANCIAL NEED.

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

SECTION 1. Section 21-21N-2 NMSA 1978 (being Laws 2014,
Chapter 80, Section 2) is amended to read:

"21-21N-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,

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1 New Mexico highlands university or northern New Mexico college;

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

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

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

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

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

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

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1 high school equivalency credential while maintaining residency
2 in New Mexico and who:

3 (1) either:

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

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

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

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

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

24 L. "tuition scholarship" means the scholarship that
25 provides tuition assistance per semester for a qualified

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1 student or legacy student attending a public post-secondary
2 educational institution."

3 SECTION 2. Section 21-21N-3 NMSA 1978 (being Laws 2014,
4 Chapter 80, Section 3) is amended to read:

5 "21-21N-3. TUITION SCHOLARSHIPS AUTHORIZED--QUALIFIED
6 STUDENTS.--

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

14 B. Beginning in fiscal year 2015:

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

24 (2) a qualified student who is not a legacy
25 student is eligible to receive ~~the~~ a full tuition scholarship

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1 for a maximum of [~~seven~~] eight program semesters [~~and in an~~
2 ~~amount determined pursuant to the provisions of Section 4 of~~
3 ~~the Legislative Lottery Tuition Scholarship Act~~].

4 C. Except as otherwise provided in this section, a
5 tuition scholarship may be awarded to a qualified student
6 [~~who~~]:

7 (1) who maintains residency in New Mexico;

8 (2) who maintains a grade point average of 2.5
9 or higher on a 4.0 scale; [~~and~~]

10 (3) who completes:

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

14 (b) for a student attending a two-year
15 public post-secondary educational institution, twelve or more
16 credit hours per semester; and

17 (4) whose family's net household income does
18 not exceed seventy-five thousand dollars (\$75,000).

19 D. For students with disabilities who may require
20 accommodations, the department, in consultation with the
21 student and the office at the public post-secondary educational
22 institution that serves students with disabilities, shall
23 review both the definition of "full time" and the maximum
24 number of consecutive semesters of eligibility and adjust
25 either or both as deemed reasonable and appropriate, based on

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1 the student's disability needs. In no case, however, shall
2 "full time" mean fewer than six credit hours per semester, and
3 in no case shall eligibility extend beyond fourteen consecutive
4 semesters."

5 SECTION 3. Section 21-21N-4 NMSA 1978 (being Laws 2014,
6 Chapter 80, Section 4) is amended to read:

7 "21-21N-4. TUITION SCHOLARSHIP AMOUNT--FUND.--

8 ~~[A. Prior to June 1 of each year, based on the~~
9 ~~amount appropriated]~~ Subject to appropriation by the
10 legislature from the fund ~~[and on the projected enrollment at~~
11 ~~all public post-secondary educational institutions]~~, the
12 department shall

13 ~~[(1) determine the total amount of money~~
14 ~~available for all tuition scholarships for qualified students;~~

15 ~~(2) determine the uniform percentage by which~~
16 ~~to calculate tuition scholarships for qualified students~~
17 ~~attending any public post-secondary educational institution;~~
18 and

19 ~~(3) notify all public post-secondary~~
20 ~~educational institutions of the determinations made pursuant to~~
21 ~~Paragraphs (1) and (2) of this subsection.~~

22 ~~B. In determining distribution and award amounts~~
23 ~~for the tuition scholarship program, the department shall:~~

24 ~~(1) maintain the minimum fund balance pursuant~~
25 ~~to Section 5 of the Legislative Lottery Tuition Scholarship~~

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1 Act;

2 ~~(2) distribute to all public post-secondary~~
3 ~~educational institutions an amount not to exceed the remaining~~
4 ~~balance in the fund; and~~

5 ~~(3) subject to the provisions of Paragraphs~~
6 ~~(1) and (2) of this subsection]~~ distribute to each public post-
7 secondary educational institution an amount based on:

8 ~~(a)]~~ A. the projected enrollment at each
9 comprehensive institution, research institution and state
10 educational institution of qualified students in their second
11 through eighth semesters, including qualified students in their
12 fifth through eighth semesters who transferred from community
13 colleges;

14 ~~(b)]~~ B. the projected enrollment at each community
15 college of qualified students in their second through fourth
16 semesters; and

17 ~~(c) a uniform percentage of]~~

18 C. the average of in-state tuition costs charged
19 by:

20 ~~(1)]~~ (1) research institutions for each
21 research institution;

22 ~~(2)]~~ (2) comprehensive institutions for each
23 comprehensive institution; and

24 ~~(3)]~~ (3) community colleges for each community
25 college."

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1 SECTION 4. Section 21-21N-5 NMSA 1978 (being Laws 1995,
2 Chapter 155, Section 23, as amended) is amended to read:

3 "21-21N-5. LOTTERY TUITION FUND CREATED--PURPOSE.--

4 A. The "lottery tuition fund" is created in the
5 state treasury. The fund shall be administered by the
6 department. Earnings from investment of the fund shall accrue
7 to the credit of the fund. The fund shall maintain an annual
8 average balance of [~~two million dollars (\$2,000,000)~~ one
9 million dollars (\$1,000,000)], and any balance in the fund at
10 the end of any fiscal year shall remain in the fund for
11 appropriation by the legislature as provided in this section.

12 B. Money in the fund shall be appropriated by the
13 legislature to the department for distribution to New Mexico's
14 public post-secondary educational institutions to provide
15 tuition assistance for qualified students and legacy students
16 as provided in the Legislative Lottery Tuition Scholarship
17 Act."

18 SECTION 5. Section 21-21N-6 NMSA 1978 (being Laws 2014,
19 Chapter 80, Section 6) is amended to read:

20 "21-21N-6. DEPARTMENT RULEMAKING AND REPORTING.--

21 A. The department shall promulgate rules setting
22 forth explicit criteria in accordance with the Legislative
23 Lottery Tuition Scholarship Act for [~~(1)~~] student qualification
24 and continuing eligibility [~~and (2) calculating the tuition~~
25 ~~scholarship award amount pursuant to Section 4 of the~~

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1 ~~Legislative Lottery Tuition Scholarship Act and guidelines for~~
2 ~~the administration of the tuition scholarship program].~~

3 B. The department shall report by November 1 of each
4 year to the legislative finance committee and the department of
5 finance and administration on:

6 (1) the status of the fund;

7 (2) tuition scholarship program

8 participation data aggregated for each public post-secondary
9 educational institution to show:

10 (a) the number of qualified students and
11 the number of legacy students who received tuition scholarships
12 in the prior twelve-month period;

13 (b) the total number of students,
14 including qualified students and legacy students, enrolled in
15 the prior twelve-month period;

16 (c) for each semester, the amount of
17 tuition scholarships funded and the amount of tuition costs
18 that were not offset by the tuition scholarship; and

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

23 (3) any additional information required or
24 requested by the legislative finance committee or the
25 department of finance and administration."

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SECTION 6. A new section of the Legislative Lottery
Tuition Scholarship Act is enacted to read:
"[NEW MATERIAL] LOTTERY TUITION SCHOLARSHIP--APPLICATION
BY STUDENT.--Prior to consideration for a lottery tuition
scholarship each year, a student shall submit to the intended
public post-secondary educational institution a completed:
A. lottery tuition scholarship application form
developed by the public post-secondary educational institution
or the department; or
B. free application for federal student aid
provided pursuant to the federal Higher Education Act of 1965."