HOUSE BILL 178

53RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2018

INTRODUCED BY

Larry A. Larrañaga

FOR THE LEGISLATIVE FINANCE COMMITTEE

AN ACT

RELATING TO HIGHER EDUCATION; MAKING CHANGES TO THE LEGISLATIVE LOTTERY TUITION SCHOLARSHIP PROGRAM TO EXTEND ITS FINANCIAL SOLVENCY; CHANGING AWARDS TO FLAT RATES; PROVIDING FOR SUPPLEMENTAL AWARDS UNDER CERTAIN CIRCUMSTANCES; ELIMINATING REFERENCES TO LEGACY STUDENTS.

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, as amended) 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 four-year state educational institution, [a two-year state educational institution or] a community college or technical and vocational institute established pursuant to .209239.2
Chapter 21, Article 13 or 16 NMSA 1978, respectively, or the
two-year college portion of the New Mexico military institute;

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. "full time" means fifteen or more credit hours
each semester of the regular academic year in four-year state
educational institutions and twelve or more credit hours each
semester of the regular academic year in community colleges [or
for legacy students in any program semester];

E. "fund" means the lottery tuition fund;

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

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

[H. "public post-secondary educational
institution" means a four-year state educational institution or
...
a community college;

[H.] "qualified student" means a full-time student who graduated from a public or accredited private New Mexico high school or who received a high school equivalency credential while maintaining residency in New Mexico and who:

(1) either:

(a) within sixteen months of graduation or receipt of a high school equivalency credential, was accepted for entrance to and attended a public post-secondary educational institution as a full-time student; or

(b) within four months of graduation or receipt of a high school equivalency credential, began service in the United States armed forces and within sixteen months of completion of honorable service or medical discharge from the service, attended a public post-secondary educational institution as a full-time student; and

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

[J. I.] "research institution" means the university of New Mexico, New Mexico state university or New Mexico institute of mining and technology;

[K. J.] "state educational institution" means an institution of higher education enumerated in Article 12,
Section 11 of the constitution of New Mexico; and

[K] "tuition scholarship" means the scholarship that provides tuition assistance per program semester for a qualified student [or legacy student] attending a public post-secondary educational institution."

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

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

A. To the extent that [funds are] money is made available by the legislature from the fund, the boards of regents or governing bodies of public post-secondary educational institutions shall award tuition scholarships in department-approved amounts to qualified students [and legacy students] attending their respective public post-secondary educational institutions.

B. Beginning in fiscal year [2015:

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

(2) 2019, a qualified student [who is not a legacy student] is eligible to receive the tuition scholarship for a maximum of seven program semesters and in an amount determined pursuant to the provisions of Section 21-21N-4 NMSA 1978.

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

(1) maintains residency in New Mexico; and

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

(3) completes:

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

(b) for a student attending a two-year public post-secondary educational institution, twelve or more credit hours per program semester] as a full-time student.

D. For students with disabilities who may require accommodations, the department, in consultation with the student and the office at the public post-secondary educational institution that serves students with disabilities, shall review both the definition of "full time" and the maximum number of consecutive program semesters of eligibility and adjust 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 program semesters."

SECTION 3. Section 21-21N-4 NMSA 1978 (being Laws 2014, Chapter 80, Section 4, as amended) is repealed and a new Section 21-21N-4 NMSA 1978 is enacted to read:

"21-21N-4. [NEW MATERIAL] FIXED TUITION SCHOLARSHIP AWARDS--AWARDS BASED ON TYPE OF INSTITUTION ATTENDED.--

A. Except as provided in Subsections C and D of this section, fixed tuition scholarship awards to public post-secondary educational institutions for the tuition scholarship program are as follows:

(1) one thousand five hundred dollars ($1,500) per program semester for each qualified student enrolled at a research institution;

(2) one thousand dollars ($1,000) per program semester for each qualified student enrolled at a comprehensive institution; and

(3) seven hundred fifty dollars ($750) per program semester for each qualified student enrolled at a community college.

B. The department shall distribute to each public post-secondary educational institution an amount based on the projected full-time enrollment of qualified students at that
institution. If the actual enrollment at a public post-
secondary educational institution is less than the projected
enrollment, the institution shall remit the difference to the
department. If the actual enrollment at a public post-
secondary educational institution is greater than the projected
enrollment, the department shall make up the difference to the
institution as money in the fund is available.

C. If there is not enough money in the fund to pay
the fixed tuition scholarship awards as provided in Subsection
A of this section, the department shall reduce the awards
proportionately across the institutional sectors.

D. If the annual balance in the fund, after
distributions are made pursuant to Subsection A of this
section, exceeds five million dollars ($5,000,000) for two
consecutive years, the department shall use the overage to
provide supplemental tuition scholarships proportionately
across the institutional sectors until the estimated ending
balance in the fund equals five million dollars ($5,000,000).
The total amount of the original and supplemental scholarship
awards shall not exceed the per-semester tuition rate."

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

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

A. The "lottery tuition fund" is created in the
state treasury. The fund shall be administered by the
department. Earnings from investment of the fund shall accrue
to the credit of the fund. The [fund shall maintain an annual
average balance of two million dollars ($2,000,000), and any] balance in the fund at the end of [any] a fiscal year shall remain in the fund for appropriation by the legislature as provided in [this] Section 21-21N-4 NMSA 1978.

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

SECTION 5. APPLICABILITY.--The provisions of this act apply to legislative lottery tuition scholarship awards beginning with the fall semester of the 2018-2019 academic year.