

1 SENATE BILL 481

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

3 INTRODUCED BY

4 William E. Sharer and William F. Burt and Crystal R. Diamond

10 AN ACT

11 RELATING TO HIGHER EDUCATION; AMENDING THE OPPORTUNITY
12 SCHOLARSHIP ACT; PROVIDING THAT THE OPPORTUNITY SCHOLARSHIP IS
13 A FORGIVABLE LOAN; DIRECTING RULEMAKING TO ESTABLISH
14 REQUIREMENTS FOR FORGIVING THE AMOUNTS AWARDED TO STUDENTS
15 PARTICIPATING IN THE OPPORTUNITY SCHOLARSHIP PROGRAM.

16
17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

18 SECTION 1. Section 21-21R-2 NMSA 1978 (being Laws 2022,
19 Chapter 42, Section 2) is amended to read:

20 "21-21R-2. DEFINITIONS.--As used in the Opportunity
21 Scholarship Act:

22 A. "community college" means a branch community
23 college of a four-year state educational institution, a two-
24 year state educational institution or a community college or
25 technical and vocational institute established pursuant to

.225249.1

underscoring material = new
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1 Chapter 21, Article 13 or 16 NMSA 1978;

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

4 C. "eligible student" means a New Mexico resident
5 who is enrolled or enrolling in at least six credit hours,
6 excluding the summer semester, in a public post-secondary
7 educational institution or tribal college at any time following
8 high school graduation or the award of a high school
9 equivalency credential;

10 D. "public post-secondary educational institution"
11 means a four-year state educational institution or a community
12 college;

13 E. "scholarship" means ~~[an opportunity scholarship]~~
14 a forgivable loan;

15 F. "state educational institution" means an
16 institution of higher education enumerated in Article 12,
17 Section 11 of the constitution of New Mexico; and

18 G. "tribal college" means a tribally, federally
19 or congressionally chartered post-secondary educational
20 institution located in New Mexico that is accredited by the
21 higher learning commission."

22 SECTION 2. Section 21-21R-6 NMSA 1978 (being Laws 2022,
23 Chapter 42, Section 6) is amended to read:

24 "21-21R-6. TERMINATION OF SCHOLARSHIP AUTHORIZED.--A
25 scholarship is terminated and may be subject to repayment upon

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1 occurrence of:

2 A. withdrawal of the eligible student from the
3 public post-secondary educational institution or tribal college
4 or failure to remain enrolled in at least six credit hours per
5 semester, excluding the summer semester;

6 B. failure of the eligible student to achieve
7 satisfactory academic progress set by the public post-secondary
8 educational institution or tribal college; or

9 C. substantial noncompliance by the eligible
10 student with the Opportunity Scholarship Act or the rules
11 promulgated pursuant to that act."

12 SECTION 3. Section 21-21R-8 NMSA 1978 (being Laws 2022,
13 Chapter 42, Section 8) is amended to read:

14 "21-21R-8. DEPARTMENT RULEMAKING AND REPORTING.--

15 A. The department shall promulgate rules setting
16 forth explicit criteria in accordance with the Opportunity
17 Scholarship Act for:

18 (1) student qualification and continuing
19 eligibility;

20 (2) calculating the total amount of money
21 necessary to pay for opportunity scholarships at each eligible
22 institution pursuant to Section [~~4 of the Opportunity~~
23 ~~Scholarship Act~~] 21-21R-4 NMSA 1978 and guidelines for the
24 administration of the Opportunity Scholarship Act; [~~and~~]

25 (3) requirements for the memoranda of

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underscored material = new
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1 understanding regarding institution eligibility to participate
2 in the opportunity scholarship program; and

3 (4) requirements for forgiving the amounts
4 awarded to eligible students participating in the opportunity
5 scholarship program.

6 B. The department shall report by November 1 of
7 each year to the legislative finance committee and the
8 department of finance and administration on the:

9 (1) status of the opportunity scholarship
10 fund; and

11 (2) Opportunity Scholarship Act participation
12 data aggregated for each eligible institution to show the:

13 (a) number of eligible students who
14 received scholarships in the prior academic year;

15 (b) total number of students enrolled in
16 eligible institutions in the prior academic year; ~~and~~

17 (c) number of eligible students who
18 graduated with a degree and, for each eligible student, the
19 number of consecutive semesters and nonconsecutive semesters
20 attended prior to graduation; and

21 (d) number of scholarships forgiven in
22 the prior academic year."