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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

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{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Click all that apply:

Original Amendment
Correction Substitute

Date 2024-02-13

Bill No: SB239

Sponsor: Munoz, George K
Short LOTTERY SCHOLARSHIP
Title: CHANGES

Agency Name and Code NMHED
Number: _____
Person Writing Romero, Heather
Phone: 5054768410 Email heather.romero@hed.n

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		

N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

SECTION III: NARRATIVE

BILL SUMMARY

SB239 amends 21-21N-2, NMSA 1978 the Legislative Lottery Tuition Scholarship Act. Amends 21-21R-2 NMSA 1978 of the Opportunity Scholarship Act. The Lottery Tuition Scholarship Act removes the definition of "legacy students?". In addition, the bill amended to define "full time" at state institution to thirty (30) or more credit hours over a full academic year rather than requiring fifteen (15) hours each semester. Full-time at a community college amends full-time to read twenty-four (24) or more credit hours each year.

The bill adds for Lottery Tuition Scholarship awards to be provided in summer semesters. Eligible students may receive a tuition scholarship for a maximum of seven (7) fall and spring program awards and a maximum of three (3) summer semesters, or more than three and one-half years for a bachelor's degree. Enrollment is not required to attend summer semesters to maintain eligibility. The bill adds credit hour requirements of no fewer than three (3) and no more than nine (9) credit hours for summer semesters provided the student is not required to attend summer. SB239 makes several non-substantive amendments to clarify references within the statute. The Opportunity Scholarship Act clarifies language regarding credit hour requirements for students to enroll in "at least six (6) credit hours in the semester except that the credit hour limits do not apply to a student in the last semester before graduation and enrollment is not required to attend summer semesters to maintain eligibility.

SB239 addresses the scholarship act regarding one credit-bearing certificate or a stackable program credit-bearing certificates may be awarded to eligible students in high demand provided by the New Mexico Higher Education Department (NMHED) and New Mexico Workforce Solutions (NMWS). The bill adds language for dual credit courses previously completed by an eligible student will not count toward the ninety (90) credit hour limit for associate degrees and the one hundred sixty (160) credit hour limit for a bachelor's degree. SB239 adds distribution language in 21-21-R-5E Prior to June 1 of each year, the department shall determine the maximum distribution to each public postsecondary education institutions and tribal college based the annual increase in the higher education price index for the mountain region.

FISCAL IMPLICATIONS

SB239 does not include an appropriation. Introducing summer enrollment under the Lottery Tuition Scholarship act may result in higher expenditures for the Lottery Tuition Fund. The overall impact may be difficult to project without previous summer enrollment data on Lottery eligible students taking the option to enroll in summer semesters.

SIGNIFICANT ISSUES

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public postsecondary education institutions and tribal college based the annual increase in the higher education price index for the mountain region.

PERFORMANCE IMPLICATIONS

No performance issues indicated within the bill.

ADMINISTRATIVE IMPLICATIONS

The New Mexico Higher Education Department (NMHED) Financial Aid Division administers regulations promulgated pursuant to the Legislative Lottery Scholarship Program in 5.7.20 NMAC and the Opportunity Scholarship Program 5.7.37 NMAC. Public postsecondary educational institutions are responsible for packaging awards to eligible students. The NMHED would need to amend the rules and regulations for both the Lottery Tuition Scholarship and the Opportunity Scholarship.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

TECHNICAL ISSUES

N/A

OTHER SUBSTANTIVE ISSUES

N/A

ALTERNATIVES

N/A

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

N/A

AMENDMENTS

The House Education Committee amended SB239 reduces the number of required credit hours for fall and spring semesters for the Legislative Lottery Scholarship eligibility from 15 credit hours to 12 credit hours and allows flexibility for students receiving the Legislative Lottery Scholarship to complete thirty (30) credit hours per academic year rather than on a semester basis, including summer semester. Striking "New Mexico" as a requirement for high school graduation criteria under the Opportunity Scholarship.

The original bill imposes a cap on reimbursements to Higher Education Institutions (HEIs), the amendment changes the cap from permanent to a sunset provision through FY28.