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HOUSE BILL 100

56TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2024

INTRODUCED BY

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and Joshua N. Hernandez

AN ACT

RELATING TO EDUCATION; ENACTING THE ADULT ONLINE LEARNER
SCHOLARSHIP ACT; CREATING THE ADULT ONLINE LEARNER SCHOLARSHIP
PROGRAM IN THE HIGHER EDUCATION DEPARTMENT; PROVIDING POWERS
AND DUTIES; FOCUSING THE PROGRAM ON NEW MEXICO-SPECIFIC
CRITICAL WORKFORCE NEEDS; PROVIDING ELIGIBILITY REQUIREMENTS;
PROVIDING SCHOLARSHIP PRIORITIES; CREATING FUNDS; MAKING
APPROPRIATIONS.

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

SECTION 1. [NEW MATERIAL] SHORT TITLE.--This act may be
cited as the "Adult Online Learner Scholarship Act".

SECTION 2. [NEW MATERIAL] DEFINITIONS.--As used in the
Adult Online Learner Scholarship Act:

A. "critical workforce need list" means the list of
public- or private-sector professions and occupations for which

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1 New Mexico has a critical shortage of residents qualified to
2 fill positions;

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

5 C. "eligible institution" means a New Mexico public
6 post-secondary educational institution, tribal college or
7 nonprofit post-secondary educational institution established by
8 New Mexico in cooperation with other western states that offers
9 online courses of instruction leading to a vocational
10 certificate or an associate's, baccalaureate, master's or
11 doctoral degree in a field of study that results in
12 qualification in a profession or occupation on the critical
13 workforce need list;

14 D. "eligible student" means a New Mexico resident
15 who:

16 (1) is at least twenty-six years of age;

17 (2) has not received a terminal certificate or
18 degree in a profession or occupation on the critical workforce
19 need list;

20 (3) demonstrates financial need consistent
21 with criteria promulgated by the department; and

22 (4) is enrolled or enrolling at least half-
23 time at an eligible institution in an online post-secondary
24 degree program or vocational certificate program in a field of
25 study on the critical workforce need list;

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1 E. "endowment fund" means the adult online learner
2 endowment fund;

3 F. "program" means the adult online learner
4 scholarship program;

5 G. "scholarship" means an adult online learner
6 scholarship;

7 H. "scholarship fund" means the adult online
8 learner scholarship fund; and

9 I. "tribal college" means a tribally, federally or
10 congressionally chartered post-secondary educational
11 institution located in New Mexico that is accredited by the
12 higher learning commission.

13 **SECTION 3. [NEW MATERIAL] ADULT ONLINE LEARNER**
14 **SCHOLARSHIP PROGRAM--CREATED.--**

15 A. The "adult online learner scholarship program"
16 is created. The department shall administer the program and
17 award scholarships to eligible students.

18 B. The department shall promulgate rules in
19 accordance with the State Rules Act to carry out the provisions
20 of the Adult Online Learner Scholarship Act, including:

21 (1) criteria for determining eligibility and
22 initial and continued state residency, including provisions for
23 military personnel;

24 (2) criteria for determining financial need,
25 including the use of the free application for federal student

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1 aid;

2 (3) procedures and requirements for
3 applications; and

4 (4) priorities for allocating money in the
5 scholarship fund to:

- 6 (a) students from rural areas;
7 (b) minority students;
8 (c) low-income students; and
9 (d) students who are the first in their
10 immediate family to attend a higher education institution.

11 C. The department, in conjunction with other
12 cabinet departments, shall develop and update annually the
13 critical workforce need list, which shall be posted on the
14 department's website. State agencies shall cooperate with the
15 department in developing and updating the list.

16 D. If an eligible student begins a certificate or
17 degree program that later is taken off the critical workforce
18 need list, the department shall continue to provide the
19 scholarship for that student who otherwise meets qualifications
20 for the scholarship until the student receives the vocational
21 certificate or graduates with the degree for which the
22 scholarship was provided.

23 E. A scholarship applicant shall demonstrate to the
24 department that:

- 25 (1) the student meets scholarship eligibility

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1 requirements; and

2 (2) the total sum of the applicant's
3 scholarships, financial aid from any other sources and personal
4 contributions does not exceed the student's cost of tuition and
5 fees at the student's eligible institution.

6 F. For an eligible institution that measures
7 advancement by semesters, each scholarship is for a period of
8 one semester and may be renewed if the eligible student
9 continues to qualify for the scholarship until the eligible
10 student receives the vocational certificate or degree for which
11 the scholarship was granted. An eligible student must maintain
12 in-state residency and earn at least a 2.0 on a 4.0 grading
13 system each semester for continued scholarship eligibility. An
14 eligible student shall not receive more than a total of ten
15 semesters of scholarships.

16 G. For an eligible institution that measures
17 advancement by competency, each scholarship is for a course the
18 eligible student takes until the eligible student receives the
19 vocational certificate or degree for which the scholarship is
20 being granted. An eligible student must maintain in-state
21 residency and demonstrate satisfactory progress toward
22 achieving the competency-based certificate or degree.

23 H. The department shall pay tuition and fees for
24 each eligible student to the eligible institution for:

25 (1) each semester for which the student

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1 qualifies for the scholarship if the eligible student attends
2 an eligible institution that measures advancement by semesters;
3 or

4 (2) each course for which the eligible student
5 qualifies for the scholarship if the eligible student attends
6 an eligible institution that measures advancement by
7 competency.

8 I. In accepting a scholarship, an eligible student
9 agrees to work in New Mexico in a profession or occupation on
10 the critical workforce need list for at least two years after
11 receiving a certificate or degree pursuant to the Adult Online
12 Learner Scholarship Act. The department shall provide by rule
13 for the tracking of students who complete their programs.

14 SECTION 4. [NEW MATERIAL] TERMINATION OF SCHOLARSHIP.--A
15 scholarship is terminated upon occurrence of one or more of the
16 following:

17 A. withdrawal of the eligible student from the
18 eligible institution;

19 B. failure of the eligible student to achieve
20 satisfactory academic progress;

21 C. failure by the eligible student to maintain New
22 Mexico residency;

23 D. substantial noncompliance by the eligible
24 student with the Adult Online Learner Scholarship Act or rules
25 promulgated pursuant to that act; or

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1 E. the eligible student has not received a
2 certificate or degree within the number of allowed scholarship
3 semesters or, if applicable, not taken a competency-based
4 course for more than six consecutive months.

5 **SECTION 5. [NEW MATERIAL] REPORTING.**--The department
6 shall report annually to the governor and appropriate
7 legislative interim committees on the efficacy of the program.
8 The report shall include:

9 A. the number of scholarship recipients at each
10 eligible institution;

11 B. the average amount of scholarship awards by
12 student and by eligible institution;

13 C. program outcomes, including:

14 (1) the number of certificates and degrees
15 awarded during the year;

16 (2) the number of graduates and certificate
17 holders who:

18 (a) have remained in New Mexico;

19 (b) are employed; and

20 (c) are employed in their fields of
21 study; and

22 (3) the number of businesses that have
23 benefited from the focus on post-secondary scholarships for
24 adult learners and on critical New Mexico-specific workforce
25 needs; and

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1 D. recommendations for program modifications and
2 funding levels.

3 SECTION 6. [NEW MATERIAL] FUNDS CREATED.--

4 A. The "adult online learner endowment fund" is
5 created as a nonreverting fund in the state treasury,
6 consisting of appropriations, gifts, grants, donations and
7 income from investment of the endowment fund except as provided
8 in Subsection C of this section.

9 B. The "adult online learner scholarship fund" is
10 created as a nonreverting fund in the state treasury,
11 consisting of appropriations, gifts, grants, donations and
12 income from investment of the scholarship fund. Money in the
13 scholarship fund is subject to appropriation by the legislature
14 for scholarship awards. Expenditures from the scholarship fund
15 shall be by warrant of the secretary of finance and
16 administration pursuant to vouchers signed by the secretary of
17 higher education or the secretary's authorized representative.

18 C. Until fifty percent of the annual income from
19 investment of the endowment fund is equal to or exceeds two
20 million dollars (\$2,000,000), an annual distribution of two
21 million dollars (\$2,000,000) shall be made from the endowment
22 fund to the scholarship fund. Thereafter, until the corpus of
23 the endowment fund is forty million dollars (\$40,000,000),
24 fifty percent of the income from investment of the endowment
25 fund shall be applied to the corpus of the endowment fund, and

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1 fifty percent shall be distributed annually to the scholarship
2 fund. After the corpus of the endowment fund is forty million
3 dollars (\$40,000,000) or more, all of the income from
4 investment of the endowment fund shall be distributed to the
5 scholarship fund.

6 SECTION 7. APPROPRIATIONS.--

7 A. Five million dollars (\$5,000,000) is
8 appropriated from the general fund to the adult online learner
9 endowment fund in fiscal year 2024 to endow the adult online
10 learner scholarship program, and no portion of the
11 appropriation shall revert to the general fund.

12 B. Two million dollars (\$2,000,000) is appropriated
13 from the general fund to the adult online learner scholarship
14 fund for expenditure in fiscal year 2025 and subsequent fiscal
15 years to provide scholarships to eligible students. Any
16 unexpended or unencumbered balance remaining at the end of a
17 fiscal year shall not revert to the general fund.