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SENATE BILL 14

44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

INTRODUCED BY

Michael S. Sanchez

AN ACT

RELATING TO LOTTERY REVENUE; PROVIDING FOR LEGISLATIVE SUCCESS  
SCHOLARSHIPS; AMENDING SECTIONS OF THE NMSA 1978; REPEALING A  
DELAYED REPEAL SECTION.

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

Section 1. Section 6-24-3 NMSA 1978 (being Laws 1995,  
Chapter 155, Section 3) is amended to read:

"6-24-3. PURPOSES. -- The purposes of the New Mexico  
Lottery Act are to:

A. establish and provide for the conduct of a fair  
and honest lottery for the entertainment of the public; and

B. provide the maximum amount of revenues, without  
imposing additional taxes or using other state revenues, for  
the purposes of:

(1) funding critical capital outlay needs of

underscored material = new  
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1 the public schools; and

2 (2) providing tuition assistance to resident  
3 undergraduates at New Mexico post-secondary educational  
4 institutions, which shall be known as "legislative success  
5 scholarships". "

6 Section 2. Section 6-24-23 NMSA 1978 (being Laws 1995,  
7 Chapter 155, Section 23, as amended) is amended to read:

8 "6-24-23. [~~LOTTERY TUITION~~] LEGISLATIVE SUCCESS  
9 SCHOLARSHIP FUND CREATED--PURPOSE. --

10 A. The "~~lottery tuition~~ legislative success  
11 scholarship fund" is created in the state treasury. The fund  
12 shall be administered by the commission on higher education.  
13 Earnings from investment of the fund shall accrue to the  
14 credit of the fund. Any balance in the fund at the end of any  
15 fiscal year shall remain in the fund for appropriation by the  
16 legislature as provided in this section.

17 B. After appropriation, if any, by the legislature  
18 for scholarships pursuant to Subsection C of Section 21-1-2  
19 NMSA 1978, the remaining money in the [~~lottery tuition~~]  
20 legislative success scholarship fund is appropriated to the  
21 commission on higher education for distribution to New  
22 Mexico's public post-secondary educational institutions to  
23 provide tuition assistance for New Mexico resident  
24 undergraduates as provided by law. "

25 Section 3. Section 6-24-24 NMSA 1978 (being Laws 1995,

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1 Chapter 155, Section 24) is amended to read:

2 "6-24-24. DISPOSITION OF REVENUE. --

3 A. As nearly as practical, an amount equal to at  
4 least fifty percent of the gross annual revenues from the sale  
5 of lottery tickets shall be returned to the public in the form  
6 of lottery prizes.

7 B. The authority shall transmit all net revenues  
8 to the state treasurer, who shall deposit sixty percent of the  
9 revenues in the public school capital outlay fund for  
10 expenditure pursuant to the provisions of the Public School  
11 Capital Outlay Act and forty percent in the [~~lottery tuition~~]  
12 legislative success scholarship fund. Estimated net revenues  
13 shall be transmitted monthly to the state treasurer for  
14 deposit in the funds, [~~provided~~] and the total amount of  
15 annual net revenues for the fiscal year shall be transmitted  
16 no later than August 1 each year.

17 C. In determining net revenues, operating expenses  
18 of the lottery include all costs incurred in the operation and  
19 administration of the lottery and all costs resulting from any  
20 contracts entered into for the purchase or lease of goods or  
21 services required by the lottery, including [~~but not limited~~  
22 ~~to~~] the costs of supplies, materials, tickets, independent  
23 audit services, independent studies, data transmission,  
24 advertising, promotion, incentives, public relations,  
25 ~~communications~~, ~~commissions~~ paid to lottery retailers,

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1 printing, distribution of tickets, purchases of annuities or  
2 investments to be used to pay future installments of winning  
3 lottery tickets, debt service and payment of any revenue bonds  
4 issued, contingency reserves, transfers to the reserve fund  
5 and any other necessary costs incurred in carrying out the  
6 provisions of the New Mexico Lottery Act.

7 D. An amount up to two percent of the gross annual  
8 revenues shall be set aside as a reserve fund to cover bonuses  
9 and incentive plans for lottery retailers, special promotions  
10 for retailers, purchasing special promotional giveaways,  
11 sponsoring special promotional events, compulsive gambling  
12 rehabilitation and such other purposes as the board deems  
13 necessary to maintain the integrity and meet the revenue goals  
14 of the lottery. The board shall report annually to the  
15 governor and each regular session of the legislature on the  
16 use of the money in the reserve fund. Any balance in excess  
17 of fifty thousand dollars (\$50,000) at the end of any fiscal  
18 year shall be transferred to the [~~lottery tuition~~] legislative  
19 success scholarship fund. "

20 Section 4. Section 6-24-27 NMSA 1978 (being Laws 1995,  
21 Chapter 155, Section 27) is amended to read:

22 "6-24-27. REVENUE AND BUDGET REPORTS--RECORDS--  
23 INDEPENDENT AUDITS. --

24 A. The board shall:  
25 (1) submit quarterly and annual reports to

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1 the governor, legislative finance committee and lottery  
2 oversight committee disclosing the total lottery revenue,  
3 prizes, commissions, ticket costs, operating expenses and net  
4 revenues of the authority during the reporting period and, in  
5 the annual report, describe the organizational structure of  
6 the authority and summarize the functions performed by each  
7 organizational division within the authority;

8 (2) maintain weekly or more frequent records  
9 of lottery transactions, including the distribution of lottery  
10 tickets to retailers, revenue received, claims for prizes,  
11 prizes paid, prizes forfeited and other financial transactions  
12 of the authority; and

13 (3) use the state government fiscal year.

14 B. The board shall provide, for informational  
15 purposes, to the department of finance and administration and  
16 the legislative finance committee, by December 1 of each year,  
17 a copy of the annual proposed operating budget for the  
18 authority for the succeeding fiscal year. This budget  
19 proposal shall also be accompanied by an estimate of the net  
20 revenues to be deposited in the public school capital outlay  
21 fund and the ~~[lottery tuition]~~ legislative success scholarship  
22 fund for the current and succeeding fiscal years.

23 C. The board shall contract with an independent  
24 certified public accountant or firm for an annual financial  
25 audit of the authority. The certified public accountant or

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1 firm shall have no financial interest in any lottery  
2 contractor. The certified public accountant or firm shall  
3 present an audit report no later than March 1 for the prior  
4 fiscal year. The certified public accountant or firm shall  
5 evaluate the internal auditing controls in effect during the  
6 audit period. The cost of this financial audit shall be an  
7 operating expense of the authority. The legislative finance  
8 committee may, at any time, order an audit of any phase of the  
9 operations of the authority, at the expense of the authority,  
10 and shall receive a copy of the annual independent financial  
11 audit. A copy of any audit performed by the certified public  
12 accountant or ordered by the legislative finance committee  
13 shall be transmitted to the governor, the speaker of the house  
14 of representatives, the president pro tempore of the senate,  
15 the legislative finance committee and the lottery oversight  
16 committee. "

17 Section 5. Section 21-1-4.3 NMSA 1978 (being Laws 1996,  
18 Chapter 71, Section 3) is amended to read:

19 "21-1-4.3. [TUITION] LEGISLATIVE SUCCESS SCHOLARSHIPS  
20 AUTHORIZED--CERTAIN EDUCATIONAL INSTITUTIONS.--

21 A. To the extent that funds are made available by  
22 the legislature from the [~~lottery tuition~~] legislative success  
23 scholarship fund, the boards of regents of New Mexico state  
24 university, New Mexico institute of mining and technology,  
25 eastern New Mexico university, western New Mexico university,

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1 the university of New Mexico, New Mexico highlands university  
2 and northern New Mexico state school shall award [ ~~tuition~~  
3 legislative success scholarships for qualified resident  
4 students attending their respective institutions and branches  
5 of those institutions.

6 B. Except as authorized in Subsection C of this  
7 section, the [ ~~tuition~~ ] legislative success scholarships  
8 authorized in this section shall apply only to full-time  
9 resident students who, immediately upon completion of a high  
10 school curriculum at a public or accredited private New Mexico  
11 high school or upon receiving a graduate equivalent diploma,  
12 are accepted for entrance to and attend one of the state  
13 educational institutions set forth in this section or one of  
14 the branches of those institutions. Each [ ~~tuition~~ ]  
15 legislative success scholarship shall be awarded for up to  
16 four consecutive years beginning the second semester of the  
17 recipient's first year of enrollment [ ~~provided that~~ ] if the  
18 recipient has maintained residency in New Mexico and  
19 maintained a grade point average of 2.5 or higher on a 4.0  
20 scale during his first semester of full-time enrollment.

21 C. The [ ~~tuition~~ ] legislative success scholarships  
22 authorized in this section shall also apply to full-time  
23 resident students who, immediately upon completion of a high  
24 school curriculum at a public or accredited private New Mexico  
25 high school or upon receiving a graduate equivalent diploma,

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1 attend a two-year public post-secondary educational  
2 institution in New Mexico and who, upon the completion of that  
3 curriculum or at the end of two years, whichever is sooner,  
4 transfer to one of the post-secondary state educational  
5 institutions set forth in this section. Those students shall  
6 be eligible for a [~~tuition~~] legislative success scholarship  
7 for two consecutive years [~~provided that~~] if those students  
8 maintain residency in New Mexico, maintain a grade-point  
9 average of 2.5 or higher on a 4.0 scale and attend the  
10 institution full time during the regular academic year.

11 D. The commission on higher education shall  
12 prepare guidelines setting forth explicit student continuing  
13 eligibility criteria and guidelines for administration of the  
14 [~~tuition~~] legislative success scholarship program. Guidelines  
15 shall be distributed to the board of regents of each  
16 institution to enable a uniform availability of the [~~resident~~  
17 ~~student tuition~~] legislative success scholarships. "

18 Section 6. Section 21-1-4.4 NMSA 1978 (being Laws 1996,  
19 Chapter 71, Section 4) is amended to read:

20 "21-1-4.4. COMMISSION ON HIGHER EDUCATION-- DETERMINATION  
21 OF [~~TUITION~~] LEGISLATIVE SUCCESS SCHOLARSHIPS-- USE OF [~~LOTTERY~~  
22 ~~TUITION~~] LEGISLATIVE SUCCESS SCHOLARSHIP FUND.-- Prior to June  
23 1 of each year, the commission on higher education shall  
24 determine the amount of money available for [~~tuition~~]  
25 legislative success scholarships at state public post-



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1 secondary educational institutions. Based on the amount  
2 appropriated by the legislature from the [~~lottery tuition~~]  
3 legislative success scholarship fund and on the projected  
4 enrollment at all public post-secondary educational  
5 institutions, the commission on higher education shall  
6 establish the percentage of tuition that shall be awarded for  
7 qualified resident students attending New Mexico public post-  
8 secondary educational institutions. The percentage of tuition  
9 awarded shall be the same for each institution, regardless of  
10 the actual cost of tuition at each institution. "

11 Section 7. REPEAL. --Laws 1995, Chapter 155, Section 38 is  
12 repealed.

13 Section 8. EFFECTIVE DATE. --The effective date of the  
14 provisions of this act is July 1, 1999.

1 FORTY-FOURTH LEGISLATURE  
2 FIRST SESSION, 1999  
3  
4

5  
6 March 11, 1999

7  
8 Mr. President:

9  
10 Your EDUCATION COMMITTEE, to whom has been referred

11  
12 SENATE BILLS 14, 126, 453, 527, 550, 652, & 669

13  
14 has had them under consideration and reports same with  
15 recommendation that they DO NOT PASS, but that

16  
17 SENATE EDUCATION COMMITTEE SUBSTITUTE FOR  
18 SENATE BILLS 14, 126, 453, 527, 550, 652, & 669

19  
20 DO PASS, and thence referred to the FINANCE COMMITTEE.  
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22 Respectfully submitted,  
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Cynthi a Nava, Chai rman

Adopted \_\_\_\_\_ Not

Adopted \_\_\_\_\_

(Chi ef Clerk)

(Chi ef Clerk)

Date \_\_\_\_\_

The roll call vote was 6 For 0 Against

Yes: 6

No: 0

Excused: Adai r, Duran, Gorham, Lopez

Absent: None

S0014ED1

SENATE EDUCATION COMMITTEE SUBSTITUTE FOR  
SENATE BILLS 14, 126, 453, 527, 550, 652 & 669

44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

AN ACT

RELATING TO LOTTERY REVENUE; PROVIDING FOR LEGISLATIVE LOTTERY  
SUCCESS SCHOLARSHIPS; PROVIDING FOR DISTRIBUTION OF LOTTERY  
REVENUE.

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

Section 1. Section 6-24-3 NMSA 1978 (being Laws 1995,  
Chapter 155, Section 3) is amended to read:

"6-24-3. PURPOSES. -- The purposes of the New Mexico  
Lottery Act are to:

A. establish and provide for the conduct of a fair  
and honest lottery for the entertainment of the public; and

B. provide the maximum amount of revenues, without  
imposing additional taxes or using other state revenues, for  
the purposes of:

(1) funding critical capital outlay needs of

the public schools; and

(2) providing tuition assistance to resident undergraduates at New Mexico post-secondary educational institutions, which shall be known as "legislative lottery success scholarships". "

Section 2. Section 6-24-23 NMSA 1978 (being Laws 1995, Chapter 155, Section 23, as amended) is amended to read:

"6-24-23. [~~LOTTERY TUITION~~] LEGISLATIVE LOTTERY SUCCESS SCHOLARSHIP FUND CREATED--PURPOSE. --

A. The "~~lottery tuition~~ legislative lottery success scholarship fund" is created in the state treasury. The fund shall be administered by the commission on higher education. Earnings from investment of the fund shall accrue to the credit of the fund. Any balance in the fund at the end of any fiscal year shall remain in the fund for appropriation by the legislature as provided in this section.

B. After appropriation, if any, by the legislature for scholarships pursuant to Subsection C of Section 21-1-2 NMSA 1978, the remaining money in the [~~lottery tuition~~] legislative lottery success scholarship fund is appropriated to the commission on higher education for distribution to New Mexico's public post-secondary educational institutions to provide tuition assistance for New Mexico resident undergraduates as provided by law. "

Section 3. Section 6-24-24 NMSA 1978 (being Laws 1995, Chapter 155, Section 24) is amended to read:

"6-24-24. DISPOSITION OF REVENUE. --

A. As nearly as practical, an amount equal to at

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1 least fifty percent of the gross annual revenues from the sale  
2 of lottery tickets shall be returned to the public in the form  
3 of lottery prizes.

4 B. The authority shall transmit all net revenues to  
5 the state treasurer, who shall deposit sixty percent of the  
6 revenues in the public school capital outlay fund for  
7 expenditure pursuant to the provisions of the Public School  
8 Capital Outlay Act and forty percent in the [~~lottery tuition~~]  
9 legislative lottery success scholarship fund. Estimated net  
10 revenues shall be transmitted monthly to the state treasurer  
11 for deposit in the funds, [~~provided~~] and the total amount of  
12 annual net revenues for the fiscal year shall be transmitted  
13 no later than August 1 each year.

14 C. In determining net revenues, operating expenses  
15 of the lottery include all costs incurred in the operation and  
16 administration of the lottery and all costs resulting from any  
17 contracts entered into for the purchase or lease of goods or  
18 services required by the lottery, including [~~but not limited~~  
19 ~~to~~] the costs of supplies, materials, tickets, independent  
20 audit services, independent studies, data transmission,  
21 advertising, promotion, incentives, public relations,  
22 communications, commissions paid to lottery retailers,  
23 printing, distribution of tickets, purchases of annuities or  
24 investments to be used to pay future installments of winning  
25 lottery tickets, debt service and payment of any revenue bonds

1 issued, contingency reserves, transfers to the reserve fund  
 2 and any other necessary costs incurred in carrying out the  
 3 provisions of the New Mexico Lottery Act.

4 D. An amount up to two percent of the gross annual  
 5 revenues shall be set aside as a reserve fund to cover bonuses  
 6 and incentive plans for lottery retailers, special promotions  
 7 for retailers, purchasing special promotional giveaways,  
 8 sponsoring special promotional events, compulsive gambling  
 9 rehabilitation and such other purposes as the board deems  
 10 necessary to maintain the integrity and meet the revenue goals  
 11 of the lottery. The board shall report annually to the  
 12 governor and each regular session of the legislature on the  
 13 use of the money in the reserve fund. Any balance in excess  
 14 of fifty thousand dollars (\$50,000) at the end of any fiscal  
 15 year shall be transferred to the [~~lottery tuition~~] legislative  
 16 lottery success scholarship fund."

17 Section 4. Section 6-24-27 NMSA 1978 (being Laws 1995,  
 18 Chapter 155, Section 27) is amended to read:

19 "6-24-27. REVENUE AND BUDGET REPORTS--RECORDS--  
 20 INDEPENDENT AUDITS.--

21 A. The board shall:

22 (1) submit quarterly and annual reports to the  
 23 governor, legislative finance committee and lottery oversight  
 24 committee disclosing the total lottery revenue, prizes,  
 25 commissions, ticket costs, operating expenses and net revenues

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1 of the authority during the reporting period and, in the  
2 annual report, describe the organizational structure of the  
3 authority and summarize the functions performed by each  
4 organizational division within the authority;

5 (2) maintain weekly or more frequent records of  
6 lottery transactions, including the distribution of lottery  
7 tickets to retailers, revenue received, claims for prizes,  
8 prizes paid, prizes forfeited and other financial transactions  
9 of the authority; and

10 (3) use the state government fiscal year.

11 B. The board shall provide, for informational  
12 purposes, to the department of finance and administration and  
13 the legislative finance committee, by December 1 of each year,  
14 a copy of the annual proposed operating budget for the  
15 authority for the succeeding fiscal year. This budget  
16 proposal shall also be accompanied by an estimate of the net  
17 revenues to be deposited in the public school capital outlay  
18 fund and the [~~lottery tuition~~] legislative lottery success  
19 scholarship fund for the current and succeeding fiscal years.

20 C. The board shall contract with an independent  
21 certified public accountant or firm for an annual financial  
22 audit of the authority. The certified public accountant or  
23 firm shall have no financial interest in any lottery  
24 contractor. The certified public accountant or firm shall  
25 present an audit report no later than March 1 for the prior



1 fiscal year. The certified public accountant or firm shall  
 2 evaluate the internal auditing controls in effect during the  
 3 audit period. The cost of this financial audit shall be an  
 4 operating expense of the authority. The legislative finance  
 5 committee may, at any time, order an audit of any phase of the  
 6 operations of the authority, at the expense of the authority,  
 7 and shall receive a copy of the annual independent financial  
 8 audit. A copy of any audit performed by the certified public  
 9 accountant or ordered by the legislative finance committee  
 10 shall be transmitted to the governor, the speaker of the house  
 11 of representatives, the president pro tempore of the senate,  
 12 the legislative finance committee and the lottery oversight  
 13 committee. "

14 Section 5. Section 21-1-4.3 NMSA 1978 (being Laws 1996,  
 15 Chapter 71, Section 3) is amended to read:

16 "21-1-4.3. [~~TUITION~~] LEGISLATIVE LOTTERY SUCCESS  
 17 SCHOLARSHIPS AUTHORIZED--CERTAIN EDUCATIONAL INSTITUTIONS.--

18 A. To the extent that funds are made available by  
 19 the legislature from the [~~lottery tuition~~] legislative lottery  
 20 success scholarship fund, the boards of regents of New Mexico  
 21 state university, New Mexico institute of mining and  
 22 technology, eastern New Mexico university, western New Mexico  
 23 university, the university of New Mexico, New Mexico highlands  
 24 university [~~and~~], northern New Mexico state school and New  
 25 Mexico military institute and the governing boards of the

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1 other public post-secondary educational institutions shall  
2 award [~~tuition~~] legislative lottery success scholarships for  
3 qualified resident students attending their respective  
4 institutions and branches of those institutions.

5 B. Except as authorized in [~~Subsection~~] Subsections  
6 C through F of this section, the [~~tuition~~] legislative lottery  
7 success scholarships authorized in this section shall apply  
8 [~~only~~] to full-time resident students who, immediately upon  
9 completion of a high school curriculum at a public or  
10 accredited private New Mexico high school or an out-of-state  
11 high school that the student attended and graduated from as a  
12 student qualifying for out-of-state tuition payments pursuant  
13 to Subsection A of Section 22-8-30 NMSA 1978 or upon receiving  
14 a graduate equivalent diploma, are accepted for entrance to  
15 and attend one of the [~~state~~] public post-secondary  
16 educational institutions set forth in this section [~~or one of~~  
17 ~~the branches of those institutions~~]. Each [~~tuition~~]  
18 legislative lottery success scholarship shall be awarded for  
19 up to four consecutive years beginning the second semester of  
20 the recipient's first year of enrollment [~~provided that~~] if  
21 the recipient has maintained residency in New Mexico and  
22 [~~maintained~~] obtained a grade point average of 2.5 or higher  
23 on a 4.0 scale during his first semester of full-time  
24 enrollment.

25 C. The [~~tuition~~] legislative lottery success

1 scholarships authorized in this section shall also apply to  
 2 full-time resident students who, immediately upon completion  
 3 of a high school curriculum at a public or accredited private  
 4 New Mexico high school or an out-of-state high school that the  
 5 student attended and graduated from as a student qualifying  
 6 for out-of-state tuition payments pursuant to Subsection A of  
 7 Section 22-8-30 NMSA 1978 or upon receiving a graduate  
 8 equivalent diploma, attend a two-year public post-secondary  
 9 educational institution in New Mexico and who, upon the  
 10 completion of that curriculum or at the end of [ ~~two years~~ ] six  
 11 semesters, whichever is sooner, transfer to one of the public  
 12 post-secondary [state] educational institutions set forth in  
 13 this section. Those students shall be eligible [ for a  
 14 tuition] to continue the legislative lottery success  
 15 scholarship for [two consecutive years provided that]  
 16 additional semesters not to exceed a total of eight  
 17 consecutive semesters if those students [maintain] obtain  
 18 residency in New Mexico, maintain a grade-point average of 2.5  
 19 or higher on a 4.0 scale and attend the institution full time  
 20 during the regular academic year.

21 D. The legislative lottery success scholarships  
 22 authorized in this section shall also apply to part-time  
 23 students taking at least six semester hours who have a  
 24 physical or developmental disability if they meet the other  
 25 requirements for the scholarship pursuant to Subsection B, C

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1 or G of this section. For purposes of this subsection,  
2 "physical or developmental disability" means that the student  
3 either:

4 (1) has a specified disability as documented in  
5 his individualized education program pursuant to the federal  
6 Individuals with Disabilities Education Act; or

7 (2) has a disability that meets the eligibility  
8 requirements pursuant to Section 504 of the federal  
9 Rehabilitation Act.

10 E. The legislative lottery success scholarships  
11 authorized in this section shall also apply to a student who  
12 would not qualify for a scholarship under Subsection B or C of  
13 this section solely because the student completed a high  
14 school curriculum at a high school located outside of New  
15 Mexico if:

16 (1) while in high school the student was a  
17 dependent of a person engaged in active duty in the United  
18 States armed forces; and

19 (2) the person engaged in active duty was a  
20 resident of New Mexico immediately before entering the United  
21 States armed forces, entered military duty in New Mexico, paid  
22 New Mexico personal income taxes while engaged in active duty  
23 and was absent from New Mexico because of the active duty in  
24 the United States armed forces.

25 F. Beginning January 1, 2001, the legislative

1 lottery success scholarships authorized in this section shall  
 2 also apply to full-time resident students who, within one  
 3 hundred twenty days of completion of a high school curriculum  
 4 at a public or accredited private New Mexico high school or an  
 5 out-of-state high school that the student attended and  
 6 graduated from as a student qualifying for out-of-state  
 7 tuition payments pursuant to Subsection A of Section 22-8-30  
 8 NMSA 1978 or upon receiving a graduate equivalent diploma,  
 9 began service in the United States armed forces and who have  
 10 been honorably discharged. Those students who enroll in a New  
 11 Mexico public post-secondary educational institution within  
 12 one year of military discharge shall be eligible for a  
 13 legislative lottery success scholarship, provided that those  
 14 students maintain residency in New Mexico, maintain a grade-  
 15 point average of 2.5 or higher on a 4.0 scale and attend the  
 16 institution full time during the regular academic year.

17           [E.] G. The commission on higher education shall  
 18 [~~prepare guidelines setting forth explicit student continuing~~  
 19 ~~eligibility criteria and~~] adopt rules in collaboration with  
 20 the public post-secondary educational institutions to  
 21 implement the provisions of the legislative lottery success  
 22 scholarship program. The rules shall include explicit initial  
 23 and continuing student eligibility criteria, probation  
 24 provisions for initial and continuing eligibility and  
 25 considerations for professional judgment when special

1 circumstances exist. The rules shall incorporate guidelines  
2 for administration of the [tuition] legislative lottery  
3 success scholarship program. Guidelines shall be distributed  
4 to community college boards to enable a uniform availability  
5 of the resident student [tuition] legislative lottery success  
6 scholarship. "

7 Section 6. Section 21-1-4.4 NMSA 1978 (being Laws 1996,  
8 Chapter 71, Section 4) is amended to read:

9 "21-1-4.4. COMMISSION ON HIGHER EDUCATION-- DETERMINATION  
10 OF [TUITION] LEGISLATIVE LOTTERY SUCCESS SCHOLARSHIPS-- USE OF  
11 [LOTTERY-TUITION] LEGISLATIVE LOTTERY SUCCESS SCHOLARSHIP  
12 FUND.--Prior to June 1 of each year, the commission on higher  
13 education shall determine the amount of money available for  
14 [tuition] legislative lottery success scholarships at [state]  
15 public post-secondary educational institutions. Based on the  
16 amount appropriated by the legislature from the [lottery  
17 tuition] legislative lottery success scholarship fund and on  
18 the projected enrollment at all public post-secondary  
19 educational institutions, the commission on higher education  
20 shall establish the percentage of tuition that shall be  
21 awarded for qualified resident students attending New Mexico  
22 public post-secondary educational institutions. The  
23 percentage of tuition awarded shall be the same for each  
24 institution, regardless of the actual cost of tuition at each  
25 institution. "

1           Section 7. Section 21-13-10 NMSA 1978 (being Laws 1963,  
2 Chapter 17, Section 9, as amended) is amended to read:

3           "21-13-10. BOARD DUTIES. --

4           A. It [~~shall be~~] is the duty of the community  
5 college board to determine financial and educational policies  
6 of the community college. The community college board shall  
7 provide for the management of the community college and  
8 execution of these policies by selecting a competent president  
9 for the community college, and, upon the president's  
10 recommendation, the board shall employ other administrative  
11 personnel, instructional staff or other personnel as may be  
12 needed for the operation, maintenance and administration of  
13 the community college.

14           B. The community college board shall have the power  
15 to fix tuition and fee rates for resident and nonresident  
16 students of the district, to accept gifts, to accept federal  
17 aid, to purchase, hold, sell and rent property and equipment  
18 and to promote the general welfare of the institution for the  
19 best interest of educational service to the people of the  
20 community college district.

21           C. To the extent that funds are made available by  
22 the legislature from the [~~lottery tuition~~] legislative lottery  
23 success scholarship fund, the community college board shall  
24 award [~~tuition~~] legislative lottery success scholarships for  
25 qualified resident students attending their respective

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1 institutions.

2 ~~[D. The tuition scholarships authorized in this~~  
3 ~~section shall apply only to full-time resident students who,~~  
4 ~~immediately upon completion of a high school curriculum at a~~  
5 ~~public or accredited private New Mexico high school, or upon~~  
6 ~~receiving a graduate equivalent diploma, are accepted for~~  
7 ~~entrance to and attend a community college. Each tuition~~  
8 ~~scholarship shall be awarded for up to two consecutive years~~  
9 ~~beginning the second semester of the recipient's first year of~~  
10 ~~enrollment, provided that the recipient has maintained~~  
11 ~~residency in New Mexico and maintained a grade point average~~  
12 ~~of 2.5 or higher on a 4.0 scale during his first semester of~~  
13 ~~full-time enrollment.~~

14 E.] D. The commission on higher education shall  
15 ~~[prepare guidelines setting forth explicit student continuing~~  
16 ~~eligibility criteria and]~~ adopt rules in collaboration with  
17 the community colleges to implement the provisions of the  
18 legislative lottery success scholarship program. The rules  
19 shall include explicit initial and continuing student  
20 eligibility criteria, probation provisions for initial and  
21 continuing eligibility and considerations for professional  
22 judgment when special circumstances exist. The rules shall  
23 incorporate guidelines for administration of the tuition  
24 scholarship program. Guidelines shall be distributed to  
25 community college boards to enable a uniform availability of



1 the resident student [~~tuition~~] legislative lottery success  
2 scholarship. "

3 Section 8. Section 21-16-10.1 NMSA 1978 (being Laws  
4 1996, Chapter 71, Section 6) is amended to read:

5 "21-16-10.1. [~~TUITION~~] LEGISLATIVE LOTTERY SUCCESS  
6 SCHOLARSHIPS AUTHORIZED. --

7 A. To the extent that funds are made available by  
8 the legislature from the [~~lottery tuition~~] legislative lottery  
9 success scholarship fund, the board of a technical and  
10 vocational institute shall award [~~tuition~~] legislative lottery  
11 success scholarships for qualified resident students attending  
12 a technical and vocational institute.

13 [~~B.—The tuition scholarships authorized in this~~  
14 ~~section shall apply only to full-time resident students who,~~  
15 ~~immediately upon completion of a high school curriculum at a~~  
16 ~~public or accredited private New Mexico high school, or upon~~  
17 ~~receiving a graduate equivalent diploma, are accepted for~~  
18 ~~entrance to and attend a technical and vocational institute.—~~  
19 ~~Each tuition scholarship shall be awarded for up to two~~  
20 ~~consecutive years beginning the second semester of the~~  
21 ~~recipient's first year of enrollment, provided that the~~  
22 ~~recipient has maintained residency in New Mexico and~~  
23 ~~maintained a grade point average of 2.5 or higher on a 4.0~~  
24 ~~scale during his first semester of full-time enrollment.—~~

25 ~~C.]~~ B. The commission on higher education shall

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1 ~~[prepare guidelines setting forth explicit student continuing~~  
2 ~~eligibility criteria and]~~ adopt rules in collaboration with  
3 the technical and vocational institutes to implement the  
4 provisions of the legislative lottery success scholarship  
5 program. The rules shall include explicit initial and  
6 continuing student eligibility criteria, probation provisions  
7 for initial and continuing eligibility and considerations for  
8 professional judgment when special circumstances exist. The  
9 rules shall incorporate guidelines for administration of the  
10 ~~[tuition]~~ scholarship program. Guidelines shall be  
11 distributed to the boards of technical and vocational  
12 institutes to enable a uniform availability of the resident  
13 student ~~[tuition]~~ legislative lottery success scholarships. "

14 Section 9. Section 21-17-6.1 NMSA 1978 (being Laws 1996,  
15 Chapter 71, Section 7) is amended to read:

16 "21-17-6.1. ~~[TUITION]~~ LEGISLATIVE LOTTERY SUCCESS  
17 SCHOLARSHIPS AUTHORIZED. - -

18 A. To the extent that funds are made available by  
19 the legislature from the ~~[lottery tuition]~~ legislative lottery  
20 success scholarship fund, the board of an area vocational  
21 school shall award ~~[tuition]~~ legislative lottery success  
22 scholarships for qualified resident students attending its  
23 area vocational school.

24 ~~[B. The tuition scholarships authorized in this~~  
25 ~~section shall apply only to full-time resident students who,~~

1 ~~immediately upon completion of a high school curriculum at a~~  
 2 ~~public or accredited private New Mexico high school, or upon~~  
 3 ~~receiving a graduate equivalent diploma, are accepted for~~  
 4 ~~entrance to and attend an area vocational school. Each~~  
 5 ~~tuition scholarship shall be awarded for up to two consecutive~~  
 6 ~~years beginning the second semester of the recipient's first~~  
 7 ~~year of enrollment, provided that the recipient has maintained~~  
 8 ~~residency in New Mexico and maintained a grade point average~~  
 9 ~~of 2.5 or higher on a 4.0 scale during his first semester of~~  
 10 ~~full-time enrollment.~~

11           ~~C.]~~ B. The commission on higher education shall  
 12 ~~[prepare guidelines setting forth explicit student~~  
 13 ~~qualification criteria and]~~ adopt rules in collaboration with  
 14 the area vocational schools to implement the provisions of the  
 15 legislative lottery success scholarship program. The rules  
 16 shall include explicit initial and continuing student  
 17 eligibility criteria, probation provisions for initial and  
 18 continuing eligibility and considerations for professional  
 19 judgment when special circumstances exist. The rules shall  
 20 incorporate guidelines for administration of the [ ~~tuition~~ ]  
 21 scholarship program. Guidelines shall be distributed to the  
 22 boards of all area vocational schools to enable a uniform  
 23 availability of the resident student [ ~~tuition~~ ] legislative  
 24 lottery success scholarships. "

25           Section 10. REPEAL. -- Laws 1995, Chapter 155, Section 38

1 is repealed.

2 Section 11. EFFECTIVE DATE. --The effective date of the  
3 provisions of Sections 1 through 9 of this act is July 1,  
4 1999.

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FORTY-FOURTH LEGISLATURE  
FIRST SESSION, 1999

March 13, 1999

Mr. President:

Your FINANCE COMMITTEE, to whom has been referred

SENATE EDUCATION COMMITTEE SUBSTITUTE FOR  
SENATE BILLS 14, 126, 453, 527, 550, 652 & 669

has had it under consideration and reports same with  
recommendation that it DO PASS.

Respectfully submitted,

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SJC/SB 772

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Ben D. Altamirano, Chairman

Adopted \_\_\_\_\_ Not

Adopted \_\_\_\_\_

(Chief Clerk)

(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 8 For 0 Against

Yes: 8

No: 0

Excused: Carraro, Eisenstadt, Lyons, Tsosie, Fidel

Absent: None

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1 SJC/SB 772

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3 FORTY-FOURTH LEGISLATURE  
4 FIRST SESSION  
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7 March 14, 1999  
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10 SENATE FLOOR AMENDMENT number \_\_\_\_\_ to SENATE EDUCATION  
11 COMMITTEE SUBSTITUTE  
12 FOR SENATE BILLS 14,  
13 126, 453, 527, 550, 652  
14 & 669  
15

16 Amendment sponsored by Senator Don Kidd  
17

18  
19 1. On page 7, lines 16 and 17, strike "or upon receiving a  
20 graduate equivalent diploma".  
21

22 2. On page 7, line 20, before the period insert:  
23

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- 32 -

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FORTY- FOURTH LEGISLATURE  
FIRST SESSION

SF1/SEC/SB 14, et al.

Page 33

"or to full- or part-time resident students who have received a graduate equivalent diploma who are accepted for entrance to and attend a two-year public post-secondary educational institution".

---

Don Kidd

Adopted \_\_\_\_\_ Not Adopted

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(Chief Clerk)

(Chief Clerk)

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FORTY- FOURTH LEGISLATURE  
FIRST SESSION

SJC/SB 772

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