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AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;
MAKING CHANGES TO THE LEGISLATIVE LOTTERY SCHOLARSHIP PROGRAM
TO EXTEND ITS FINANCIAL SOLVENCY; CHANGING THE AMOUNT OF
AWARDS; REQUIRING A MINIMUM BALANCE IN THE LOTTERY TUITION
FUND; DISTRIBUTING MONEY FROM THE LIQUOR EXCISE TAX TO THE
LOTTERY TUITION FUND; AMENDING, REPEALING, RECOMPILING AND
ENACTING SECTIONS OF THE NMSA 1978; MAKING APPROPRIATIONS;
DECLARING AN EMERGENCY.

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

SECTION 1. SHORT TITLE.--Sections 1 through 6 of this
act may be cited as the "Legislative Lottery Tuition
Scholarship Act".

SECTION 2. DEFINITIONS.--As used in the Legislative
Lottery Tuition Scholarship Act:

A. "community college" means a branch community
college of a state educational institution or a community
college or technical and vocational institute established
pursuant to Chapter 21, Article 13 or 16 NMSA 1978,
respectively;

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 state
educational institutions and twelve or more credit hours each

1 semester of the regular academic year in community colleges
2 or for legacy students in any program semester;

3 E. "fund" means the lottery tuition fund;

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

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

15 H. "public post-secondary educational institution"
16 means a community college, comprehensive institution,
17 research institution or state educational institution;

18 I. "qualified student" means a full-time student
19 who graduated from a public or accredited private New Mexico
20 high school or who received a high school equivalency
21 credential while maintaining residency in New Mexico and who:

22 (1) either:

23 (a) immediately upon graduation or
24 receipt of a credential was accepted for entrance to and
25 attended a public post-secondary educational institution; or

(b) within one hundred twenty days of
completion of a high school curriculum or receipt of a high
school equivalency credential began service in the United
States armed forces and within one year of completion of
honorable service or medical discharge from the service,

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

6 J. "research institution" means the university of
7 New Mexico, New Mexico state university or New Mexico
8 institute of mining and technology;

9 K. "state educational institution" means an
10 institution of higher education enumerated in Article 12,
11 Section 11 of the constitution of New Mexico and excludes a
12 research institution; and

13 L. "tuition scholarship" means the scholarship
14 that provides tuition assistance per semester for a qualified
15 student or legacy student attending a public post-secondary
16 educational institution.

17 SECTION 3. TUITION SCHOLARSHIPS AUTHORIZED--QUALIFIED
18 STUDENTS.--

19 A. To the extent that funds are made available by
20 the legislature from the fund, the boards of regents or
21 governing bodies of public post-secondary educational
22 institutions shall award tuition scholarships in
23 department-approved amounts to qualified students and legacy
24 students attending their respective public post-secondary
25 educational institutions.

B. Beginning in fiscal year 2015:

(1) a legacy student is eligible to receive
a tuition scholarship until the total number of semesters for
which the legislative lottery scholarship was received
pursuant to the former provisions of Sections 21-1-4.3,

1 21-13-10 and 21-16-10.1 NMSA 1978 or the Legislative Lottery
2 Tuition Scholarship Act reaches eight; provided that the
3 legacy student maintains residency in New Mexico, maintains a
4 grade point average of 2.5 or higher on a 4.0 scale and
5 completes twelve or more credit hours per semester; and

6 (2) a qualified student who is not a legacy
7 student is eligible to receive the tuition scholarship for a
8 maximum of seven program semesters starting in the second
9 program semester, and in an amount determined pursuant to the
10 provisions of Section 4 of the Legislative Lottery Tuition
11 Scholarship Act.

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

- 15 (1) maintains residency in New Mexico;
16 (2) maintains a grade point average of 2.5
17 or higher on a 4.0 scale; and
18 (3) completes:
19 (a) for a student attending a four-year
20 public post-secondary educational institution, fifteen or
21 more credit hours per semester; and
22 (b) for a student attending a two-year
23 public post-secondary educational institution, twelve or more
24 credit hours per semester.

25 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 semesters of

1 eligibility and adjust either or both as deemed reasonable
2 and appropriate, based on the student's disability needs. In
3 no case, however, shall "full time" mean fewer than six
4 credit hours per semester, and in no case shall eligibility
5 extend beyond fourteen consecutive semesters.

6 SECTION 4. TUITION SCHOLARSHIP AMOUNT--FUND.--

7 A. Prior to June 1 of each year, based on the
8 amount appropriated by the legislature from the fund and on
9 the projected enrollment at all public post-secondary
10 educational institutions, the department shall:

11 (1) determine the total amount of money
12 available for all tuition scholarships for qualified
13 students;

14 (2) determine the uniform percentage by
15 which to calculate tuition scholarships for qualified
16 students attending any public post-secondary educational
17 institution; and

18 (3) notify all public post-secondary
19 educational institutions of the determinations made pursuant
20 to Paragraphs (1) and (2) of this subsection.

21 B. In determining distribution and award amounts
22 for the tuition scholarship program, the department shall:

23 (1) maintain the minimum fund balance
24 pursuant to Section 5 of the Legislative Lottery Tuition
25 Scholarship Act;

(2) distribute to all public post-secondary
educational institutions an amount not to exceed the
remaining balance in the fund; and

(3) subject to the provisions of Paragraphs
(1) and (2) of this subsection, distribute to each public

1 post-secondary educational institution an amount based on:

2 (a) the projected enrollment at each
3 comprehensive institution, research institution and state
4 educational institution of qualified students in their second
5 through eighth program semesters, including qualified
6 students in their fifth through eighth program semesters who
7 transferred from community colleges;

8 (b) the projected enrollment at each
9 community college of qualified students in their second
10 through fourth program semesters; and

11 (c) a uniform percentage of the average
12 of in-state tuition costs charged by: 1) research
13 institutions for each research institution; 2) comprehensive
14 institutions for each comprehensive institution; and 3)
15 community colleges for each community college.

16 SECTION 5. Section 6-24-23 NMSA 1978 (being Laws 1995,
17 Chapter 155, Section 23, as amended) is recompiled in the
18 Legislative Lottery Tuition Scholarship Act and is amended to
19 read:

20 "LOTTERY TUITION FUND CREATED--PURPOSE.--

21 A. The "lottery tuition fund" is created in the
22 state treasury. The fund shall be administered by the
23 department. Earnings from investment of the fund shall
24 accrue to the credit of the fund. The fund shall maintain an
25 annual average balance of two million dollars (\$2,000,000),
and 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. Money in the fund shall be appropriated by the
legislature to the department for distribution to New

1 Mexico's public post-secondary educational institutions to
2 provide tuition assistance for qualified students and legacy
3 students as provided in the Legislative Lottery Tuition
4 Scholarship Act."

5 SECTION 6. DEPARTMENT RULEMAKING AND REPORTING.--

6 A. The department shall promulgate rules setting
7 forth explicit criteria in accordance with the Legislative
8 Lottery Tuition Scholarship Act for:

9 (1) student qualification and continuing
10 eligibility; and

11 (2) calculating the tuition scholarship
12 award amount pursuant to Section 4 of the Legislative Lottery
13 Tuition Scholarship Act and guidelines for the administration
14 of the tuition scholarship program.

15 B. The department shall report by November 1 of
16 each year to the legislative finance committee and the
17 department of finance and administration on:

18 (1) the status of the fund;

19 (2) tuition scholarship program
20 participation data aggregated for each public post-secondary
21 educational institution to show:

22 (a) the number of qualified students
23 and the number of legacy students who received tuition
24 scholarships in the prior twelve-month period;

25 (b) the total number of students,
including qualified students and legacy students, enrolled in
the prior twelve-month period;

(c) for each semester, the amount of
tuition scholarships funded and the amount of tuition costs
that were not offset by the tuition scholarship; and

1 (d) the number of qualified students
2 and the number of legacy students who graduated with a degree
3 and, for each qualified student, the number of consecutive
4 semesters and nonconsecutive semesters attended prior to
5 graduation; and

6 (3) any additional information required or
7 requested by the legislative finance committee or the
8 department of finance and administration.

9 SECTION 7. Section 7-1-6.40 NMSA 1978 (being Laws 1997,
10 Chapter 182, Section 1, as amended) is amended to read:

11 "7-1-6.40. DISTRIBUTION--LOCAL DWI GRANT FUND--
12 MUNICIPALITIES--LOTTERY TUITION FUND.--

13 A. A distribution pursuant to Section 7-1-6.1
14 NMSA 1978 shall be made to the local DWI grant fund in an
15 amount equal to forty-one and fifty hundredths percent of the
16 net receipts attributable to the liquor excise tax.

17 B. A distribution pursuant to Section 7-1-6.1
18 NMSA 1978 of twenty thousand seven hundred fifty dollars
19 (\$20,750) monthly from the net receipts attributable to the
20 liquor excise tax shall be made to a municipality that is
21 located in a class A county and that has a population
22 according to the most recent federal decennial census of more
23 than thirty thousand but less than sixty thousand. The
24 distribution pursuant to this subsection shall be used by the
25 municipality only for the provision of alcohol treatment and
rehabilitation services for street inebriates.

C. From July 1, 2015 to July 1, 2017, a
distribution pursuant to Section 7-1-6.1 NMSA 1978 of
thirty-nine percent of the net receipts attributable to the
liquor excise tax shall be made to the lottery tuition fund."

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

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

22 SECTION 9. APPROPRIATION.--Eleven million dollars
23 (\$11,000,000) is appropriated from the student financial aid
24 fund of the higher education department to the lottery
25 tuition fund for expenditure in fiscal year 2014 and
subsequent fiscal years to supplement the lottery tuition
fund. Any unexpended or unencumbered balance remaining at
the end of a fiscal year shall not revert.

SECTION 10. REPEAL.--Sections 21-1-4.3, 21-1-4.4 and
21-16-10.1 NMSA 1978 (being Laws 1996, Chapter 71, Sections

1 3, 4 and 6, as amended) are repealed.

2 SECTION 11. EMERGENCY.--It is necessary for the public
3 peace, health and safety that this act take effect
4 immediately. _____

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