

This is an amendment to 5.7.20 NMAC, Sections 7, 10 and 11, effective 7/24/2018.

5.7.20.7 DEFINITIONS:

- A. “Academic year”** means any consecutive period of two semesters (or three semesters for accelerated programs), three quarters or other comparable units commencing with the fall term each year.
- B. “Accelerated program”** means one in which a summer semester is a program requirement and not a student choice; a cohort that requires sequence of courses taken in summer semester.
- C. “Community college”** means a branch community college of a four-year state educational institution, a two-year state educational institution or a community college or technical and vocational institute established pursuant to Chapter 21, Article 13 or 16 NMSA 1978, respectively.
- D. “Comprehensive institution”** means eastern New Mexico university, New Mexico Highlands university, northern New Mexico college or western New Mexico university.
- E. “Consortium”** means a written agreement between a home institution and one or more host institutions for consideration of combined enrollment for eligibility:
 - (1) home institution is the institution where the student is enrolled in a degree or certificate seeking program and is receiving lottery scholarship funds;
 - (2) host institution is the secondary institution where the student is taking part of their program requirements.
- F. “Department”** means the New Mexico higher education department (NMHED).
- G. “Full-time”** means 15 or more credit hours completed each program semester of the regular academic year at a research institution or comprehensive institution; or 12 or more credit hours completed for each program semester at community colleges; or through a consortium agreement between the home and host institutions. For students enrolled through a consortium agreement the minimum credit hour eligibility requirement shall be based on the student’s home institution. Qualified students in their graduating semester are only required to take the number of credit hours required to graduate.
- H. “GPA”** means grade point average.
- I. “Legislative lottery scholarship”** means a scholarship awarded from proceeds of the New Mexico lottery tuition fund, to defray all or part of the cost of tuition.
- J. “Non-enrollment”** means a student is not enrolled in a public post-secondary educational institution.
- K. “Probation”** means a period of time that a student fails to meet continuing eligibility for exceptional mitigating circumstances as determined by the lead financial aid officer at the institution; as described in Subsection C of 5.7.20.8 NMAC.
- L. “Program semesters”** means those semesters for which a qualified student may receive a tuition scholarship and excludes the first semester of attendance at a public post-secondary educational institution.
- M. “Public post-secondary educational institution”** means a research or comprehensive institution, as defined in Article XII, Section 11 of the New Mexico constitution, and branch community colleges or community college or technical and vocational institute as defined by Section 21-13, 14 and 16 NMSA 1978.
- N. “Research institution”** means New Mexico institute of mining and technology, New Mexico state university and the university of New Mexico.
- O. “Qualified student”** means a full-time student who completed high school at a public or accredited private New Mexico high school, graduated from a public or accredited private New Mexico high school or who received a high school equivalency credential while maintaining residency in New Mexico and who either:
 - (1) within 16 months of graduation or receipt of a high school equivalency credential, was accepted for entrance to and attended a public post-secondary educational institution without having previously enrolled at a non-qualifying postsecondary institution; or
 - (2) within four months of graduation or receipt of a high school equivalency credential, began service in the United States armed forces and within 16 months of completion of honorable service or medical discharge from the service, attended a public post-secondary educational institution without having previously enrolled at a non-qualifying postsecondary institution; and
 - (3) successfully completed the first semester at a public post-secondary educational institution with a grade point average of 2.5 or higher on a 4.0 scale during the first semester of full time enrollment.

[R] P. “Summer semester” means a semester equal to fall and spring semester in duration and intensity that is required as part of an accelerated program.

[S] Q. “Tuition scholarship” means the scholarship that provides tuition assistance per semester for qualified students.

[5.7.20.7 NMAC - Rp, 5.7.20.7 NMAC, 08/15/2014; A/E, 8/15/2014; A, 11/15/2016; A, 10/31/2017; A, 7/24/2018]

5.7.20.10 AMOUNT OF SCHOLARSHIP:

A. To the extent that funds are made available from the fund, the board of regents or governing bodies of public postsecondary educational institutions shall award tuition scholarship in department approved amounts to qualified students.

B. The method the department will use for calculating the tuition scholarship is as follows:

(1) estimate the total amount available in the lottery tuition fund, based on past lottery fund transfers, current year balances, and additional funds made available through legislation;

(2) estimate the number of lottery scholarship recipients for each institution, based on department endorsed institutional projections;

(3) calculate the ~~[un-weighted average]~~ tuition scholarship for each sector (research, comprehensive, and community college) in accordance with ~~[2016 Bill Text NM S.B. 280]~~ 2018 Bill Text NM S.B. 140;

(4) calculate the total amount needed to pay full ~~[average]~~ tuition to all estimated recipients;

(5) compute ~~[the uniform percentage of the sector average tuition rates that can be paid that keeps the fund solvent and ensures that the fund will not be overspent]~~ an award for each scholarship recipient distributed in amounts as follows:

(a) one thousand five hundred dollars (\$1,500) per scholarship per program semester for a student enrolled at a research institution;

(b) one thousand twenty dollars (\$1,020) per scholarship per program semester for a student enrolled at a comprehensive institution; and

(c) three hundred eighty dollars (\$380) per scholarship per program semester for a student enrolled at a community college;

(6) [determine the maximum award per recipient for each institution (uniform percentage times average sector tuition for the sector of each institution)]; If the total amount available pursuant to Paragraph (3) of Subsection B of 5.7.20.10 NMAC is less than the amount calculated in Paragraph (5) of Subsection B of 5.7.20.10 NMAC, the department shall decrease the scholarship award amounts in a manner that maintains the distribution in the same proportions as provided in Paragraph (5) of Subsection B of 5.7.20.10 NMAC. If the total amount available pursuant to Paragraph (3) of Subsection B of 5.7.20.10 NMAC is more than the amount calculated in Paragraph (5) of Subsection B of 5.7.20.10 NMAC, the department shall increase the scholarship award amounts in a manner that maintains the distribution in the same proportions as provided in Paragraph (5) of Subsection B of 5.7.20.10 NMAC.

(7) notify institutions.

C. In no case shall a student receive scholarship awards exceeding the total amount of tuition charged.

D. Qualified students in their graduating semester shall receive a tuition scholarship proportional to the number of credit hours required to graduate.

[5.7.20.10 NMAC - Rp, 5.7.20.10 NMAC, 08/15/2014; A, 11/15/2016; A, 10/31/2017; A, 7/24/2018]

5.7.20.11 ADMINISTRATION OF THE LEGISLATIVE LOTTERY SCHOLARSHIP:

A. Eligible post-secondary educational institutions shall:

(1) notify students of their possible eligibility, during their first regular semester of enrollment including transfer students who had the legislative lottery scholarship at previous institutions;

(2) designate their institution’s lead financial aid officer to be responsible for determining initial and continuing student eligibility for the legislative lottery scholarship under the terms of these rules and regulations;

(3) maintain a listing of each participating student to include, but not be limited to:

(a) social security number as appropriate;

(b) cumulative GPA and completed enrollment hours in prior semesters;

(c) proof of initial and continuing enrollment;

(d) award semester; and

- (e) other data fields deemed important by the department;
 - (4) draw-down files should be submitted to the department for eligible students as defined in 5.7.20.10 NMAC per semester; all fiscal year draw-downs shall be for eligible students enrolled during the same fiscal year;
 - (5) for students that satisfied the first semester eligibility requirements and seek continuing eligibility consideration, use professional judgment to determine that exceptional mitigating circumstances beyond the students control, for which documentation exists in the student's file; the institutions shall defer to their institutional satisfactory academic progress policy when considering circumstances which include, but are not limited to, consideration for falling below the cumulative GPA requirement or successfully maintain full time enrollment as defined in Subsection ~~E~~ G of 5.7.20.7 NMAC;
 - (6) provide to the department by April 15 each year the projected enrollment and tuition rates for the following academic year for their appropriate institution as follows: comprehensive, research institution in their second through eighth program semester including qualified students in their fifth through eighth program semesters who transferred from a community college; projected enrollment at each community college at each community college in their second through fourth program semesters;
 - (7) publish the probation policy as defined in Subsection C of 5.7.20.8 NMAC;
 - (8) encourage consortium agreements, as defined in the code of federal regulations, 34 CFR 6685, in order to facilitate the enrollment of students and to facilitate the student's participation in this program;
 - (9) ensure that all available state scholarships including merit based three percent scholarship and New Mexico scholars are awarded before granting legislative lottery scholarships; the intent of this provision is that tuition costs shall be paid first for those students eligible for merit-based aid packages funded by three percent scholarships; in those instances when tuition is not fully covered by the merit-based aid package, said student is eligible for the tuition cost differential to be funded by the legislative lottery scholarship program; nothing in this section requires a public postsecondary educational institution to award a scholarship inconsistent with the criteria established or such scholarship; refer to Subsection G of 5.7.20.9 NMAC for additional provisions;
- B.** The department shall:
- (1) determine ~~[a uniform percentage of the average of in-state tuition costs by sector by which to calculate tuition scholarships]~~ the scholarship award pursuant to the provisions of 5.7.20.10 NMAC; all eligible institutions will be notified prior to June 1 annually;
 - (2) conduct audits to ascertain compliance with rules and regulations, if, during the audit process, evidence indicates that a student should not have received a legislative lottery scholarship, the department will provide guidance to the institutions for appropriate action;
 - (3) make available to the legislative finance committee and department of finance and administration, by November 1, the following information:
 - (a) the status of the fund;
 - (b) tuition scholarship program participation data aggregated for each public postsecondary education institution to show:
 - (i) the number of qualified students who received tuition scholarships and in the prior 12 month period;
 - (ii) the total number of qualified students enrolled in the prior 12-month period;
 - (iii) the amount of tuition scholarships funded by semester and the amount of tuition costs that were not offset by the tuition scholarship by semester; and
 - (iv) the number of qualified students who graduated with a degree and, for each qualified student, the number of consecutive semesters and nonconsecutive semesters attended prior to graduation.
- [5.7.20.11 NMAC - Rp, 5.7.20.11 NMAC, 08/15/2014; A/E, 8/15/2014; A, 11/15/2016; A, 10/31/2017; A, 7/24/2018]