Proposition:  15-06/07  
Sponsors: Creider (Library)  
Proposed Committee Assignment: Emergency Legislation  
Actual Committee Assignment: 

Title: Memorial Supporting Proposed Changes in the Administration of the Lottery Fund  
Sponsor: L. Creider  

Proposal: That the Faculty Senate adopt the following resolution:

Whereas, the New Mexico Legislature created the lottery, in part, to fund a full-tuition scholarship to every deserving high school graduate at any public university or community college in New Mexico, and

Whereas, the New Mexico Higher Education Department projects the scholarship fund will face an $18 million deficit in 2011, and

Whereas, approximately 20 cents of every dollar bet on the lottery goes to pay operating and administrative costs, the fifth highest of 43 states, according to La Fleur’s 2006 World Lottery Almanac, and

Whereas, currently only about 24 cents of every dollar bet on the lottery actually go to scholarships, while eleven states have set statutory minimum percentages for beneficiaries between 30 and 35 percent (California, Delaware, Georgia, Kansas, Kentucky, Louisiana, New Jersey, North Carolina, Oklahoma, Pennsylvania and Tennessee), and

Whereas, Think New Mexico proposes the “30-percent solution”, by which 30 percent of lottery revenues will be statutorily dedicated to the Lottery Success Scholarship fund, and

Whereas, increasing the percentage for scholarships from 24 percent to 30 percent will produce approximately $9 million per year, or enough for 2,500 scholarships, and

Whereas, Think New Mexico has proposed that at least one Lottery Board position be reserved for a representative of the higher education community.

Therefore, the Faculty Senate of NMSU does hereby endorse Senate Bill 364 which requires that 30 percent of gross lottery revenues be placed in the lottery tuition fund for Lottery Success Scholarships and enlarges the Lottery Board to include two additional members, one each to represent the four-year and the two-year institutions of higher education in New Mexico.

Rationale: A healthy Lottery Scholarship Fund is a major help to NMSU’s ability to fulfill its mission. The Senate bill in this area will reduce administrative costs and provide more money for scholarships. This bill is supported by the Council of New Mexico University Presidents and the Higher Education Department.