NEW MEXICO OPPORTUNITY

FACT SHEET: Opportunity Scholarship - HB 14

Tuition-free college for recent high school graduates

Tuition-free two-year certificate and degree programs for all

Why do we need the Opportunity Scholarship?

Governor Lujan Grisham's administration is investing in transformative opportunities for New Mexico families, and that transformation begins with education. By creating tuition-free higher education for New Mexicans at public institutions across the state, we are ensuring students and returning-adult learners have every chance to pursue and attain the skills they need to thrive in a 21st-century economy. New Mexico was the first state to offer tuition-free college through the Lottery Scholarship. But tuition has risen while lottery earnings have declined, leaving college students with a significant financial burden – significant enough that many New Mexicans decide they can't afford to continue their education after high school or return to finish a degree.

The Opportunity Scholarship will change that. With a $35 million investment by the state, 55,000 students will see the impact of tuition-free college this year. Enrollment will increase at all 29 of New Mexico's public colleges and universities. The stage will be set for big economic benefits in the future, including better employment opportunities, higher overall incomes, and a stronger workforce for New Mexico. That's why the Opportunity Scholarship matters.

Reinvigorating the Promise of the Lottery Scholarship

The Legislative Lottery Scholarship was intended to provide free college for New Mexico high school graduates; but over time, the scholarship coverage has diminished. Today, the Lottery Scholarship only covers 60 to 75 percent of those costs for students. By supplementing the Lottery Scholarship with the Opportunity Scholarship, students will pay no tuition or fees at any of the state's 29 public institutions of higher education. This benefit will incentivize students to remain in New Mexico to pursue their education, resulting in a stronger workforce and associated economic benefits.

In order to maintain continuity of the state's existing scholarship programs, eligibility requirements for both the Lottery and Opportunity scholarships (recent high school graduates and honorably discharged veterans) remain the same as in the current rules and requirements of the Lottery Scholarship.

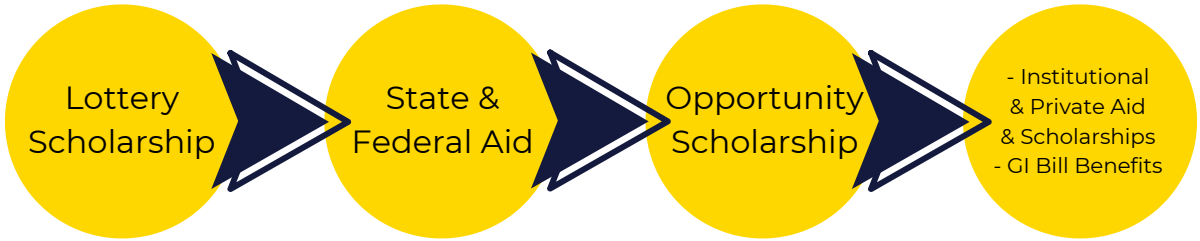
It is important to note that we have witnessed **the following benefits from the Legislative Lottery Scholarship** (FY13-FY18):

- Students receiving the Lottery Scholarship are **three times more likely to receive a degree**.
- Students with four or more semesters with the Lottery Scholarship have a **70 percent degree completion rate**.
- Students with seven or more semesters have a **95 percent degree completion rate**.
- In general, **degree completion rates are 47 percent higher for students who received the Lottery Scholarship.**

Last-Dollar vs. First-Dollar Aid Scholarships

On average, New Mexicans finish college with $21,858 in student loans and nearly 15 percent of New Mexicans that take out student loans end up defaulting on those loans within three years. The New Mexico Opportunity Scholarship will help all students leverage all forms of financial aid, making them more likely to finish their degree.

The Legislative Lottery Scholarship remains what is considered a "first-dollar" scholarship in New Mexico. Students receive a tuition benefit based on their eligibility upon graduation or honorable military discharge. The Opportunity Scholarship renews the original promise of the Lottery Scholarship and, additionally, provides coverage of tuition and fees that other state and federal aid does not cover. That's what is considered a "last-dollar" scholarship.



The New Mexico Opportunity Scholarship: renewing the promise of the first-in-the-nation Lottery Scholarship and providing tuition-free higher education for New Mexico students