

# Students deserve lottery's support

Graduating from college used to be so much easier than it is now. I had less than \$200 in the bank the day I received my diploma. But I had few worries because I had no debt.

College was relatively inexpensive then. It was possible to work part-time and complete a bachelor's degree in four years without any student loans.

Now, with tuition steadily climbing, many college graduates are buried in debt from the beginning of their working life.



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Ringside Seat

A friend of mine, a bright fellow in his early 30s, has a minimum payment of \$600 a month for loans he received a decade ago when he was a student at a large public university in the Midwest.

New Mexico, though, has a shining record of combating the spiral of student debt that has trapped a generation.

When legislators legalized a lottery in 1996, they decided that revenue supplied by gamblers would fund scholarships at state colleges and universities.

And, since 2008, the Legislature has required that 30 percent of the gross revenue from lottery ticket sales go to scholarships.

It was a smart move.

Money paid to vendors doing business with the lottery dropped from \$74 million in 2006 to \$2.3 million within a few years.

That meant another \$5 million annually became available for students rather than for companies that had received no-bid contracts.

The scholarship fund received more than \$40 million annually from the lottery every year from 2008 to 2016.

Revenue declined last year, to \$37.8 million. But that was still more money than any year before the requirement of 30 percent of gross revenue being dedicated to scholarships.

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The law works. It helps students attend college without accumulating crushing debt.

For the last four years, though, the lottery staff and lobbyists for lottery vendors have claimed, against all logic, that New Mexico must change this formula.

Schools intent on raising tuition have made the lottery scholarship less potent. It used to pay for 100 percent of tuition. Now it covers 60 percent.

Using this circumstance as an excuse, the lottery staff wants to repeal the law requiring 30 percent of gross revenue to be devoted to scholarships.

The staff says ticket sales and revenue for scholarships eventually would increase if only it could spend more on prizes.

Of course, this might mean less money for scholarships in the short term and maybe forever.

David Barden, CEO of the New Mexico Lottery, last week urged the education committee of the House of Representatives to support House Bill 147. It would strike the requirement that 30 percent of gross revenue be deposited in the

scholarship fund.

The bill, sponsored by Rep. Jim Smith, R-Sandia Park, instead calls for net revenues to be used for scholarships. It cleared the committee on an 11-2 vote.

Lobbyists pressing to eliminate the 30 percent funding requirement include Pat Rogers, a former Republican national committeeman. He represents Scientific Games.

Lobbying the other side of the political aisle is Vanessa Alarid, wife of state Rep. Antonio "Moe" Maestas, D-Albuquerque. Her client is International Gaming Technologies.

Fred Nathan, executive director of the policy organization Think New Mexico, is again fighting the vendors and their agents.

"Powerful, highly paid lobbyists are not looking out for students," said Nathan, whose organization is the strongest voice at the Capitol against the lottery staff's plan.

Smith's bill initially provided that the scholarship fund would be guaranteed \$38 million a year. If net lottery revenue dropped below that total, the former system of funding scholarships with 30 percent of gross revenue

would be reinstated.

But now Smith's bill contains an amendment that would guarantee a funding level of \$38 million annually for only five years. After that, students are guaranteed nothing.

Smith, utterly confused, did not even realize that change had been slipped into his bill when he presented it last week to the House committee. One has to wonder who really wrote the measure carrying his name.

Smith is usually a good and conscientious legislator. By this stage, he ought to have discovered that what he is proposing might enrich vendors and hurt students.

He should do the right thing and withdraw this foul bill.

Then the lottery staff can do its job in accordance with state law or find a new line of work.

As for the vendors and their lobbyists, they need not feed at the public trough.

Let them eat cake.

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