

SENATE BILL 494

**56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

INTRODUCED BY

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This document may incorporate amendments proposed by a committee, but not yet adopted, as well as amendments that have been adopted during the current legislative session. The document is a tool to show amendments in context and cannot be used for the purpose of adding amendments to legislation.

AN ACT

RELATING TO HIGHER EDUCATION FINANCE; PROVIDING FOR A REDUCTION IN INSTRUCTION AND GENERAL PURPOSES FUNDING WHEN TUITION OR GENERAL FEES ARE RAISED AFTER THE LEGISLATURE HAS PASSED THE GENERAL APPROPRIATION ACT; PROVIDING A DELAYED REPEAL.

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

**SECTION 1.** A new section of Chapter 21, Article 1 NMSA 1978 is enacted to read:

.224527.2AIC March 7, 2023 (10:38pm)

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Amendments: new = →bold, blue, highlight←  
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"[NEW MATERIAL] TUITION OR GENERAL FEE INCREASES--

APPROPRIATION ADJUSTMENT.--

A. Except as otherwise provided in this section, the higher education department shall not approve the operating budget of an institution of higher education enumerated in Article 12, Section 11 of the constitution of New Mexico that has raised tuition or general fees after the general appropriation act has SFC→~~become law~~←SFC SFC→passed the legislature←SFC . The department shall adjust the operating budget by the amount of anticipated revenue from tuition or general fee increases that are above the tuition or fee amounts that were used to calculate the instruction and general purposes appropriation for that institution for the coming fiscal year. If the institution raises tuition or general fees after the operating budget has been approved, the higher education department shall Sfl1→~~the~~←Sfl1 notify the institution and the department of finance and administration that the operating budget shall be adjusted downward by the same amount as it would have been adjusted if the institution had proposed the increase in its operating budget that the higher education department had approved. The department of finance and administration shall adjust the monthly allotment to the institution in conformance with the higher education department's adjusted operating budget.

B. In consultation with the department of finance

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and administration, the higher education department may waive the decrease in instruction and general purposes during the fiscal year for which the decrease applies in exigent circumstances defined by rule of the department, including a significant decrease in student enrollment, an epidemic or other health emergency, economic conditions affecting institutional finances or legislation that mandates that the institution provide new services or otherwise act in compliance with new law that has a fiscal impact on the institution without providing a necessary appropriation.

C. The higher education department and the department of finance and administration shall report to the legislative finance committee on any adjustments to institutional operating budgets required by this section."

**SECTION 2. DELAYED REPEAL.**--Section 1 of this act is repealed effective July 1, 2028.