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**THE FUTURE OF NEW MEXICO DIVISION I ATHLETICS**

**NEW MEXICO LEGISLATIVE FINANCE COMMITTEE**

**AUGUST 20, 2025**

# Agenda

- Changing Landscape of College Athletics
  - House Settlement Summary (Fernando)
  - Federal Legislative Update (Amber)
  - Transfer Portal (Fernando)
  - Conference Realignment & Peer Comparisons (Fernando & Amber)
- UNM Budget Summary (Fernando)
- NMSU Budget Summary (Amber)

# Changing Landscape: House vs. NCAA

- The NCAA and plaintiffs have reached a \$2.6 billion settlement — approved on June 6, 2025 — to compensate former student-athletes (from 2016 to Sept. 15, 2024) for past NIL restrictions. UNM and NMSU have opted in to the settlement terms and may begin compensating student-athletes.
- As a result, both UNM and NMSU Athletics will forfeit NCAA revenue in back damages over the next 10 years — adding pressure to our long-term budget planning.
- The settlement also establishes a new model allowing schools to directly compensate student-athletes.
  - A new permissive cap of ~\$20.5M per school begins in FY26.
  - Power Four schools will fund at the cap, while Mountain West and C-USA schools will operate at much lower levels.
  - Even at reduced levels, this will create significant budget pressures and require disciplined financial planning to stay competitive.

# Changing Landscape: Federal Legislative Update

## SCORE Act

- Creates a national NIL standard; preempts state patchwork.
- Reaffirms student-athletes as non-employees.
- Allows NIL deals with valid business purpose; bans pay-for-play.
- Protects Olympic and non-revenue sports.

## Institutional Impact

- Requires academic, mental health, and medical support (3 yrs post-graduation).
- Protects scholarships; adds degree-completion program.
- Schools must maintain 16 varsity sports.
- Demands fee transparency; limits student-fee use at high-revenue schools.

# Changing Landscape: Federal Legislative Update

## Executive Order: Saving College Sports

- Preserves scholarships and opportunities in women's and Olympic sports.
- Bans third-party pay-for-play schemes.
- Allows fair-market NIL compensation (endorsements, sponsorships).
- Directs Labor and NLRB to clarify student-athlete status.
- Requires revenue-sharing safeguards to protect non-revenue sports.

# Changing Landscape: Transfer Portal

Year	Change
2018	Transfer Portal introduced to formalize the process
2021	One-time transfer allowed with immediate eligibility
2024	Unlimited transfers permitted for eligible athletes

## *What It Means for UNM & NM State*

- Retention is harder than ever.
  - With greater mobility, programs must fight to keep their talent.
- NIL and Revenue Sharing are now essential.
  - These tools are critical for attracting and retaining top student-athletes.

## Changing Landscape: What drives conference realignment?

- TV revenue is one of the biggest drivers for college athletics.
- Conferences pool all member schools' games into multi-year media deals.
- TV partners pay the conference, which then distributes money to schools.
- When contracts expire, schools can “shop” their rights — which is exactly what drove the most recent round of realignment in the Mountain West.

# Changing Landscape: Conference Realignment, UNM

- Five Mountain West schools are set to depart on July 1, 2026:
  - Boise State, San Diego State, Utah State, Fresno State, Colorado State
  - These schools are chasing larger media rights payouts — projected to earn \$10M–\$15M+ annually in new conference affiliations.
- In comparison, Mountain West media distributions are currently around \$4–6 million per school annually — creating a growing revenue gap.
- In response, the Mountain West is adding five institutions: – UTEP, Hawaii, Grand Canyon (non-football), UC Davis (non-football), Northern Illinois (football only)



# Conference Realignment: Current Mountain West Conference

**Air Force Academy (Colorado Springs, CO)**  
**Boise State University (Boise, ID)**  
**Colorado State University (Fort Collins, CO)**  
**Fresno State University (Fresno, CA)**  
**San Diego State University (San Diego, CA)**  
**San Jose State University (Fresno, CA)**  
**University of Hawaii (Manoa, HI)**  
**University of Nevada – Las Vegas (LV, NV)**  
**University of Nevada – Reno (Reno, NV)**  
**University of New Mexico (Albuquerque, NM)**  
**Utah State University (Logan, UT)**

*Departing to Pac-12 Conference effective July 1, 2026*



# Conference Realignment: “Future” Mountain West Conference

**Air Force Academy (Colorado Springs, CO)**

**Grand Canyon University (Phoenix, AZ)**

**Northern Illinois University (De Kalb, IL)**

**San Jose State University (Fresno, CA)**

**University of California-Davis (Davis, CA)**

**University of Hawaii (Manoa, HI)**

**University of Nevada - Las Vegas (LV, NV)**

**University of Nevada - Reno (Reno, NV)**

**University of New Mexico (Albuquerque, NM)**

**University of Texas-El Paso (El Paso, TX)**



*Joining Mountain West Conference effective July 1, 2026 or sooner.*

# Conference Realignment: Why was UNM not considered?

- **Football Performance**

- Recent results have shaped UNM's national reputation.
- Football success is the single biggest driver of perception in realignment decisions.

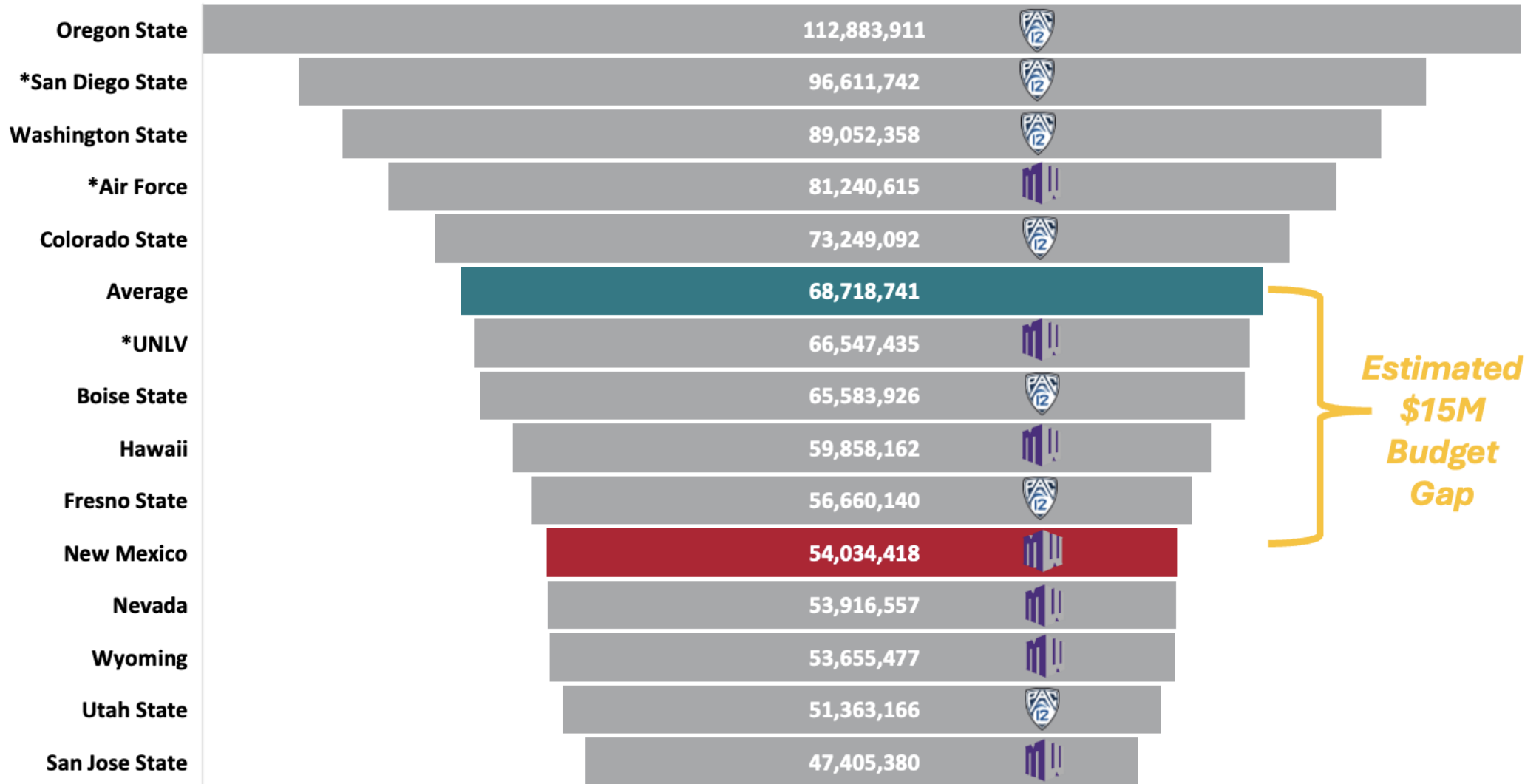
- **Football Infrastructure**

- University Stadium requires continued investment and upgrades.
- Peer schools that recently invested in football facilities (Colorado State, San Diego State, Boise State) are better positioned from an infrastructure standpoint.

- **Total Athletic Budget & Investment**

- UNM's athletic budget lags behind comparable conference peers — both current and future.
- This budget gap will be highlighted on the next slide.
- Decision-makers see a need for greater investment in facilities, staffing, and fan experience to remain competitive in realignment.

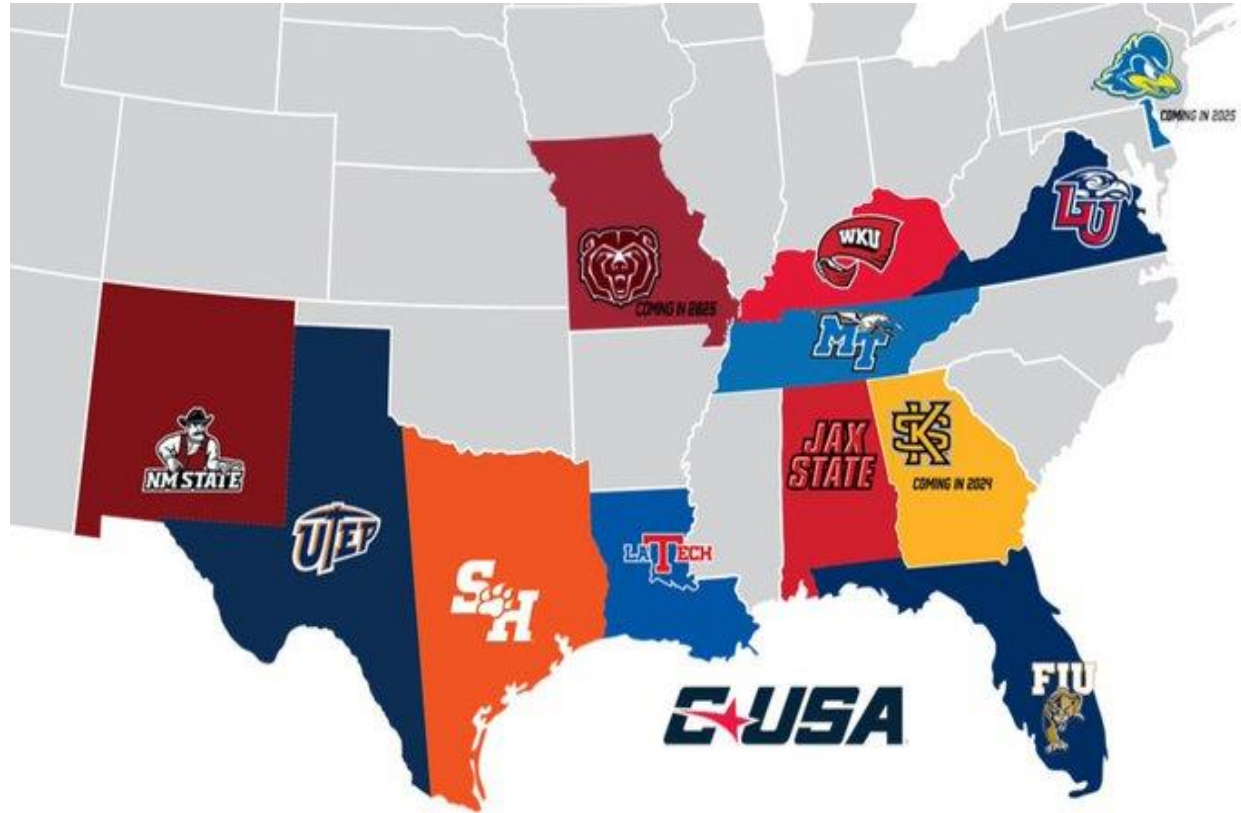
## FY24 Mountain West & Pac12 Athletic Budgets



# Conference Realignment: NM State

- University of Delaware (Newark, DE)
- Florida International University (Miami, FL)
- Jax State University (Jacksonville, AL)
- Kennesaw State University (Kennesaw, GA)
- Liberty University (Lynchburg, VA)
- Louisiana Tech University (Ruston, LA)
- Missouri State University (Springfield, MO)
- Middle Tennessee State University (Murfreesboro, TN)
- New Mexico State University (Las Cruces, NM)
- Sam Houston State University (Huntsville, TX)
- University of Texas at El Paso (El Paso, TX)
- Western Kentucky University (Bowling Green, KY)

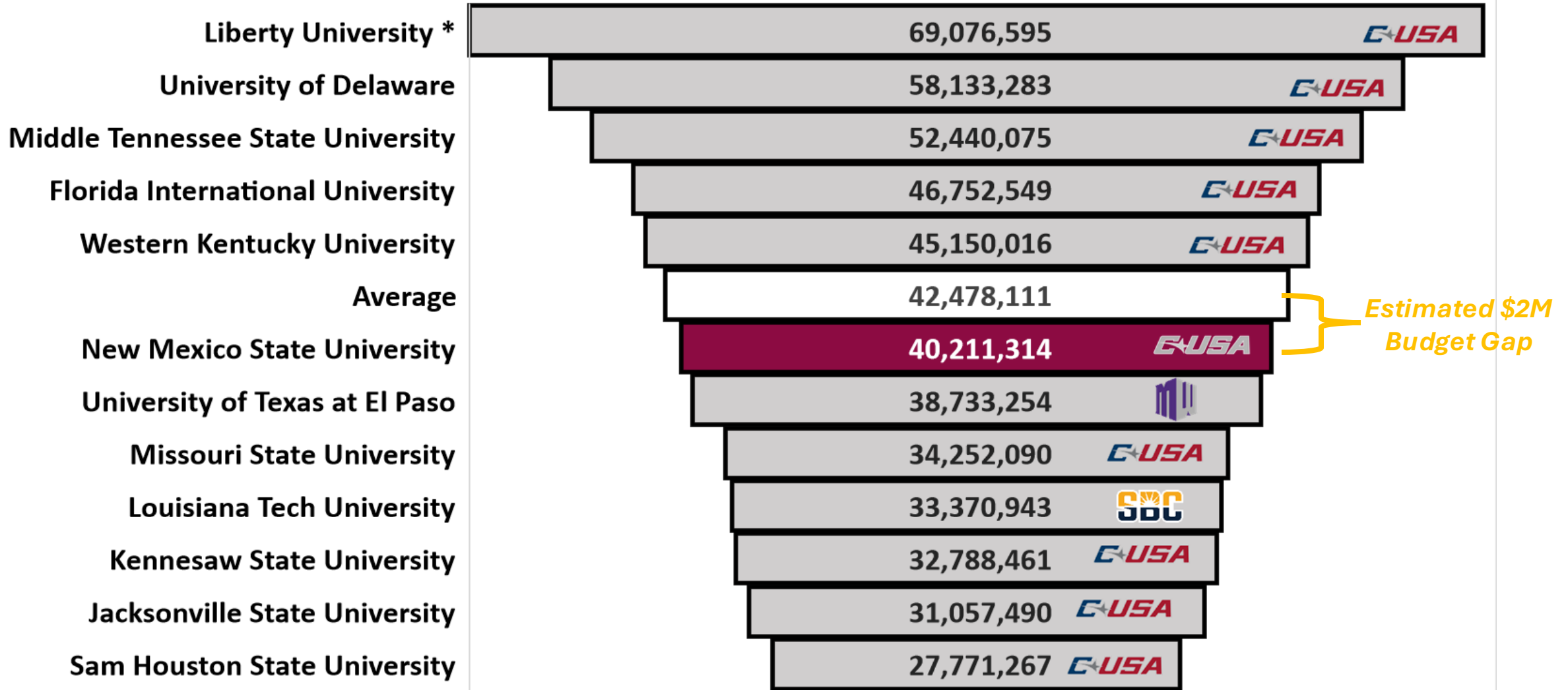
*Departing to another Conference effective July 1, 2026 & 2027*



# Conference Realignment – NM State

- While this wave of conference realignment has settled, we know there will be another wave.
- The institutions that are leaving Conference USA are doing so for different reasons.
  - UTEP will receive an increased media rights payment by joining the Mountain West.
  - Louisiana Tech will gain four conference opponents within driving distance and expect significant savings on travel each year.
- With State and institutional support, we have invested in new turf for the football field and the practice field, and the football locker room. Aggie Memorial Stadium requires continued investment and upgrades.
- NM State trails Conference USA peers from a budget standpoint.

## FY24 Athletic Budgets - Expenses

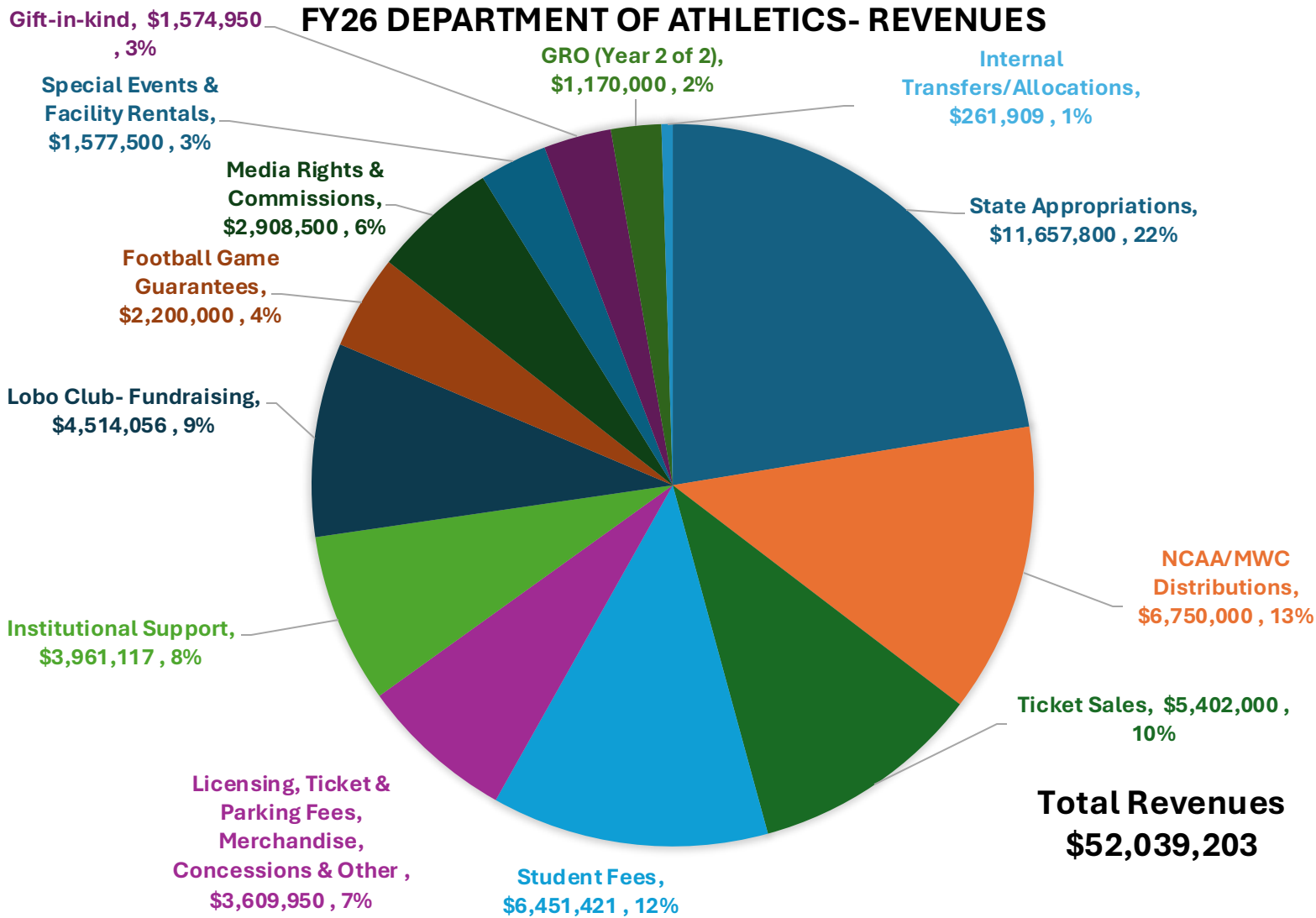


# UNM Athletics Budget Summary

- **National Context:** Many athletic departments across the country are facing multi-million-dollar deficits.
- **UNM Success:** We've delivered a balanced budget for five consecutive years — a point of real pride.
- **How We've Done It:** Disciplined planning, responsible management, and strategic execution have kept us financially stable.
- **Looking Ahead:** We are projected to balance again in FY26, but with major revenue shifts coming in FY27 and beyond, we must keep investing to remain competitive.

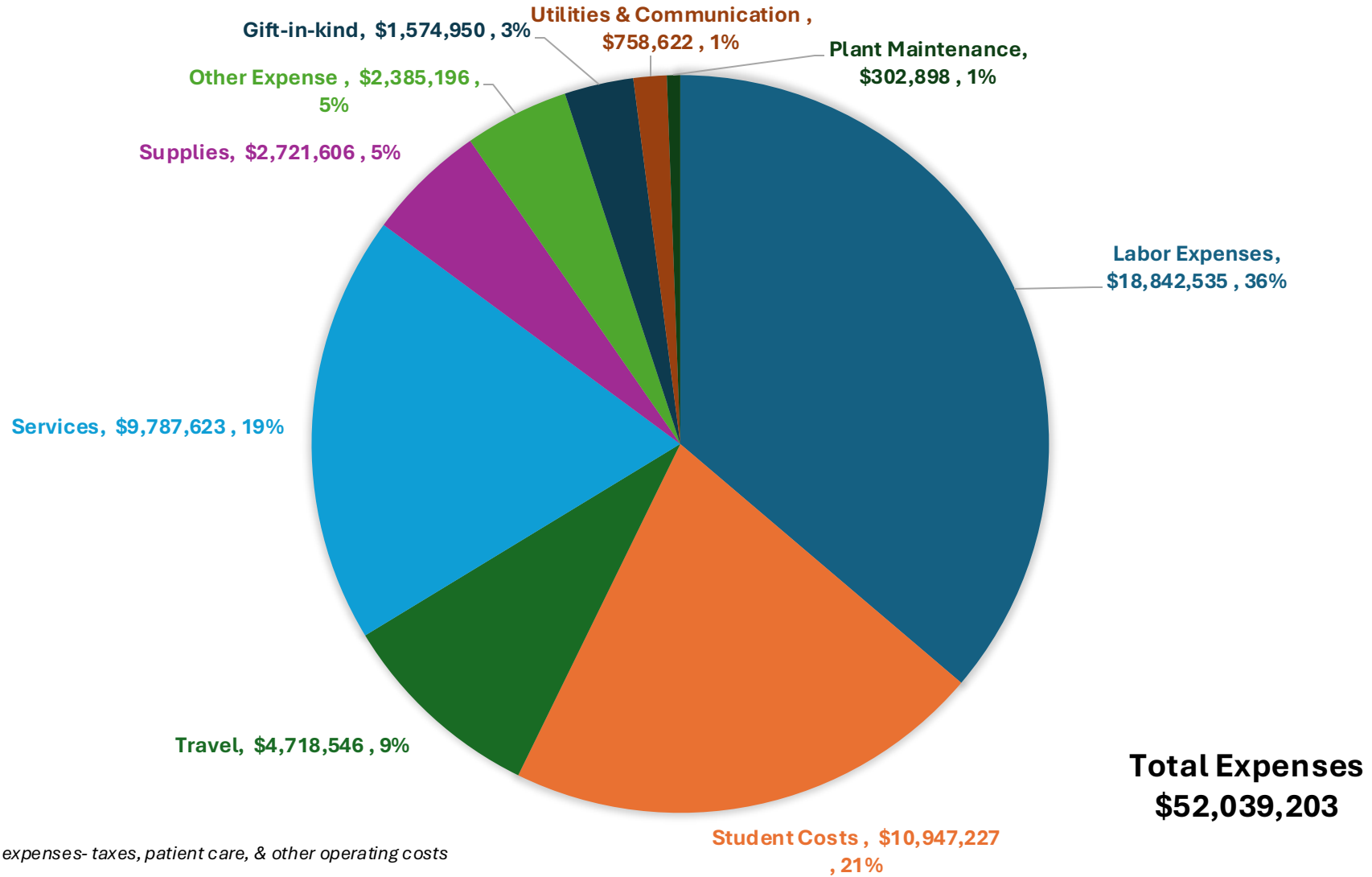


## FY26 DEPARTMENT OF ATHLETICS- REVENUES



Revenues	UNM	
Self-Generating	\$28,536,956	55%
State Support	\$12,827,800	25%
Student Fees & Institutional Support	\$10,674,447	21%
<b>Total</b>	<b>\$52,039,203</b>	

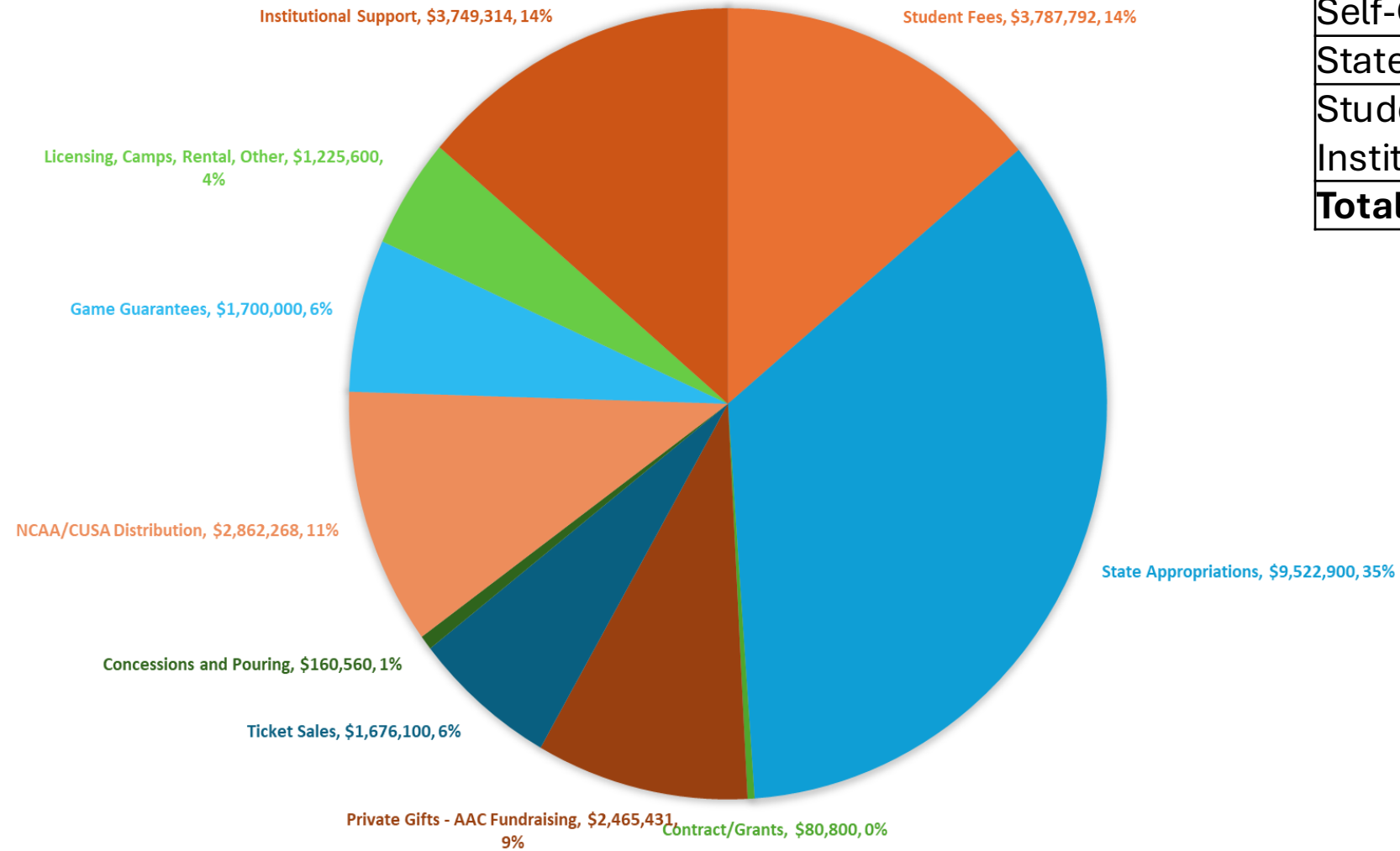
# FY26 DEPARTMENT OF ATHLETICS- EXPENSES



# NM State Athletics Budget Summary

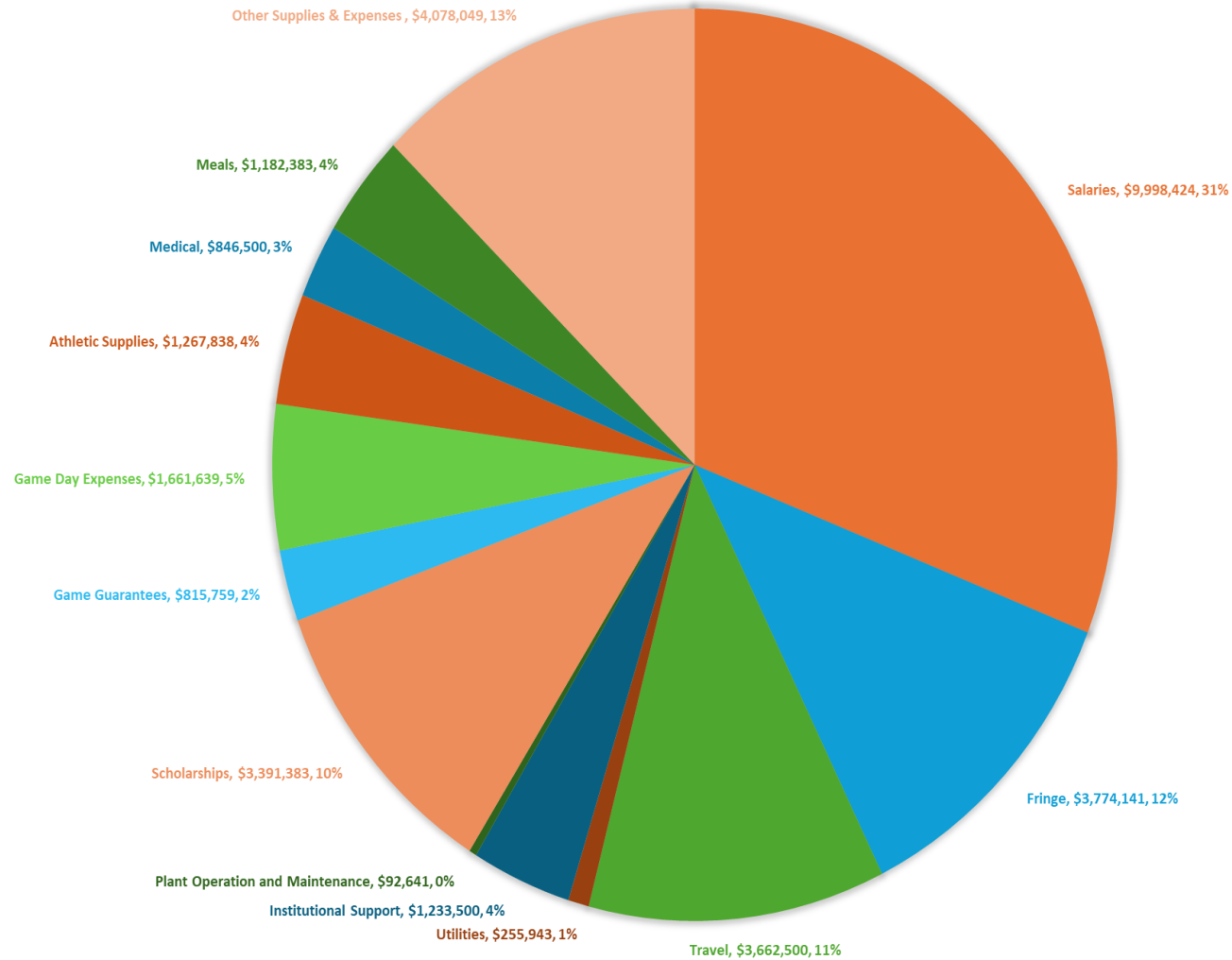
- **National Context:** Many athletic departments across the country operate in a multi-million-dollar deficit.
- **NM State Success:** We've delivered a balanced budget the last two years.
- **How We've Done It:** Implemented a mindful budget oversight process, established weekly meetings with university finance department, raised football season ticket prices, and institutional assistance.
- **Looking Ahead:** We're not projected to balance again in FY26 without institutional support. We've raised men's basketball season ticket prices. We plan to make a sizable payment toward the deficit.

FY26 NM STATE DEPARTMENT OF ATHLETICS - REVENUES



Revenues	NM State
Self-Generating	\$10,170,759
State Support	\$9,522,900
Student Fees & Institutional Support	\$7,537,106
<b>Total Revenue</b>	<b>\$27,230,765</b>

FY26 NM STATE DEPARTMENT OF ATHLETICS - EXPENSES



# Thank you

