



NEW MEXICO HIGHER EDUCATION UNIFIED BUDGET REQUEST

2026 LEGISLATIVE SESSION

Supported by the Higher Education Regents Coalition 

New Mexico's higher education institutions submit our unified priorities for consideration. Federal funding uncertainties have cast a degree of unpredictability. We are committed to continue serving New Mexico with high quality educational opportunities from our premier research institution's, the comprehensive institutions, and community colleges; providing academic and workforce training education.

RECURRING PRIORITIES

Instruction & General (I&G) Funding – 4.7% increase

New Mexico's higher education institutions support our students as they pursue their educational goals. Funding is needed to address these increased costs -- according to the Mountain State Higher Education Price Index, institutions will lose 3.7% of their purchasing power due to inflation. The additional 1.0% provides funding to address increased costs due to skyrocketing health insurance increases.

In supporting our students, funds will be invested in student education, retention initiatives, and enhancing our abilities to make data driven decisions.

Legislative Mandates

- Provide full funding for legislative mandates requiring new institutional services to comply with new laws.
- Fully fund any statutorily enhanced employee benefits, including any required increase in employer share of group insurance. New Mexico post-secondary education institutions participate in either NMPSIA coverage, NM Health Care Authority coverage, or are self-insured.

We request institutions receive funding commensurate with the actual cost of any legislative mandates.

Cost of Living Adjustment, Equivalent to State Agencies, \$12.7 million for each percent

- Provide compensation equivalent to the increase provided for state agency and public education employees.
- Include in the compensation appropriation language flexibility for institutions to implement an “average” increase to address pay inequities, including addressing compensation for our lowest paid staff.
 - “Average” has been vetoed from the appropriations act. This action has resulted in institutions providing the same percentage increase to all employees, nullifying the opportunities for institutions to provide a higher percentage increase for our lowest paid employees.
 - The requirement institutions provide the same percentage increase to all employees, including those not paid from the state appropriation, requires the institutions to use other revenue streams – such as tuition increases - to provide the compensation increase.
 - This COLA will help employees with the skyrocketing costs of health insurance.

NON-RECURRING FUNDING PRIORITIES

Statewide Initiatives

Campus Safety: \$20.0 million

Provide support for essential campus safety equipment such as lighting, access controls, and cameras, including the need for safe student housing. This funding can assist in the costs of retrofitting older facilities for modern access controls. This funding request is for all New Mexico public higher education institutions, including New Mexico Military Institute and New Mexico’s Native American institutions.

CHECS Cybersecurity Initiatives \$13.1 million

Working in conjunction with HED and DoIT, to assist in protecting institutions from cyber threats. This funding request is for all New Mexico public higher education institutions, including New Mexico Military Institute and New Mexico’s Native American institutions.

Building Renewal & Replacement (BR&R): \$100 million

This funding is crucial to keep our facilities open to our students. BR&R is the only mechanism to address deferred maintenance.

- Support non-recurring funding for critical infrastructure.
- Support to address critical deferred maintenance needs.
 - (Use the original BR&R formula, excluding square footage added in last 5 years.)
- Support funding for building demolition for health and safety.
- Support funding for construction cost overruns due to inflation and supply chain challenges.

Equipment Renewal & Replacement: \$10 million

Support non-recurring funding for institutional instruction and general equipment.

Sector Initiatives**Community Colleges and Comprehensive Regional Institutions****Workforce Training; Paid Internships, Externships, & Apprenticeships**

The authorization for the \$60 million NM GRO appropriation expires June 30, 2027. We believe the NM GRO appropriation is a sound investment in New Mexico's economy. This appropriation is demonstrating the integral role New Mexico's community colleges and comprehensive regional institutions play in growing our work force.

The HED Report on NM GRO funding is a start in demonstrating the efficacy of these funds. In FY2026 institutions will gather data to demonstrate the return on investment. In the 2027 Legislative Session, Regional Universities and Community Colleges will be requesting a predictable methodology for annual appropriations for workforce training, internships, externships, and apprenticeships to include -

- Service-Learning Funding (Paid Internships for Credit)
- Undergraduate Research Program/Workforce Training
- Short-term, industry recognized workforce training

Research Universities**Innovation Hub Package \$100 Million appropriation to EDD**

Working collaboratively with New Mexico's research universities and national labs, New Mexico's Economic Development Department is spearheading investment and developing commercialization, including public private partnerships.

Technology Enhancement Fund (TEF)

Continued support for TEF

Language, Substantive Legislation**Dual Credit**

As secondary education receives full funding, regardless of whether students are taking a high school class or a dual credit class, we request the legislature adopt language requiring the Public Education Department to provide funding up to the standard tuition rate for dual credit students.

Financial Aid

Lottery & Opportunity Scholarships:

We request the state continue to fund scholarships that support student success, retention, and completion.

- Support the sustainability of our student tuition programs
- Continue to recognize the needs of students in allowing exemptions for at-risk students and hardships.
- Support the sustainability of our tuition programs and the Higher Education Trust Fund
- Support continued funding of the Lottery and Opportunity Scholarships, recognizing the relationship between state appropriations for higher education institutions and unfunded mandates passed by the legislature and executed by the governor and tuition increases are linked.

FUNDING FACTS

- *Each 1.0% of formula funding generates approximately \$9.0 million*
- *Each 1.0% tuition & fee increase generates approximately \$4.9 million*
- *Each 1.0% of formula funding is equivalent to a 1.8% tuition & fee increase*
- *Opportunity Scholarship funding supplants tuition revenue; HEI Balances are needed for cashflow as institutions are not 100% reimbursed until the end of the semester.*