

HOUSE EDUCATION COMMITTEE SUBSTITUTE FOR
HOUSE BILL 17

54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020

This document incorporates amendments that have been adopted during the current legislative session. The document is a tool to show the amendments in context and is not to be used for the purpose of amendments.

AN ACT

RELATING TO HIGHER EDUCATION; REQUIRING PRIVATE POST-SECONDARY EDUCATIONAL INSTITUTIONS TO DISCLOSE CERTAIN INFORMATION TO PROSPECTIVE STUDENTS.

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

SECTION 1. Section 21-23-3 NMSA 1978 (being Laws 1971, Chapter 303, Section 3, as amended) is amended to read:

"21-23-3. DEFINITIONS.--As used in the Post-Secondary Educational Institution Act:

A. "career school" means a private post-secondary

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educational institution offering a formal educational curriculum in New Mexico for a fee to members of the general public beyond compulsory school age, terminating in a certificate, diploma, associate degree or comparable confirmation of completion of the curriculum;

B. "college" or "university" means a private post-secondary educational institution offering a formal educational curriculum in New Mexico for a fee to members of the general public beyond compulsory school age, terminating in a baccalaureate, master's or doctoral degree or comparable confirmation of completion of the curriculum;

C. "department" means the higher education department;

D. "enrollment agreement" means an agreement, instrument or note executed before a person begins coursework that creates a binding obligation between the person and the post-secondary educational institution;

~~[D.]~~ E. "license" means a written acknowledgment by the department that a career school or nonregionally accredited college or university has met the requirements of the department for offering a formal educational curriculum within New Mexico;

~~[E.]~~ F. "post-secondary educational institution" includes an academic, vocational, technical, business, professional or other school, college or university or other

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organization or person offering or purporting to offer courses, instruction, training or education from a physical site in New Mexico, through distance education, correspondence or in person; [~~and~~]

G. "private post-secondary educational institution" means a nonpublicly funded post-secondary educational institution that offers post-secondary education for a fee to members of the general public;

H. "prospective student" means a person who demonstrates interest in signing an enrollment agreement with a post-secondary educational institution; and

[F.] I. "registration" means a written acknowledgment by the department that a regionally accredited college or university has filed pertinent curriculum and enrollment information, as required by the department, and is authorized to operate a private post-secondary educational institution."

SECTION 2. A new section of the Post-Secondary Educational Institution Act is enacted to read:

"[NEW MATERIAL] DISCLOSURE REQUIREMENTS.--

A. Every private post-secondary educational institution shall disclose to every prospective student prior to enrollment the total estimated cost of attendance for the prospective student's program, including:

- (1) tuition and fees normally assessed a

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student carrying the same academic workload as determined by the private post-secondary educational institution, including costs for rental or purchase of any equipment, materials or supplies required of all students in the same program;

(2) an allowance for books, supplies, transportation and miscellaneous personal expenses, including a reasonable allowance for the documented rental or purchase of a personal computer, for a student attending the private post-secondary educational institution on at least a half-time basis, as determined by the institution;

(3) an allowance, as determined by the private post-secondary educational institution, for room and board costs incurred by the student that, for:

(a) a student without dependents residing in that institution's owned or operated housing, shall be a standard allowance determined by the institution based on the amount normally assessed most of its residents for room and board; and

(b) a student who lives in housing located on a military base or for which a basic allowance is provided under federal law, shall be an allowance based on the expenses reasonably incurred by such students for board but not for room;

(4) for a less than half-time student, as determined by the private post-secondary educational

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institution, tuition and fees and an allowance for only:

(a) books, supplies and transportation, as determined by the institution; and

(b) room and board costs, as determined in accordance with Paragraph (3) of this subsection;

(5) for a New Mexico student engaged in a program by correspondence within New Mexico, only tuition and fees and, if required, books and supplies, travel and room and board costs incurred specifically in fulfilling a required period of residential training;

(6) for an incarcerated student, only tuition and fees and, if required, books and supplies;

(7) for a student enrolled in an academic program in a program of study abroad approved for credit by the student's home private post-secondary educational institution, reasonable costs associated with such study, as determined by the private post-secondary educational institution at which the student is enrolled;

(8) for a student with a disability, an allowance, as determined by the private post-secondary educational institution, for those expenses related to the student's disability, including special services, personal assistance, transportation, equipment and supplies that are reasonably incurred and not provided for by other assisting agencies;

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(9) for a New Mexico student receiving all or part of the student's instruction by means of telecommunications technology within New Mexico, no distinction shall be made with respect to the mode of instruction in determining costs; and

(10) at the option of the private post-secondary educational institution, for a student in a program requiring professional licensure or certification, the one-time cost of obtaining the first professional credentials, as determined by the institution.

B. Every private post-secondary educational institution shall disclose to every prospective student prior to enrollment:

(1) the length in semesters of the prospective student's program;

(2) the number of credit hours, or the equivalent information, required to complete the prospective student's program;

(3) the private post-secondary educational institution's cancellation and refund policy;

(4) the completion rates for both full-time and part-time students of the prospective student's program;

(5) the withdrawal rates of students pursuing the prospective student's program;

(6) the HSEIC → median ← HSEIC

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HSEIC→average←HSEIC combined loan debt for federal loans, institutional loans and private loans certified by the private post-secondary educational institution, for all students who completed the prospective student's program during the most recently completed award year;

(7) the placement rate for the prospective student's program, if the private post-secondary educational institution is required by its accrediting agency to calculate a placement rate for the prospective student's program or institution, or both, using the required methodology of the accrediting agency;

(8) whether the prospective student's program satisfies the applicable educational prerequisites for professional licensure or certification in the state; and

(9) the HSEIC→median←HSEIC HSEIC→average←HSEIC earnings at ten years after entering the private post-secondary educational institution of former students of the institution who received federal financial aid, if available.

C. The disclosure information required pursuant to Subsections A and B of this section shall be transmitted to the department and prominently displayed:

(1) in a letter or an email message to the prospective student that does not contain:

(a) information about a program other

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than a program in which the prospective student has expressed interest; or

(b) any other substantive information;

and

(2) on the publicly available website of each private post-secondary educational institution, if any.

D. The private post-secondary educational institution shall maintain records of the institution's efforts to provide the information described in Subsections A and B of this section to a prospective student for at least five years after the student enrolls at the institution."

SECTION 3. EFFECTIVE DATE.--The effective date of the provisions of this act is January 1, 2021.

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