

HOUSE EDUCATION COMMITTEE SUBSTITUTE FOR
HOUSE BILL 17

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

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
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;

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

7 C. "department" means the higher education
8 department;

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

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

18 ~~[E-]~~ F. "post-secondary educational institution"
19 includes an academic, vocational, technical, business,
20 professional or other school, college or university or other
21 organization or person offering or purporting to offer courses,
22 instruction, training or education from a physical site in New
23 Mexico, through distance education, correspondence or in
24 person; ~~[and]~~

25 G. "private post-secondary educational institution"

1 means a nonpublicly funded post-secondary educational
 2 institution that offers post-secondary education for a fee to
 3 members of the general public;

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

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

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

15 "~~[NEW MATERIAL]~~ DISCLOSURE REQUIREMENTS.--

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

20 (1) tuition and fees normally assessed a
 21 student carrying the same academic workload as determined by
 22 the private post-secondary educational institution, including
 23 costs for rental or purchase of any equipment, materials or
 24 supplies required of all students in the same program;

25 (2) an allowance for books, supplies,

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

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

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

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

19 (4) for a less than half-time student, as
20 determined by the private post-secondary educational
21 institution, tuition and fees and an allowance for only:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

20 (6) the median combined loan debt for federal
21 loans, institutional loans and private loans certified by the
22 private post-secondary educational institution, for all
23 students who completed the prospective student's program during
24 the most recently completed award year;

25 (7) the placement rate for the prospective

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

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

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

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

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

18 (a) information about a program other
19 than a program in which the prospective student has expressed
20 interest; or

21 (b) any other substantive information;
22 and

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

25 D. The private post-secondary educational

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1 institution shall maintain records of the institution's efforts
2 to provide the information described in Subsections A and B of
3 this section to a prospective student for at least five years
4 after the student enrolls at the institution."

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