

1 SENATE BILL 494

2 **56TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2023**

3 INTRODUCED BY

4 George K. Muñoz

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10 AN ACT

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

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

17 SECTION 1. A new section of Chapter 21, Article 1 NMSA
18 1978 is enacted to read:

19 "[NEW MATERIAL] TUITION OR GENERAL FEE INCREASES--
20 APPROPRIATION ADJUSTMENT.--

21 A. Except as otherwise provided in this section,
22 the higher education department shall not approve the operating
23 budget of an institution of higher education enumerated in
24 Article 12, Section 11 of the constitution of New Mexico that
25 has raised tuition or general fees after the general

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1 appropriation act has become law. The department shall adjust
2 the operating budget by the amount of anticipated revenue from
3 tuition or general fee increases that are above the tuition or
4 fee amounts that were used to calculate the instruction and
5 general purposes appropriation for that institution for the
6 coming fiscal year. If the institution raises tuition or
7 general fees after the operating budget has been approved, the
8 higher education department shall the notify the institution
9 and the department of finance and administration that the
10 operating budget shall be adjusted downward by the same amount
11 as it would have been adjusted if the institution had proposed
12 the increase in its operating budget that the higher education
13 department had approved. The department of finance and
14 administration shall adjust the monthly allotment to the
15 institution in conformance with the higher education
16 department's adjusted operating budget.

17 B. In consultation with the department of finance
18 and administration, the higher education department may waive
19 the decrease in instruction and general purposes during the
20 fiscal year for which the decrease applies in exigent
21 circumstances defined by rule of the department, including a
22 significant decrease in student enrollment, an epidemic or
23 other health emergency, economic conditions affecting
24 institutional finances or legislation that mandates that the
25 institution provide new services or otherwise act in compliance

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1 with new law that has a fiscal impact on the institution
2 without providing a necessary appropriation.

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

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

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