

<b>LFC Requester:</b>	LFC
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**AGENCY BILL ANALYSIS  
2026 REGULAR SESSION**

**WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:**

[LFC@NMLEGIS.GOV](mailto:LFC@NMLEGIS.GOV)

*and*

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*{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}*

**SECTION I: GENERAL INFORMATION**

*{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*

*Click all that apply:*

**Original**  **Amendment**   
**Correction**  **Substitute**

**Date Prepared:** 2026-02-05  
**Bill No:** SB306

**Sponsor:** Tobiassen, Nicole  
HIGHER ED REGIONAL  
**Short Title:** DISTINCTION

**Agency Name and Code** NMHED  
**Number:** \_\_\_\_\_  
**Person Writing:** Buser, Pascal  
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**SECTION II: FISCAL IMPACT**

**APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
N/A	N/A	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue	Recurring	Fund Affected

<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>or Nonrecurring</b>	
N/A	N/A	N/A	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

**ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)**

	<b>FY26</b>	<b>FY27</b>	<b>FY28</b>	<b>3 Year Total Cost</b>	<b>Recurring or Nonrecurring</b>	<b>Fund Affected</b>
<b>Total</b>	N/A	N/A	N/A	N/A	N/A	N/A

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:

Duplicates/Relates to Appropriation in the General Appropriation Act:

**SECTION III: NARRATIVE**

**BILL SUMMARY**

Senate Bill 306 (SB306) amends the Post-Secondary Educational Institution Act and the Out-of-State Proprietary School Act to eliminate statutory distinctions between regionally accredited and non-regionally accredited private postsecondary institutions. The bill replaces references to “registration” with “licensure” and requires all private post-secondary educational institutions to apply annually for state authorization through licensure with the New Mexico Higher Education Department (NMHED). The bill makes conforming changes throughout the statute related to licensure standards, fees, enforcement authority, complaint resolution, bonding requirements, and disciplinary actions.

NMHED’s analysis of this bill focuses on the higher education implications of the proposed legislation. Additional insight may be obtained from other agencies’ analyses.

**FISCAL IMPLICATIONS**

SB306 does not contain an appropriation.

**SIGNIFICANT ISSUES**

SB306 standardizes state authorization requirements for private post-secondary institutions by eliminating statutory distinctions based on accreditation type and requiring all private institutions to apply annually for licensure through NMHED. Approximately 90 percent of private, state-authorized post-secondary institutions, including all nationally accredited and non-accredited institutions, are already subject to an annual state authorization and renewal cycle and therefore would experience little to no change under the bill.

The primary impact of the bill would fall on currently regionally accredited, state-authorized private institutions. Under existing statute, these institutions operate under a registration framework tied to their accreditation status and are not subject to annual state authorization renewals. Instead, oversight has largely aligned with accreditation reaffirmation cycles, which typically occur on a multi-year basis. SB306 would transition these institutions to the same annual licensure and renewal process that already applies to other private post-secondary institutions.

In addition to changes in authorization frequency, regionally accredited private institutions would become subject to the annual licensure fee authorized in statute, aligning their fee obligations with those already applicable to other private post-secondary institutions. The bill does not create a new fee structure, but applies existing licensure fee authority consistently across all private post-secondary institutions.

While this change would increase the frequency of state-level authorization and introduce a recurring licensure fee for regionally accredited institutions, NMHED is prepared to implement a streamlined licensure process designed to minimize administrative burden. The bill does not introduce new categories of institutions or additional substantive compliance requirements, but instead applies existing licensure standards uniformly.

Overall, the bill supports a consistent authorization and renewal framework regardless of accreditation status, clarifies statutory language, and strengthens NMHED's ability to oversee private post-secondary institutions in a uniform manner.

## PERFORMANCE IMPLICATIONS

The bill is not expected to impose significant performance burdens on regionally accredited institutions. These institutions already maintain extensive documentation, reporting systems, and quality assurance processes as part of their accreditation requirements. As a result, most of the information required for annual state authorization is already routinely collected and maintained. With the implementation of a streamlined, low-burden application platform, the additional administrative effort required is expected to be minimal and manageable. Institutions should be able to integrate the annual authorization process into existing compliance and reporting workflows without disrupting academic or operational performance.

Accordingly, the bill would enhance NMHED's ability to monitor institutional stability and regulatory compliance, including oversight of surety bond requirements and other consumer protection provisions intended to safeguard enrolled students. More timely access to current institutional information would strengthen oversight, support earlier identification of financial or operational risks, and enable appropriate intervention when necessary.

Overall, the bill supports more effective and responsive regulation while maintaining institutional efficiency and performance.

## ADMINISTRATIVE IMPLICATIONS

Once the fast-track state authorization renewal platform is fully implemented, the administrative impact of this bill is expected to be minimal and, over time, may reduce administrative burden for NMHED and regionally accredited private institutions.

The streamlined renewal system would allow institutions to submit required updates efficiently, reducing duplicative paperwork and staff time devoted to state authorization. For NMHED, the expedited online renewal platform would simplify application intake, review, and tracking, supporting more efficient

administration of the state authorization process. Overall, the bill is designed to integrate into existing administrative structures, resulting in limited additional workload while improving coordination and operational efficiency for NMHED.

#### CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

#### TECHNICAL ISSUES

N/A

#### OTHER SUBSTANTIVE ISSUES

N/A

#### ALTERNATIVES

N/A

#### WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If this bill is not enacted, New Mexico's regulatory framework for private post-secondary institutions will continue to rely on outdated distinctions that are not fully aligned with current federal accreditation practices. The existing system maintains separate authorization pathways based on historical accreditation categories, resulting in inconsistent oversight among private institutions. Regionally accredited institutions would continue to operate under a less comprehensive state authorization model, while nationally accredited and non-accredited institutions remain subject to annual authorization and closer state review.

Maintaining these distinctions limits NMHED's ability to apply consumer protection and compliance measures consistently across the private post-secondary sector, including financial safeguards and ongoing monitoring. It also perpetuates uneven oversight of institutions that otherwise operate in similar regulatory environments.

Without enactment, opportunities to modernize state authorization practices, improve regulatory consistency, and strengthen accountability within New Mexico's private higher education system would remain unaddressed.

#### AMENDMENTS

N/A