

SENATE BILL 124

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

INTRODUCED BY

Pete Campos

FOR THE LEGISLATIVE FINANCE COMMITTEE

AN ACT

RELATING TO CAPITAL IMPROVEMENTS; CREATING THE HIGHER EDUCATION
MAJOR PROJECTS FUND; SPECIFYING ELIGIBLE USES OF THE FUND;
PROVIDING CRITERIA FOR FUNDING; SPECIFYING REQUIREMENTS;
ALLOWING THE LEGISLATURE TO WAIVE MATCH REQUIREMENTS.

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

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

"[NEW MATERIAL] HIGHER EDUCATION MAJOR PROJECTS FUND--
CREATED--ELIGIBLE USES--MATCH REQUIREMENTS.--

A. As used in this section:

(1) "department" means the higher education
department;

(2) "four-year educational institution" means
a university enumerated in Article 12, Section 11 of the

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1 constitution of New Mexico;

2 (3) "student life projects" means major
3 capital outlay for nonacademic purposes that enhance students'
4 college experience, including recreation centers, dining halls,
5 athletic facilities for state universities participating in
6 division 1 athletics and in good standing with the national
7 collegiate athletic association and other campus amenity
8 facilities; and

9 (4) "two-year educational institution" means a
10 community college, including branch community colleges,
11 northern New Mexico state school and New Mexico military
12 institute for its junior college program.

13 B. The "higher education major projects fund" is
14 created as a nonreverting fund in the state treasury. The fund
15 consists of appropriations, income from investment of the fund,
16 gifts, grants, donations and other money credited to the fund.
17 The fund shall be administered by the department, and money in
18 the fund is subject to appropriation by the legislature for
19 major capital outlay projects at educational institutions.
20 Expenditures shall be by warrant of the secretary of finance
21 and administration pursuant to vouchers signed by the secretary
22 of higher education or the secretary's authorized
23 representative.

24 C. Eligible uses of the fund include:

25 (1) for the four-year educational

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1 institutions, major capital outlay projects for:

2 (a) research and instruction and general
3 purposes costing fifty million dollars (\$50,000,000) or more;
4 and

5 (b) student housing and student life
6 projects; and

7 (2) for the two-year educational institutions
8 and tribal colleges located wholly within New Mexico, student
9 housing and student life projects.

10 D. Except as provided in Subsection E of this
11 section, major capital outlay projects shall meet the following
12 match requirements from sources other than the state before
13 expenditures are made from the fund:

14 (1) for design phase funding:

15 (a) for the four-year educational
16 institutions, at least twenty-five percent for research and
17 instruction and general purposes and at least fifty percent for
18 student housing and student life projects; and

19 (b) for the two-year educational
20 institutions, at least fifty percent for student housing and
21 student life projects; and

22 (2) for construction phase funding:

23 (a) for the four-year educational
24 institutions, at least ten percent for research and instruction
25 and general purposes and at least twenty percent for student

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1 housing and student life projects; provided that for athletic
2 facilities, the project cost is at least fifty million dollars
3 (\$50,000,000) and the match requirement, which is not waivable,
4 is at least fifty percent of project cost; and

5 (b) for the two-year educational
6 institutions, at least fifty percent for student housing and
7 student life projects.

8 E. A required match may be eligible to be waived
9 upon a finding by the department that the educational
10 institution cannot reasonably afford the match with
11 institutional reserves, institutional bonds in accordance with
12 the Institution Bond Act, property tax levies, federal or
13 tribal support, student fees or other applicable nonstate
14 revenue. The department shall promulgate rules to specify
15 requirements and procedures for waivers. The secretary of
16 higher education shall notify the secretary of finance and
17 administration and the director of the legislative finance
18 committee of the waiver findings by November 1 of the year
19 preceding the regular legislative session in which funding may
20 be sought to cover a match waiver. Waivers must be approved by
21 the legislature before they are granted by the department.

22 F. Money from the fund shall not be appropriated
23 for construction phase funding prior to the completion of at
24 least fifty percent of the design phase and the submission of
25 design documents to the department and the legislative finance

1 committee.

2 G. To receive funding, a state university applying
3 for division 1 athletic facilities shall provide data that
4 shows that the most recent six-year graduation rate for
5 first-time full-time freshmen is sixty-five percent or higher
6 or that the graduation rate for students in the most recent
7 year is higher than the average rate of the previous three
8 years.

9 H. In addition to other requirements in this
10 section, an educational institution shall provide to the
11 department and the legislative finance committee documentation
12 showing historic on-campus student populations and the expected
13 number of on-campus students to be served by a new facility and
14 documentation demonstrating the new facility's compliance with
15 existing institutional space standards and policies."

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