

AN ACT

RELATING TO POST-SECONDARY EDUCATION; ESTABLISHING GOALS FOR
A COORDINATED STATEWIDE APPROACH TO POST-SECONDARY EDUCATION;
ASSESSING PROGRESS IN ACHIEVING POST-SECONDARY EDUCATION
GOALS; AMENDING AND ENACTING SECTIONS OF THE NMSA 1978.

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

Section 1. GOALS FOR A COORDINATED STATEWIDE SYSTEM OF
POST-SECONDARY EDUCATION.--The commission on higher education
shall adopt rules and administer its authority pursuant to
the NMSA 1978 to coordinate the state's post-secondary
educational system through excellence in higher education and
achieve the goals of providing:

A. effective and efficient use of the human,
financial and physical resources in the delivery of
education, services and research;

B. quality education and training to cultivate a
competitive high quality work force;

C. service to New Mexico through the discovery
and sharing of knowledge, research and innovation;

D. teacher education and professional development
in partnership with the public school system to achieve the
highest quality teaching;

E. accessible and affordable education to fulfill
the personal, social, cultural and economic potential of the

state's diverse population both on and off campus; and

F. partnerships among public schools, colleges, universities and the private sector to promote coordinated educational opportunities appropriate to the global market place.

Section 2. Section 21-1-26 NMSA 1978 (being Laws 1951, Chapter 190, Section 1, as amended) is amended to read:

"21-1-26. COMMISSION ON HIGHER EDUCATION CREATED--
POWERS.--

A. There is created a "commission on higher education" whose function is to deal with the problems of finance of those educational institutions designated in Article 12, Section 11 of the constitution of New Mexico. The commission shall:

(1) be concerned with the adequate financing of these institutions and with the equitable distribution of available funds among them;

(2) be authorized to receive funding for the in-plant development training program and to administer the funds in accordance with the provisions of Section 21-19-7 NMSA 1978;

(3) receive, adjust and approve the budgets submitted by these institutions prior to the submission of these budgets to the state budget division of the department of finance and administration;

(4) develop and maintain programs, on a regular basis, for the orientation and in-service education of members of the boards of regents of the various educational institutions designated in Article 12, Section 11 of the constitution of New Mexico; and

(5) exercise such other powers as may be granted it by law.

B. Notwithstanding any other provisions of law, the commission on higher education, which is a commission broadly representative of the public and of institutions of higher education, may be designated by the governor to administer funds furnished under acts of congress for those educational institutions enumerated in Article 12, Section 11 of the constitution of New Mexico and for any other educational institutions over which the commission has been granted approval authority or supervisory powers or both.

C. The commission on higher education is also charged with oversight of all private post-secondary educational institutions operating within the state."

Section 3. Section 21-2-5 NMSA 1978 (being Laws 1973, Chapter 233, Section 5) is amended to read:

"21-2-5. STATEWIDE PLANNING.--The state commission shall carry out a continuing program of statewide planning for post-secondary education. Planning activities shall include:

A. assessment of progress in achieving the goals for a high quality coordinated statewide approach to post-secondary education and, in cooperation with the institutions of post-secondary education, development of recommendations for making greater progress in achieving these goals;

B. assessment of present and projected needs for the various types of post-secondary education in all parts of the state;

C. assessment of existing capabilities and facilities for the provision of the various types of post-secondary education and the utilization of these capabilities and facilities;

D. analysis of the effectiveness and productivity of post-secondary educational programs and an identification of marginal programs and of unnecessary or excessive duplication of programs;

E. analysis of the most effective means of utilizing all existing institutions and programs to meet the present and projected needs for the various types of post-secondary education;

F. identification of cases where expansion or improvement of existing institutions and programs, contraction or elimination of existing institutions and programs and establishment of new institutions and programs are needed in order to meet the present and projected needs

for post-secondary education on a statewide basis in an effective and efficient manner;

G. identification of steps required to coordinate the activities of the various institutions and programs of post-secondary education in order that they will be most effective and efficient in meeting the statewide needs;

H. development of strategies for infusing occupational education and career education into the educational system at all levels on an equal basis with traditional academic education;

I. development of logical, consistent and equitable organizational and fiscal provisions for the operation of post-secondary education and for the effective utilization of federal, state and local funding available for post-secondary education;

J. the making of specific recommendations to the cognizant governing authorities of post-secondary educational institutions and programs as to the steps necessary to adjust the operations of the particular institution or program in order that it will best serve a coordinated statewide system of post-secondary education meeting the statewide needs for post-secondary education;

K. the making of recommendations to appropriate state executive agencies and to the legislature regarding the legislation and the administrative actions necessary to

implement a coordinated statewide system of post-secondary education;

L. the making of recommendations to the executive branch and to the legislature which provide consistent standards for determining the necessary appropriation from the state general fund to implement the planned system of post-secondary education. These standards shall pertain to, but not necessarily be limited to:

(1) all income to the institution or to any corporation connected to the institution from any source whatsoever, except that gifts, donations, private endowments or other gratuities received by an institution shall not be used in any manner as a substitute for public funds;

(2) all balances, whether fund balances or cash balances, and the operational need for the balances;

(3) the consistent application of overhead income among institutions;

(4) full-time equivalent (FTE) student costs by level of instruction and subject area;

(5) an equitable distribution of funds to support research;

(6) expenditures and revenues necessary for operation of each auxiliary enterprise;

(7) the translation of institutional internal accounts to the commission on higher education

budget forms;

(8) funding of intercollegiate athletics;

and

(9) funding of institutional branches and other state vocational facilities; and

M. tuition equalization grants to students."

Section 4. Section 21-2-5.1 NMSA 1978 (being Laws 1988, Chapter 164, Section 1, as amended) is amended to read:

"21-2-5.1. FUNDING FORMULA.--

A. The commission on higher education shall develop a funding formula that will provide funding for each institution of higher education to accomplish its mission as determined by a statewide plan.

B. The commission on higher education may include factors in the funding formula, which when implemented will achieve the following:

(1) improve the quality of programs central to each institution's mission;

(2) develop and enhance programs that meet targeted post-secondary educational needs and the related needs of public schools;

(3) eliminate unnecessary, unproductive or duplicative programs;

(4) consider faculty salaries and benefits adjustment to a competitive level with similar institutions

in similar states, when such compensation adjustments are supported by detailed analyses of faculty workloads and educational outcomes assessments, and nonteaching staff salaries and benefits at a competitive level with other similar public or private sector employment in the community in which the institution is situated;

(5) recognize additional costs incurred through increases in enrollment;

(6) provide for equipment and equipment maintenance and library acquisitions and operations since the development of the prior funding formula;

(7) fund off-campus courses, distance education and other nontraditional course delivery systems at a level sufficient to allow their development;

(8) provide incentives to institutions to pursue private or alternative funding sources;

(9) encourage the sharing of expertise, equipment and facilities and development of joint instructional programs, research and public service projects;

(10) implement uniform articulation agreements and facilitation of transfer of students between institutions;

(11) encourage energy conservation;

(12) require mechanisms to track expenditures to ensure greater accountability; and

(13) support a high quality coordinated
statewide approach to post-secondary education."