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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; REQUIRING THE HIGHER EDUCATION DEPARTMENT TO  
ADOPT SPACE AND DESIGN STANDARDS; ALLOWING THE LEGISLATURE TO  
WAIVE MATCH REQUIREMENTS.

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

SECTION 1. HIGHER EDUCATION MAJOR PROJECTS FUND--  
CREATED.--

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

B. Eligible uses of the fund include:

(1) for the four-year educational  
institutions, major capital projects for instruction and

1 general and research purposes, which means projects costing  
2 fifty million dollars (\$50,000,000) or more; and

3 (2) for the four- and the two-year  
4 educational institutions and tribal colleges located in New  
5 Mexico, student housing and student life projects.

6 C. Except as provided in Subsection D of this  
7 section, eligible major projects shall meet the following  
8 criteria before appropriations are made from the fund:

9 (1) for design phase funding, the  
10 educational institution shall provide at least a twenty-five  
11 percent match from sources other than the state for major  
12 instructional and general and research purposes and at least  
13 a fifty percent match from sources other than the state for  
14 student housing and student life projects; and

15 (2) for construction phase funding, the  
16 educational institution shall provide at least a ten percent  
17 match from sources other than the state for major  
18 instructional and general and research purposes and for  
19 student housing and student life projects:

20 (a) at least a fifty percent match from  
21 sources other than the state for two-year educational  
22 institutions and tribal colleges located in New Mexico; and

23 (b) at least a twenty percent match  
24 from sources other than the state for four-year educational  
25 institutions.

1           D. Student housing and student life projects shall  
2 adhere to space and design standards adopted by the higher  
3 education department. To the extent a capital outlay project  
4 exceeds the standards, the associated costs shall not be paid  
5 by the state.

6           E. The match requirements provided for in  
7 Subsection C of this section may be eligible to be waived  
8 upon a finding by the department that the educational  
9 institution cannot reasonably afford the required match with  
10 institutional reserves, bonds or other sources available to  
11 the educational institution. The secretary of higher  
12 education shall notify the secretary of finance and  
13 administration and the director of the legislative finance  
14 committee of the findings by November 1 of the year preceding  
15 the legislative session in which funding is being sought by  
16 the educational institution. Waivers shall be subject to the  
17 ratification and approval of the legislature prior to the  
18 waiver being granted.

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

24           G. In addition to other requirements in this  
25 section, an educational institution shall provide to the

1 department and the legislative finance committee  
2 documentation showing historic on-campus student populations  
3 and the expected number of on-campus students to be served by  
4 a new facility and documentation demonstrating the new  
5 facility's compliance with existing institutional space  
6 standards and policies.

7 H. As used in this section:

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

10 (2) "four-year educational institution"  
11 means a university enumerated in Article 12, Section 11 of  
12 the constitution of New Mexico; and

13 (3) "two-year educational institution" means  
14 a public community college, including branch community  
15 colleges, but does not mean a constitutional special school.       

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