

LFC Requester:

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**AGENCY BILL ANALYSIS - 2025 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

[AgencyAnalysis.nmlegis.gov](https://www.nmlegis.gov/AgencyAnalysis) and email to [billanalysis@dfa.nm.gov](mailto:billanalysis@dfa.nm.gov)*(Analysis must be uploaded as a PDF)***SECTION I: GENERAL INFORMATION***{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}*Date Prepared: March 2, 2025

Check all that apply:

Bill Number: SB 492Original  Correction Amendment  Substitute Sponsor: George K. MunozAgency Name  
and Code

Council of University Presidents

Number:

993

Short Title: Hub for All College OnlinePerson Writing: Marc SaavedraTitle: EnrollmentPhone: 505-426-4674 Email: Msaav@nmcup.us**SECTION II: FISCAL IMPACT****APPROPRIATION (dollars in thousands)**

Appropriation		Recurring or Nonrecurring	Fund Affected
FY25	FY26		
	\$40,000.0	Non-Recurring	GRO

(Parenthesis ( ) indicate expenditure decreases)

**REVENUE (dollars in thousands)**

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY25	FY26	FY27		

(Parenthesis ( ) indicate revenue decreases)

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

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
<b>Total</b>						

(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**

SB 492 creates a centralized online enrollment hub (hub) at the New Mexico State University (NMSU). The hub is required to be managed by a chancellor who is appointed by the president of NMSU. The hub is tasked with providing the following services to each public post-secondary educational institution:

- Marketing and recruiting;
- Admissions and student success support services;
- Faculty training;
- Course quality review and instructional design; and
- Technology and platform support.

SB 492 requires the hub to establish service-level agreements with each public post-secondary educational institution which will be based on the specific needs of each institution.

Additionally, the hub has reporting requirements under SB 492 and must provide a report to the legislative finance committee on or before December 1 of each year comparing its actual performance with the performance measures it has agreed to with each public post-secondary educational institution.

SB 492 appropriates \$40 million dollars from the Government Results and Opportunity Program Fund to the Board of Regents of NMSU for expenditure in fiscal years 2026 through 2028 to establish this centralized hub for online enrollment and support services for all public post-secondary educational institutions. Any unexpected or unencumbered balance remaining at the end of fiscal year 2028 reverts to the General Fund.

#### **FISCAL IMPLICATIONS**

NMSU will act as the fiscal agent to the NM Online Hub. There will be specific personnel hired to assist with the efforts of each participating institution. The allocation will be used to scale participating institutions and does not include NMSU Global as a recipient.

#### **SIGNIFICANT ISSUES**

The first phase of this initiative (\$40M) is focused on supporting 4-year public institutions who are currently using an Online Program Management (OPM) system and those that are trying to enter the online marketing but do not have the resources to do so. The overall purpose and intent of the creation of an online Hub is to provide a statewide online pilot program over 3 years to accomplish the following: 1) assist higher education institutions to develop and/or enhance their online capabilities; 2) create efficiencies so that every institution has the opportunity to participate in the online adult market; 3) build a statewide in-state online program so that revenues stay within the State of New Mexico; 4) Build an internal revenue source within the state so that online will become self-sustaining and provide new resources/revenue to support

traditional/residential students for the participating institutions.

OPMs are from out-of-state and therefore take resources and revenue out-of-state. The support system by the Hub would create an organized effort to draw more students from out-of-state, keep in-state students in-state. Mega Universities are working tirelessly with exorbitant budgets to create new learning models every day to meet the needs of new generations, working together gives NM public 4-yr institutions a chance to compete.

The bill directs that certain services be provided by the Hub in Section 1.B and directs the establishment of service-level agreements with each public post-post-secondary institution with agreed upon performance measures. As such, the bill as drafted makes it difficult to properly manage and create a successful online program that provides individual autonomy that is needed by participating institutions and the Hub. Not all institutions may need the services that are directed in the bill.

The term “enrollment” should be eliminated throughout the bill since the Hub is acting in a capacity to assist schools with the purposes outlined in significant issues.

## **PERFORMANCE IMPLICATIONS**

The bill would provide an opportunity for institutions statewide to develop and/or enhance their online capabilities to participate in the adult student market. For example, a working mother of three that wants and/or needs a career change would need the opportunity to take courses anytime anywhere so it’s accommodating to her schedule and needs.

With agreed upon metrics between the hub and the participating institution, clear outcomes can be achieved. Metrics that would most likely be measured include:

- Inquiry, Application, and Admissions goals
  - Includes conversion rates for each of these areas
- Student Persistence
- Student Retention
- Turnaround time on student inquiries
- Implementation of instructional design services
- Implementation of faculty online training services
- Implementation of drip campaign through Customer Relation Management
- Implement just-in-time Canvas support services.

The hub will create an intentional focus on data and data reporting back to participating institutions, resulting in the ability to act quickly and efficiently to serve students. This level of actionable data has proven to increase persistence and retention.

The Hub would provide 24-hour assistance to students which could possibly boost individual institutions’ online ranking in the US News and World report, thus creating additional advertisement and enhance opportunities to attract more out-of-state students and increasing in-state revenue from out-of-state sources which in turn could assist the traditional in-state students.

## **ADMINISTRATIVE IMPLICATIONS**

The first phase of this initiative (\$40M) is focused on supporting 4-year public institutions who are currently using an out-of-state OPM and those that are trying to enter online marketing but do not have the resources to do so.

## **CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP**

## **TECHNICAL ISSUES**

## **OTHER SUBSTANTIVE ISSUES**

## **ALTERNATIVES**

The bill needs to exclude the mandates since not all schools may not necessarily need the tasks outlined in the bill. The mandates in the bill make it difficult to properly manage and create a successful online program that provides individual autonomy and provides focus on specific needs of participating institutions and the Hub.

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

## **AMENDMENTS**

- The CUP recommends a committee substitute that excludes the term enrollment in the title and modified to indicate that NMSU will work in coordination with other 4-year public institutions on an online Hub. The term enrollment should be excluded for the reasons indicated in the “Significant Issues” section.
- The substitute should only include the language as follows:

Section 1. Forty million dollars (\$40,000,000) is appropriated from the government results and opportunity program fund to the board of regents of New Mexico state university for expenditure in fiscal years 2026 through 2028 to develop in conjunction with the other four-year public post-secondary educational institutions an online hub. Any unexpended or unencumbered balance remaining at the end of fiscal year 2028 shall revert to the government results and opportunity program fund.