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SENATE BILL 14

45TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2002

INTRODUCED BY

Ben D. Altamirano

AN ACT

**RELATING TO HIGHER EDUCATION; CREATING THE FACULTY ENDOWMENT
FUND; PROVIDING MATCHING FUNDS TO CREATE ENDOWED CHAIRS,
PROFESSORSHIPS AND FACULTY DEVELOPMENT PROGRAMS TO ATTRACT AND
RETAIN THE HIGHEST QUALITY FACULTY; MAKING APPROPRIATIONS;
DECLARING AN EMERGENCY.**

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

Section 1. FACULTY ENDOWMENT FUND CREATED. --

**A. The "faculty endowment fund" is created in the
state treasury. The fund shall consist of appropriations,
income from investment of the fund, gifts, grants, donations
and bequests. Money in the fund shall not revert at the end
of any fiscal year.**

**B. The faculty endowment fund shall be
administered by the commission on higher education. Money**

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1 shall be disbursed only on warrant of the secretary of finance
2 and administration upon voucher signed by the executive
3 director of the commission on higher education or his
4 authorized representative.

5 C. Money shall be disbursed from the faculty
6 endowment fund only to establish endowments for chairs,
7 professorships and faculty development programs at four-year
8 public post-secondary educational institutions as provided in
9 this section. An institution shall not receive a disbursement
10 for an endowment until that institution has notified the
11 commission on higher education that it has received matching
12 funds for the endowment from other than governmental sources
13 in an amount that is equal to or greater than the amount
14 authorized by this section to be disbursed for the endowment.

15 D. Money in the faculty endowment fund is
16 appropriated to the commission on higher education to be
17 disbursed for the following endowment purposes in the
18 following amounts:

19 (1) for endowed chairs, five hundred thousand
20 dollars (\$500,000) for each endowed chair;

21 (2) for endowed professorships, two hundred
22 thousand dollars (\$200,000) for each endowed professorship;
23 and

24 (3) for endowed faculty development programs,
25 to include lectureships, graduate fellowships and other

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1 faculty support programs, thirty-seven thousand five hundred
2 dollars (\$37,500) for each endowed faculty development
3 program.

4 E. Until June 30, 2005, the following institutions
5 shall be eligible for the following disbursements from the
6 fund:

7 (1) the university of New Mexico for four
8 endowed chairs;

9 (2) New Mexico state university for four
10 endowed chairs;

11 (3) New Mexico institute of mining and
12 technology for two endowed chairs;

13 (4) the university of New Mexico for two
14 endowed chairs at the university of New Mexico medical center;
15 and

16 (5) the university of New Mexico, New Mexico
17 state university, New Mexico highlands university, New Mexico
18 institute of mining and technology, western New Mexico
19 university and eastern New Mexico university for endowed
20 professorships and endowed faculty development programs. The
21 number of endowed professorships and endowed faculty
22 development programs allocated to each of the named
23 institutions shall be in the same ratio to the total number of
24 endowed professorships and endowed faculty development
25 programs allocated to all of the named institutions as the

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1 main campus full-time-equivalent enrollment of the institution
2 bears to the total main campus full-time-equivalent enrollment
3 of all of the named institutions. For purposes of this
4 paragraph, the main campus full-time-equivalent enrollment of
5 each institution shall be based on enrollment figures for the
6 second semester of the 2001-2002 school year.

7 F. On or after July 1, 2005, money remaining in
8 the faculty endowment fund shall be available for additional
9 disbursements by the commission on higher education to any of
10 the institutions named in this section, subject to receipt of
11 matching funds. Disbursements may be made based on the date
12 requests for additional disbursement are received by the
13 commission.

14 G. The endowment funds of the institutions shall
15 not be expended but shall be invested by the institutions in
16 accordance with the prudent man rule, and in accordance with
17 the provisions of Section 21-1-38 NMSA 1978. The income from
18 the investments shall be used by the institutions to provide
19 funding for chairs, professorships and faculty development
20 programs, including paying all or a portion of the salary of
21 the faculty member or the expenses necessary to support
22 associated academic activities.

23 Section 2. APPROPRIATIONS. --

24 A. Eleven million nine hundred eighty-seven
25 thousand five hundred dollars (\$11,987,500) is appropriated

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1 from the general fund to the faculty endowment fund for
2 expenditure in fiscal year 2002 and succeeding fiscal years
3 for the following purposes:

4 (1) six million dollars (\$6,000,000) to
5 establish endowed chairs;

6 (2) four million six hundred thousand dollars
7 (\$4,600,000) to establish endowed professorships; and

8 (3) one million three hundred eighty-seven
9 thousand five hundred dollars (\$1,387,500) to establish
10 endowed faculty development programs.

11 B. Any unexpended or unencumbered balance
12 remaining at the end of any fiscal year shall not revert to
13 the general fund.

14 Section 3. EMERGENCY.--It is necessary for the public
15 peace, health and safety that this act take effect
16 immediately.