VIA ELECTRONIC MAIL ONLY

September 22, 2026

Wayne Propst, Cabinet Secretary
New Mexico Department of Finance and Administration
407 Galisteo Street, Room 180
Santa Fe, NM 87501

Subject: Capital Outlay Funding Recommendation for Higher Education

Secretary Propst:

The New Mexico Higher Education Department (Department) is pleased to present the Capital Outlay Funding Recommendation for the higher education sector. This recommendation advances strategic investments in higher education facilities that support workforce development, student retention, essential energy-efficiency upgrades, and the long-term sustainability of campus infrastructure statewide.

The Higher Education Capital Outlay Committee—chaired by Mr. Luis Campos and comprised of representatives from the Department, New Mexico Department of Finance and Administration, New Mexico Energy Minerals and Natural Resources Department, and New Mexico Legislative Finance Committee—held hearings across the state to hear presentations from higher education institutions and special schools. These educational institutions submitted sixty-two (62) capital outlay requests totaling $687,356,640. The requests addressed a broad range of needs, including facility construction and renovation, infrastructure improvements, demolition of obsolete buildings, and supplemental funding required to support increased costs. Following the hearings, each request was evaluated and scored by committee members using the Department's Capital Funding Request and Management System (CFRMS), which facilitates application submission, document management, and the development of statewide funding recommendations.

Additionally, the passage of House Bill 8 (HB8) – Higher Education Major Projects Fund during the 2026 legislative session, and its subsequent approval by Governor Lujan Grisham, established legislation to allow for the plan, design, and renovation of student life and housing facilities, including athletics. HB8 allowed the Department to expand the capital outlay process to facilities historically funded through self-generated revenues, institutional bonding, and minor capital outlay. The Higher Education Capital Outlay Committee conducted a dedicated virtual hearing for HB8 requests, receiving seventeen (17) submissions totaling $330,925,549.

Exhibit A provides an overview of the thirty-nine (39) projects recommended for traditional capital outlay funding in the amount of $181,902,862. These recommendations prioritize fully functional projects or phases; address critical health, safety, and ADA deficiencies; replace aging facilities and infrastructure; and support the demolition of structures that have exceeded their useful life.

Exhibit B outlines the nine (9) projects recommended for HB8 funding in the amount of $36,340,401. These recommendations *comply fully with statutory requirements*, including design documentation, match commitments, and all necessary supporting materials. Funding these projects is essential to addressing student housing needs across New Mexico's higher education system.

Thank you for your time and attention. If you have any questions regarding this recommendation, please contact Gerald Hoehne, Chief of Staff, at Gerald.Hoehne@hed.nm.gov or me directly.

Sincerely,

Stephanie M. Rodriguez
Cabinet Secretary

Attachments: Ex. A – 2026 FY28 Capital Outlay Recommendation for Higher Education
Ex. B – 2026 FY28 House Bill 8 Recommendation for Higher Education

Cc: Dr. Patricia Trujillo, Deputy Secretary, New Mexico Higher Education Department
Gerald Hoehne, Chief of Staff, New Mexico Higher Education Department
Wesley Billingsley, Director, Infrastructure Planning and Development Division, New Mexico Department of Finance and Administration
Luis Campos, Chair, Higher Education Capital Outlay Committee

NEW MEXICO HIGHER EDUCATION DEPARTMENT

Fostering Student Success from Cradle to Career

New Mexico Higher Education Department

2026/FY28 Higher Education Capital Outlay Funding Recommendation

New Construction

Institution	Project Title	Total Project Cost	State Funding Request	Committed Match Funding	Match Funding Source	Recommended Language	HED Rec
Navajo Technical University	NTU Trades Building Expansion - Phase 2	$15,772,050	$6,210,272	$9,561,778	Tribal and Grants (Title III)	To plan, design, construct, and equip Phase 2 of the Trades Building addition at Navajo Technical University in Crownpoint, New Mexico.	$6,200,000
New Mexico State University	Multi-Disciplinary Academic Building	$100,000,000	$35,000,000	$10,000,000	State Appropriation	To plan, design, construct, furnish and equip a new multi-disciplinary academic building at New Mexico State University in Las Cruces, New Mexico.	$35,000,000
Southeast New Mexico College	Specialized Driving Training (land and facility)	$2,100,000	$250,000	$1,850,000	External Donor	To plan, design, construct, and equip a new specialized drivers training facility at Southest New Mexico College in Carlsbad, New Mexico.	$250,000

Renovation

Institution	Project Title	Total Project Cost	State Funding Request	Committed Match Funding	Match Funding Source	Recommended Language	HED Rec
ENMU Ruidoso	Campus Infrastructure Improvements	$750,000	$562,500	$187,500	Mill Levy	To plan, design, construct, and renovate infrastructure improvements campuswide at the Eastern New Mexico Ruidoso campus in Ruidoso, New Mexico.	$562,500
Luna Community College	Upgrades to Campus Network Infrastructure and replacement of the roof on the Welding Building	$775,000	$775,000	$0	None	To plan, design, construct, and renovate infrastructure improvements campuswide at Luna Community College in Las Vegas, New Mexico.	$500,000
New Mexico Institute of Mining and Technology	MSEC Upgrade	$70,000,000	$30,000,000	$40,250,000	2026 GO Bond, NMT Internal Reserves	To plan, design, construct, renovate and equip the MSEC building at New Mexico Institute of Mining and Technology in Socorro, New Mexico.	$20,900,000
New Mexico Junior College	Vocational B Renovation	$10,650,000	$5,325,000	$5,325,000	Mill Levy Funds	To plan, design, renovate, and equip the Vocational B building at New Mexico Junior College in Hobbs, New Mexico.	$5,325,000
NMSU - DA	East Mesa Academic Resource Building (DAAR) Roof Replacement	$2,550,000	$2,000,000	$550,000	Local Bonds	To plan, design, renovate, and replace the East Mesa Academic Resource Building roof at New Mexico State University Dona Ana in Las Cruces, New Mexico.	$2,000,000
Northern New Mexico College	NNMC S.T.E.A.M Laboratories and Classroom Expansions	$8,000,000	$8,000,000	$0	None	To plan, design, construct, renovate, and equip classroom and laboratory spaces at Northern New Mexico College in Espanola, New Mexico.	$5,000,000
Santa Fe Community College	Renovate Film and 500's East Wing and TATC HVAC Upgrades	$5,220,704	$2,541,682	$2,679,022	Local Government Obligation Bond and Institutional Plant Funds	To plan, design, construct, renovate, and equip infrastructure improvements, including code compliance upgrades, to the 500's East Wing at Santa Fe Community College in Santa Fe, New Mexico.	$1,520,000
San Juan College	Fire Alarm and Mass Notification System Replacement and Exterior Renovations	$6,975,930	$5,231,950	$1,743,984	Fund Balance and/or 2026 Local GOB	To plan, design, construct, renovate, and equip infrastructure improvements, including fire alarm system replacement, at San Juan College in Farmington, New Mexico.	$5,200,000
UNM - Gallup	UNM-G Building Renewal and Replacement - Stucco and Roof Repair	$1,400,000	$1,050,000	$350,000	Local Bond	To plan, design, and construct roof and stucco repairs at the University of New Mexico Gallup Campus in Gallup, New Mexico.	$1,000,000
UNM - HSC	FY2028 Priority 1: Allied Health Anatomy & Foundational Sciences Expansion	$14,000,000	$12,600,000	$1,400,000	University Institutional Funds	To plan, design, construct, expand and equip the Allied Health Anatomy & Foundational Sciences building at the University of New Mexico Health Sciences campus in Albuquerque, New Mexico.	$12,600,000
UNM - HSC	FY2028 Priority 2: North Campus Student Success Center	$5,998,996	$5,400,000	$600,000	University Institutional Funds	To plan, design, construct, renovate and equip improvements within the Domenici Center at the University of New Mexico Health Sciences campus in Albuquerque, New Mexico.	$5,400,000
UNM - Los Alamos	UNM-LA Building 5 Repair and Upgrade	$1,000,000	$750,000	$250,000	Local Bond	To plan, design, construct, renovate and upgrade improvements to Building 5 at the University of New Mexico Los Alamos campus in Los Alamos, New Mexico.	$750,000
UNM - Valencia	UNM-V ADA Restroom Renovations	$2,000,000	$1,500,000	$500,000	Local Bonds	To plan, design, construct, renovate and upgrade restrooms at the University of New Mexico Valencia campus in Los Lunas, New Mexico.	$1,500,000

Infrastructure Improvements

Institution	Project Title	Total Project Cost	State Funding Request	Committed Match Funding	Match Funding Source	Recommended Language	HED Rec
Central New Mexico Community College	UPS and Power Conditioning Upgrade and University Blvd Intersection Safety Enhancement Project	$12,000,000	$6,000,000	$6,000,000	CNM Plant Funds/State Appropriation Funding/CNM Local Bonds	To plan, design, construct, install, and equip infrastructure improvements, including centralized power conditioning, at Central New Mexico Community College in Albuquerque, New Mexico.	$6,000,000

Clovis Community College	Upgrades to Campus Chiller System	$1,025,000	$775,000	$250,000	Institutional BR&R	To plan, design, construct, and equip upgrades to the campus chiller system at Clovis Community College in Clovis, New Mexico.	$775,000
ENMU Main	Culinary Arts Improvements and Campuswide Chillers and HVAC Controls Replacement	$9,000,000	$8,775,000	$25,000	ENMU Capital Reserves	To plan, design, construct, renovate, and equip infrastructure improvements, including chillers and HVAC controls, at Eastern New Mexico University in Portales, New Mexico.	$8,000,000
ENMU Roswell	Fire panel, motion detection, and access systems upgrade	$1,960,000	$1,470,000	$490,000	ENMU-Roswell Capital Reserves	To plan, design, construct, and equip critical fire and access control systems campuswide at Eastern New Mexico University Roswell campus in Roswell, New Mexico.	$1,470,000
Institute of American Indian Arts	IAIA Campus Generator Project Phase II	$7,158,943	$4,658,943	$2,500,000	DoEd Title III, USDA Rural Development, GOB26	To plan, design, and construct infrastructure improvements at the Institute of American Indian Arts in Santa Fe, New Mexico.	$1,000,000
Mesalands Community College	MCC Campus Safety & Infrastructure Improvements and Wind Turbine replacement	$6,504,067	$2,504,067	$4,000,000	Federal Congressional Directed Spending Grant (CDS)	To plan, design, construct, install, and equip infrastructure improvements, including replacement of the wind turbine, at Mesalands Community College in Tucumcari, New Mexico.	$1,300,000
New Mexico Highlands University	Campus Access Control	$6,436,394	$2,482,679	$3,953,714	House Bill 8 Funding Request for Student Housing Portion of project	To plan, design, construct, and equip access control on I&G facilities campuswide at New Mexico Highlands University in Las Vegas, New Mexico.	$2,400,000
New Mexico Military Institute	Various MEP Infrastructure Improvements & Renovations - Phase 1 and HVAC Renovations in Lusk Hall	$5,000,000	$5,000,000	$0	None	To plan, design, construct, renovate, and equip infrastructure imrovements, including HVAC upgrades in Lusk Hall, at New Mexico Military Institute in Roswell, New Mexico.	$5,000,000
NMSD	Santa Fe Campus – Final Drainage Design and Stormwater Management Improvements	$1,007,200	$947,200	$60,000	NMSD BR&R	To plan, design, construct, and install drainage and stormwater improvements at the New Mexico School for the Deaf in Santa Fe, New Mexico.	$947,200
NMSU - Alamogordo	Alamogordo - Campus-wide chiller/boiler replacement with heat pumps and/or package units	$2,500,000	$2,000,000	$500,000	None	To plan, design, construct, renovate, and equip HVAC upgrades in the Tays Center and Fettinger Student Services buildings at the New Mexico State University Alamogordo campus in Alamogordo, New Mexico.	$2,000,000
NMSU - Grants	Grants Campus-Wide Upgrades to Sewer System	$2,000,000	$2,000,000	$0	None	To plan, design, construct, renovate, and equip infrastructure improvements at the New Mexico State University Grants campus in Grants, New Mexico.	$2,000,000
Southwestern Indian Polytechnic Institute	Drainage & Sidewalk Improvements	$9,898,527	$9,898,527	$0	None	To plan, design, construct, renovate, and equip infrastructure improvements at the Southwestern Indian Polytechnic Institute in Albuquerque, New Mexico.	$1,000,000
University of New Mexico	Zimmerman Infrastructure Improvements/Fire Suppression	$11,000,000	$10,000,000	$1,000,000	Internal	To plan, design, construct, renovate, and equip improvements to Zimmerman Library, including fire and code compliance systems, at the University of New Mexico in Albuquerque, New Mexico.	$10,000,000
UNM - Taos	UNM-T Workforce Training Center IT Phase 2	$1,535,203	$1,228,162	$307,041	Campus Equity	To plan, design, construct, renovate, and equip infrastructure improvements to the Workfoce Training Center at the University of New Mexico Taos campus in Taos, New Mexico.	$1,228,162

Demolition

Institution	Project Title	Total Project Cost	State Funding Request	Committed Match Funding	Match Funding Source	Recommended Language	HED Rec
Central New Mexico Community College	Decommissioning and Demolition of Legacy Facilities	$2,000,000	$2,000,000	$0	None	To plan, design, abate, and demolish the West Building at the Central New Mexico Community College main campus in Albuquerque, New Mexico.	$2,000,000
New Mexico Highlands University	Archuleta Building Demolition	$2,688,756	$2,688,756	$0	None	To plan, design, abate, and demolish the Archuleta Building at New Mexico Highlands University in Las Vegas, New Mexico.	$2,700,000
New Mexico State University	Campus-Wide Demolition of Selective Buildings	$5,000,000	$5,000,000	$0	None	To plan, design, abate, and demolish Walden Hall, the PSL Pyro building, and decommissioned greenhouses at New Mexico State University in Las Cruces, New Mexico.	$4,200,000

Supplemental

Institution	Project Title	Total Project Cost	State Funding Request	Committed Match Funding	Match Funding Source	Recommended Language	HED Rec
Dine College	Shiprock Agricultural Multpurp Center Phase 2	$7,213,757	$7,995,808	$0	None	To plan, design, construct, and equip infrastructure improvements to the south campus at Dine College in Shiprock, New Mexico.	$1,000,000
ENMU Main	Animal Production Facility - Supplemental	$3,500,000	$1,500,000	$2,418,204	ENMU Capital Reserves	To plan, design, construct, furnish and equip a new animal production facility at Eastern New Mexico University in Portales, New Mexico.	$1,500,000

ENMU Roswell	Supplemental Funding Request - Aviation Maintenance Technology Center Expansion/Renovation	$10,169,899	$874,927	$9,294,972	ENMU-Roswell Capital Reserves	To plan, design, construct, renovate, furnish and equip the Aviation Maintenance Technology building at Eastern New Mexico University Roswell campus in Roswell, New Mexico.	$875,000
ENMU Ruidoso	Supplement - Workforce Training Building	$9,500,000	$3,000,000	$3,125,000	Local GO Bond, Mill Levy, and Reserves	To plan, design, construct, and equip a Workforce Training addition to the Eastern New Mexico University Ruidoso campus in Ruidoso, New Mexico	$3,000,000
University of New Mexico	Supplemental- Humanities and Social Sciences Complex (HSSC)	$130,500,000	$19,000,000	$24,362,000	Internal	To plan, design, construct, furnish and equip a Humanities and Social Sciences building at the University of New Mexico in Albuquerque, New Mexico.	$19,000,000
UNM - Gallup	UNM-G Supplemental Funding for Facilities Management Department parking lot	$1,000,000	$800,000	$200,000	Local Bond	To plan, design, and construct a parking lot for facilities management at the University of New Mexico Gallup campus in Gallup, New Mexico.	$800,000

New Construction	**$41,450,000**
Renovation	**$62,257,500**
Infrastructure Improvements	**$43,120,362**
Demolition	**$8,900,000**
Supplemental	**$26,175,000**
TOTAL NMHED RECOMMENDATION:	**$181,902,862**

NEW MEXICO HIGHER EDUCATION DEPARTMENT

Fostering Student Success from Cradle to Career

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Design

Institution	Project Title	Project Type	Total Project Cost	State Funding Request	Committed Match Funding	Match Funding Source	Recommended Language	HED Rec
New Mexico Institute of Mining and Technology	Student Community Wellness Center - Phase I	Student Life	$ 2,300,000	$ 650,000	$ 1,650,000	NMT Internal Funds	To plan and design a new student community wellness center at the New Mexico Institute of Mining and Technology in Socorro, New Mexico.	$650,000
New Mexico Highlands University	Arrott House Renovation	Student Housing	$ 11,847,878	$ 11,847,879	$ -	Waiver on match requested	To plan and design the renovation of Arrott House at New Mexico Highlands University in Las Vegas, New Mexico.	$520,000
New Mexico State University	Chamisa Village Demolition and Replacement	Student Housing	$ 15,000,000	$ 7,500,000	$ 7,500,000	Institutional Bonding	To plan and design the demolition of Chamisa Village and new construction of student housing at New Mexico State University in Las Cruces, New Mexico.	$7,500,000
University of New Mexico	Laguna & DeVargas Halls Renovation	Student Housing	$ 30,000,000	$ 24,000,000	$ 6,000,000	UNM Internal Funds	To plan and design the renovation of Laguna and DeVargas Halls at the University of New Mexico in Albuquerque, New Mexico.	$1,200,000
University of New Mexico	Santa Clara Hall Renovation	Student Housing	$ 30,000,000	$ 24,000,000	$ 6,000,000	UNM Internal Funds	To plan and design the renovatino of Santa Clara Hall at the University of New Mexico in Albuquerque, New Mexico	$1,200,000
Western New Mexico University	Housing Construction/Renovation - Ritch Hall	Student Housing	$409,710	$204,855	$205,000	WNMU Internal Funds	To plan and design the renovation of Ritch Hall at Western New Mexico University in Silver City, New Mexico.	$205,000
Western New Mexico University	Housing Construction/Renovation - Centennial Hall	Student Housing	$ 465,160	$ 232,580	$ 232,500	WNMU Internal Funds	To plan and design the renovation of Centennial Hall at Western New Mexico University in Silver City, New Mexico.	$232,500

Construction

Institution	Project Title	Project Type	Total Project Cost	State Funding Request	Committed Match Funding	Match Funding Source	Recommended Language	HED Rec
New Mexico Highlands University	Gregg House Renovation	Student Housing	$ 9,832,901	$ 9,832,901	$ -	Match Waiver requested.	To plan, design, construct, renovate, furnish and equip Gregg House at New Mexico Highlands University in Las Vegas, New Mexico.	$9,832,901
New Mexico Junior College	NMJC Student Residence Project	Student Housing	$ 90,000,000	$ 15,000,000	$ 75,000,000	Local Mill Levy	To plan, design, construct, furnish and equip a new student housing facility at New Mexico Junior College in Hobbs, New Mexico.	$15,000,000

Design	**$11,507,500**
Construction	**$24,832,901**
TOTAL NMHED RECOMMENDATION:	**$36,340,401**