

Presentation for the Federal Funding Stabilization Subcommittee

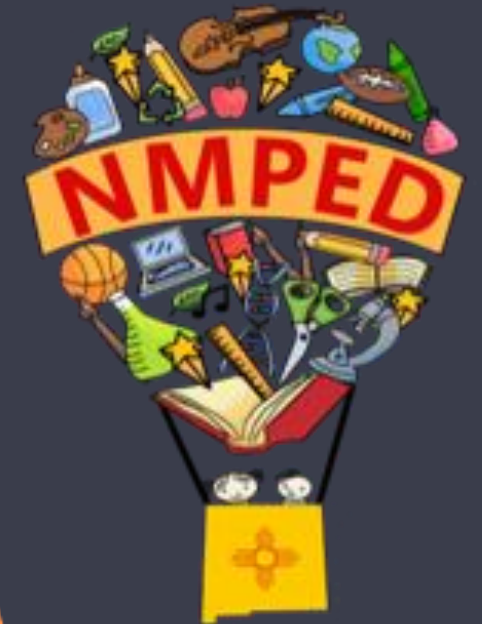
Update on Educational Issues and Federal Funds

Kenneth Stowe, Director of Strategic Initiatives

Geoffrey Tager, General Counsel

August 1, 2025

Investing for tomorrow, delivering today.



*A Presentation by the
New Mexico Public
Education Department*

Educational Impact

Unpredictability in federal education funding and policy:

- Repeated funding delays (including with ESSER)
- Last-minute requests to re-certify compliance with federal law
- Abrupt policy reversals

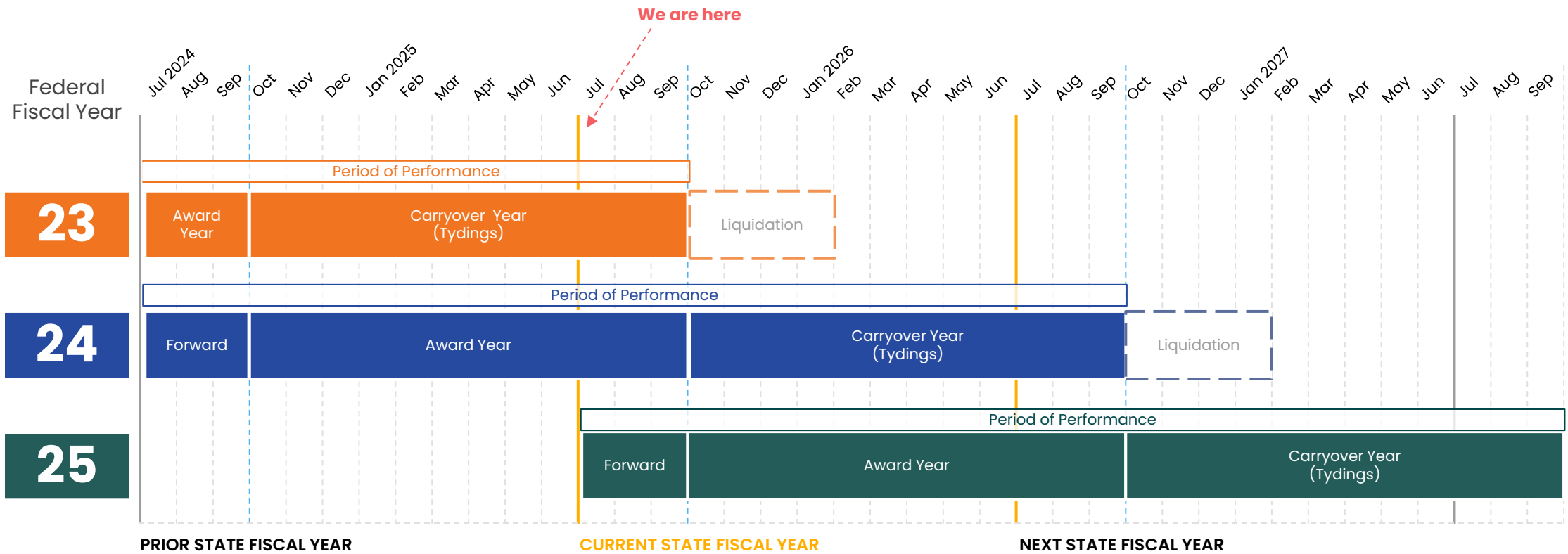
Uncertainty, redundancy, and administrative burden has driven:

- Operational disruptions
- Duplication of planning and budgets to account for multiple scenarios
- Staffing and service reductions in districts and schools

What this means for kids: loss of time and capacity, reducing the quality of educational services

Federal and State Fiscal Years

The PED and schools have 27 months to spend many grants from the Department of Education.



Overview of Delayed Grants

Funding Source	FFY 2024 Amount	Carryover	Focus	Description
Title I, Part C	\$1,004,200.00	\$401,696.87	Migrant Education	Provides funding for instructional and support services for children who are migrants.
Title II, Part A	\$18,006,586.00	\$10,054,167.76	Teacher and School Leader Supports	Supports professional development to improve content knowledge or classroom practice of teachers, principals, and other school leaders.
Title III, Part A	\$5,832,083.00	\$6,546,063.68	English Learner with Immigrant Education Set Aside	Funding for instructional materials, professional development, parent and family engagement, and instructional coaches to support students who are English learners or eligible immigrant children and their families.
Title IV, Part A¹	\$10,175,039.00	\$3,384,494.11	Student Support and Academic Enrichment	Funds support for safe and healthy students, well-rounded education, and the effective use of technology.

¹ USED had already issued FFY25 Title IV, Part A amounts to SEAs, but indicated in its June 30 email that this grant is also under review.

Federal Fiscal Year (FFY) 2024 state allocations for each of the impacted formula grants are available [here](#).

Impact on School-Based Medicaid Services

- For FY24, the New Mexico Medicaid School-Based Services (MSBS) program reimbursed schools \$96 million:
 - \$33.5 million in administrative costs
 - \$62.5 million in direct services
- These funds provide critical health supports for students, including therapy, behavioral interventions, and nursing care delivered at school
- MSBS funding reduces barriers to receiving a free and appropriate public education as required by federal law

School-Based Mental Health Centers

Rescinded:

- Silver Consolidated Schools' \$6 million school-based mental health services grant. Silver's lawsuit dismissed July 24, 2025.
- Central Region Educational Cooperative's five-year \$65 million grant to deliver mental health services to 5,000 students in Belen, Estancia, Jemez Valley, Magdalena, Mountainair, Quemado, and Vaughn.

Billing for Medicaid services may be impacted by concurrent cuts to Medicaid through the One Big Beautiful Bill Act.

Education Innovation & Research Award

Used to measure the efficacy of teacher residency programs

- Retention of educators through ongoing support
- Financial support for a livable wage (\$35k as a base salary)

Rescinded:

- \$8 million over five years
- At the time of loss, all funds were encumbered in vendor contracts for evaluation, instructional design, and professional-learning supports

Communities-of-practice between educator preparation programs and school districts and charter schools

Technical Support Centers

WestEd

- 6 projects across school improvement, consolidated reporting, experimental designs and evaluations, strategic planning, etc.
- Funding loss: \$473,180
- FTE loss: 5.25

Regional Education Laboratory (REL) SouthWest

- Collaborative research partnerships with districts, state education agencies, policymakers
- Write to Succeed, no-cost research-based professional learning
- Federal program director community of practice

Grants and Programs at Risk

Statewide longitudinal data system

- Technical assistance cancelled on \$4 million grant

Comprehensive Literacy State Development Grant

- \$12 million annually
- Participation has decreased from 15 to 11 districts
- Continuing participation is uncertain

State Personnel Development Grant

- Missing the grant award notification for the \$4.7 million, five-year grant
- Professional development to improve outcomes for children with disabilities

PED Support

Supporting partners through uncertainty

- Partnering with districts, schools, and RECs to understand impacts and identify solutions
- Analyzing statewide carryover to support school districts and charter schools
- Providing technical assistance on leveraging existing flexibilities, such as transferability
- Expediting the process for school districts and charter schools to amend plans and budgets to cover expenditures

Thank you!

For Questions

Geoffrey Tager, General Counsel

Office of General Counsel

Geoffrey.Tager@ped.nm.gov

(505) 470- 1618

Kenneth Stowe, Director

Strategic Initiatives

Kenneth.Stowe@ped.nm.gov

(505) 412 - 9979

