



Legislative

EDucation

Study Committee



**2026 Quick Guide to
New Mexico Education
Laws and Budget**

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Purpose of the Quick Guide

The Legislative Education Study Committee (LESC) is committed to serving the New Mexico Legislature and the state's constituents with excellence. The 2026 Quick Guide to New Mexico Education Laws and Budget is designed for three main purposes:

- First, this document is aimed at an external audience—the stakeholders most impacted by decisions related to education policy and budget—superintendents, education leaders, principals, teachers, ancillary staff, the Public Education Department (PED) program staff, students, and families.
- Second, the document is short and easily readable, covering both legislation and budget outcomes from the session.
- Third, this document is usable for stakeholders, prioritizing government transparency in the Legislature and building comprehensive knowledge around both policy and budget processes.

Using succinct explanations of need-to-know information, the first half of the Quick Guide describes the most impactful pieces of education legislation enacted in 2026, with a list of implications for both school districts and charter schools, as well as PED. These implications include considerations and suggestions for implementers to create programs in alignment with existing research and evidence. Following this, the document describes memorials and joint resolutions the Legislature offered as direction for upcoming research and study by LESC staff.

A table on page 18 of this document describes education legislation that was enacted but is not likely to have a significant impact on public schools or PED.

The second half of the document is an accessible explanation of New Mexico's public school budget accompanied by a spreadsheet known as the "high-level." The public school support budget, including all state funding that will flow to schools in New Mexico, is described in a reader-friendly manner with particular appropriations highlighted for detailed context.

LESC endeavors to employ a framework for policymaking and budget that is based on the following five principles:

- I. Prioritizing research and evidence-based policy and program;
- II. Ensuring community voice, support, value, and context are evident in the policymaking process;
- III. Appreciating social connectedness and planning for both designed and emergent systems;
- IV. Understanding implementation science, including program management, resources, capacity, and leadership are dynamic—the programmatic work can mirror, as well as model, existing status quo or help to build healthy communities; and
- V. Approaching each action through an adaptive lens that embraces opportunity costs, trade space, and design, because while ideally beneficial, all policy and budget decisions have consequences.

Grounding our work in this framework, and valuing our strong partnerships across the state, we hope this Quick Guide is useful and timely.

2026 Education Committees



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Bills Enacted

HB30: Teacher Residency Act Changes (Chapter 57)

Bill Summary

- Laws 2026, Chapter 57 (House Bill 30) indexes teacher resident stipends to the minimum level 1 teacher salary at 0.65 for residents without a bachelor's degree and 0.8 for residents with a bachelor's degree.
 - The law allows teacher residents to complete their teaching commitment in any public school in New Mexico upon completion of their residency.
 - The law creates the expectation that the sponsoring school district or charter school offers employment to a teacher resident depending on the district or school's staffing needs and the resident's performance.
-

Implementation Considerations

- The law recognizes the education and professional experience alternatively licensed teacher residents bring to their sponsoring schools while creating a competitive option for increased clinical practice in schools.
 - Indexing the stipend for post-baccalaureate teacher residents to 80 percent of the level 1 teacher minimum salary—or \$44 thousand in 2026—reduces the incentive for alternatively licensed teachers to begin teaching with a full salary and benefits, forgoing the benefits of a year-long residency that offers more support and training.
 - Allowing teacher residents to complete their teaching commitment in any public school in the state better meets the needs of rural school districts.
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Implications for PED

- PED will need to determine how to best allocate clinical practice funds to ensure teacher residents receive the new stipend minimums.
-

Implications for Schools and Districts

- LEAs that sponsor teacher residents are only expected to offer employment following completion of the residency if the resident meets the school's staffing needs.
- Local education agencies (LEAs) should consider providing post-baccalaureate teacher residents the difference between the new stipend amount and a minimum level 1 teaching salary, as well as health insurance. LEAs that do this may be more likely to attract teacher residents to their district—a powerful staffing investment.

HB34: School Nurse Licensure Provisions (Chapter 40)

Bill Summary

- Laws 2026, Chapter 40 (House Bill 34) updates the School Personnel Act to build on the three-tier licensure system for school nurses that was put in place in the 2025 legislative session. The law clarifies school nurse licensure requirements apply to both charter schools and school districts, removes the requirement for level 2 and level 3 school nurses to have prior school-based nursing experience, and allows for level 2 and level 3 nurses to serve as mentors and evaluators of level 1 school nurses.
 - Additionally, the law directs schools to seek guidance from the New Mexico Department of Health if no level 2 or level 3 nurse is available to perform mentorship and evaluation duties and removes the requirement for a local superintendent to verify level 2 and level 3 nurse competency.
-

Implementation Considerations

- In the 2025 legislative session, lawmakers passed, and the governor signed, Laws 2025, Chapter 150 (House Bill 195), which codified the three-tier licensure system for school nurses; established new criteria for licensure advancement; and tied minimum nurse salaries at each tier to minimum teacher salaries.
 - The changes made by Laws 2026, Chapter 40, largely serve to further outline licensure requirements for school nurses and clarify pathways to licensure.
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Implications for PED

- PED may need to update New Mexico Administrative Code (NMAC) 6.63.2 to ensure alignment with changes to level 2 and level 3 school nurse licensure provisions, as well as changes to how nurses are evaluated for competencies locally.
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Implications for Schools and Districts

- Local superintendents will no longer be required to evaluate the competence of level 2 and level 3 school nurses.
- The law provides clarity on next steps if a school district or charter school does not have a level 2 or level 3 nurse available to serve as a mentor and evaluator for a level 1 nurse.

HB43: Disability & Survivor Pension Changes (Chapter 14)

Bill Summary

- Laws 2026, Chapter 14 (House Bill 43) makes several broad changes to the Public Employees Retirement Association Act, the Volunteer Firefighters Retirement Act, and the Magistrate Retirement Act.
- As it relates to schools, the new law makes one specific amendment to the Public Employees Retirement Association Act. The law permits the disclosure of member information by the Public Employees Retirement Association (PERA) to the Education Retirement Board (ERB) for administering the Public Employees Retirement Reciprocity Act (Section 10-13A-1 NMSA 1978).

Implementation Considerations

- The implementation of the information sharing required by PERA in the new law will have minimal impact on PERA's or ERB's operations.
- The new law will enable additional efficiency in determining retiree benefits for members with both PERA and ERB service credit.

Implications for Schools and Districts

- There are no direct implications for local education agencies; however, the law affects the ability of ERB staff to process and determine benefit calculations for employees with service credit in both the ERB and PERA systems.
- Teachers and school staff with service credit in both ERB and PERA systems may experience more efficient and streamlined retirement benefit determinations due to improved information sharing between the two systems.



HB47: School Employee Insurance Programs (Chapter 52)

Bill Summary

- Laws 2026, Chapter 52 (House Bill 47) requires school districts and charter schools to pay at least 80 percent of the group health insurance premiums of all public school employees.
 - The law requires Albuquerque Public Schools (APS) to integrate its health insurance plans with the New Mexico Public Schools Insurance Authority (NMPSIA) by FY28.
 - The law repeals all waivers issued by NMPSIA, beginning in FY28.
 - Chapter 52 also requires LESC to complete a collaborative study of the availability and affordability of insurance programs for public school employees, with a focus on ways to address current and future needs for school districts and charter schools.
-

Implementation Considerations

- Beginning in FY27, all school districts and charter schools must pay at least 80 percent of their employees' group health insurance premiums.
 - Findings and recommendations from the LESC's collaborative study are due to the Legislative Finance Committee (LFC) and the governor by October 1, 2026 for consideration during the 2027 legislative session.
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Implications for PED

- PED is required to participate in the LESC's collaborative study on public insurance programs.
-

Implications for Schools and Districts

- All school districts and charter schools will have to revise their employee benefits programs to pay at least 80 percent of group health insurance premiums.
- All school districts and charter schools receiving waivers for health coverage from NMPSIA will have to establish coverage with NMPSIA.
- APS will have to collaborate with NMPSIA to consolidate its health insurance program.

HB253: Public Education Changes (Chapter 8)

Bill Summary

- Laws 2026, Chapter 8 (House Bill 253) requires school districts and charter schools to annually report the number of enrolled distance learning students and excludes distance learning students from the calculation of the rural population factor in the public school funding formula.
- The new law also enacts the Distance Learning Act to define distance learning students and full-time distance learning programs, and requires full-time distance learning programs to comply with the Public School Code and state and federal laws regarding student privacy, student record confidentiality and secure student record storage, and to maintain expenditure records related to the programs.
- PED is also required to evaluate full-time distance learning programs for compliance with the Public School Code by the 2028-2029 school year (SY29).
- The new law prohibits the allocation of enrollment growth program units in school districts for distance learning students in FY26 and FY27, requires some school districts to use the average of their FY25 and FY26 40-day MEM when calculating their FY26 program units, and enacts a one-year pause on new full-time distance learning programs.
- Laws 2026, Chapter 8 also requires a comprehensive study of the state's distance learning programs, which will be led by LESC in collaboration with PED and LFC.

Implementation Considerations

- The new law is the first statutory change related to distance learning programs since the enactment of the Cyber Academy Act in 2007.
- The new law does not impose new programmatic requirements on full-time distance learning programs, but it does require that school districts and charter schools with full-time distance learning programs comply with all provisions of the Public School Code.

Implications for PED

- PED will need to revise its annual reporting requirements to begin accepting reports on how many distance learning students are being served in each school district and charter school.
- PED will need to promulgate rules to enact the Distance Learning Act.
- PED will need to evaluate all full-time distance learning programs for compliance with the Public School Code by the end of SY29. The department would be required to re-evaluate each full-time distance learning program at least once every five years.
- PED is also directed to participate in the required study.

Implications for Schools and Districts

- While Laws 2026, Chapter 8 does not create new programmatic requirements for full-time distance learning programs, all school districts and charter schools must ensure those programs comply with all provisions of the Public School Code, including Section 22-2-8.1 NMSA 1978 regarding required instructional hours and Section 22-10A-20 NMSA 1978 regarding class load and teaching load limits.
- As the new law takes effect, some local educational agencies may have to adjust their operating budgets due to a reduction in program units.
- Some school districts and charter schools will be invited to participate in the required study.

HB256: Defibrillators at School Athletic Events (Chapter 66)

Bill Summary

- Laws 2026, Chapter 66 (House Bill 256) requires schools to include information on the appropriate procedures and response to cardiac arrest or other life-threatening emergencies at school athletic events as part of their cardiac emergency response plan (CERP).
- Automated external defibrillators (AEDs) are required to be clearly marked and accessible during these events.

Implementation Considerations

- Laws 2025, Chapter 129 (House Bill 54) required all schools in New Mexico to adopt CERPs by SY28 and install AEDs on school premises. However, this law did not specifically require that AEDs be present at school athletic events, nor did it require CERPs to include information related to such a scenario. The new law builds on the previous change, particularly in requiring AEDs to be available at school athletic events.
- PED will need to ensure compliance with these new requirements by dedicating staff time and resources to review school CERPs.
- LEAs will need to update their CERPs to include information on the appropriate response to sudden cardiac arrest or other life-threatening emergencies at school athletic activities.
- LEAs will be responsible for ensuring AEDs are clearly marked and accessible during athletic events.

SB29: Math Requirements for Teaching License (Chapter 53)

Bill Summary

- Laws 2026, Chapter 53 (Senate Bill 29) requires individuals seeking an elementary teaching license or a secondary mathematics teaching endorsement to complete at least six hours of mathematics methods courses.
- The law creates a statewide framework to address mathematics instruction by creating requirements for a statewide mathematics instructional leadership framework, adding requirements for school district and charter school professional learning plans, and creating a system of screening and family notification regarding mathematics performance among kindergarten through third grade (K-3) students.

Implementation Considerations

- Educator preparation programs (EPPs) should work with PED to determine which of their courses meet the requirements of math methods courses.
- In cases where EPPs do not currently offer two math methods courses, EPPs must ensure these courses are created within a timeline that allows teacher candidates to graduate with six hours of math methods courses by the spring 2028 semester.
- LESC intends to partner with EPPs to understand the implications and process of meeting this statutory requirement during the 2026 interim.

Implications for PED

- PED will likely need to define math methods courses in administrative rule and provide EPPs guidance for how to meet the new course requirements.
- PED will need to consult with the Mathematics and Science Advisory Council (MSAC) to develop a mathematics instructional leadership framework providing standards for mathematical content, instruction, ongoing professional learning, mathematics coaching, and program evaluation.
- PED must develop guidelines for school districts and charter schools to use when developing mathematics professional learning plans, mathematics screening assessments in kindergarten through third grade, mathematics support plans, and mathematics intervention services.
- PED must provide school districts and charter schools with technical assistance to implement the requirements of the law.
- PED must report to the governor and LESC annually on the number of students identified with mathematics difficulty and served through support plans, the types and effectiveness of interventions implemented, implementation of the mathematics instructional leadership framework, and recommendation for legislative or budgetary action to improve mathematics instruction and student outcomes.

Implications for Schools and Districts

- Beginning in SY28, LEAs will be required to develop and implement elementary and secondary mathematics professional learning plans biannually.
- Beginning in SY28, LEAs will have to administer a mathematics screening assessment to every K-3 student.
- For students who display mathematics difficulty, LEAs must notify the student's parents of the results of the screening assessment within 30 days of the determination and provide a mathematics support plan, as well as provide updates for parents four times a year.

SB37: High Quality Literacy Instruction Act (Chapter 54)

Bill Summary

- Laws 2026, Chapter 54 (Senate Bill 37) creates the High Quality Literacy Instruction Act to expand evidence-based reading supports for public school students.
- The law requires all literacy instruction for K-3 students and literacy interventions for kindergarten through 12th grade students to use high-quality instructional materials (HQIM) from PED's multiple list (a ranked list of HQIM reviewed through an evaluation process) of approved materials aligned with content standards and benchmarks.

Implementation Considerations

- Educator preparation programs (EPPs) will be required to teach preservice educators to teach reading in alignment with the High Quality Literacy Instruction Act, including evidence-based approaches for supporting English language learners and biliteracy instruction, including dual language instructional models that develop literacy in English and students' home languages.
- Administrators and teachers who teach reading must be trained on the provisions of the proposed High Quality Literacy Instruction Act. Training will include how to provide differentiated core instruction and other interventions for students with a reading difficulty, and how to use evidence-based practice for English learners, biliteracy, differentiation, culturally and linguistically responsive instruction, and instructional leadership for bilingual and dual language programs.

Implications for PED

- PED is required to adopt a reading assessment system for K-3 to measure student progress and identify supports for students whose results indicate a reading difficulty to begin in SY28.
- The reading assessment system adopted by PED must have minimal impact on instructional time, provide for timely reporting of assessment results, and be integrated with instructional support for teachers and students.

Implications for PED

- PED must assign a literacy instructional coach to elementary schools that have an average reading proficiency in the bottom quartile of results statewide, beginning in SY28.
 - PED must assign literacy instructional coaches to work with schools for three consecutive school years, regardless of the school's improvements in reading proficiency, and have the primary duty of supporting teachers with literacy instruction.
 - PED may place literacy instructional coaches fulltime at one elementary school or split their time between multiple elementary schools.
-

Implications for Schools and Districts

- If a K-3 student is identified as having a reading difficulty, local education agencies must notify parents within 30 days of the identification, and the notice must include a customized reading plan to help families to address specific skill deficits with students at home; parents must then receive four progress reports a year.

SB64: Create Office of Special Education (Chapter 54)

Bill Summary

- Laws 2026, Chapter 55 (Senate Bill 64) creates the Special Education Act in the Public School Code and codifies the Office of Special Education (OSE) within PED.
 - The Special Education Act assigns the office responsibilities and duties including enforcing state and federal law regarding the education of students with disabilities; ensuring stability and consistency of service for students with disabilities; and providing for the study, development, and implementation of systems and policies that positively affect the educational success of students with disabilities.
-

Implementation Considerations

- The law requires the OSE to develop and maintain—and for school districts and charter schools to use—a statewide uniform online system for the formulation of individualized education programs (IEPs).
- The law also removes gifted education and Section 504 from the Special Education Act to align state law with federal law, and current department practice. It is important to note the law does not change the administration of or funding for gifted education or Section 504 programs.

Implications for PED

- The law creates the position of deputy secretary of special education and requires the deputy secretary to report directly to the PED secretary.
 - The law also codifies OSE responsibilities, including ensuring compliance with both state and federal laws, including the Individuals with Disabilities Education Act.
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Implications for Schools and Districts

- All school districts and charter schools will be required to use the online system for the formulation of IEPs to ensure consistency of services when a student transfers schools or school districts.





Memorials & Joint Resolutions

HM2: Study Screen Use in Elementary Classrooms

Memorial Summary

- House Memorial 2 requests LESC to conduct a comprehensive study of the use of screen time for instruction and assessment in elementary classrooms, including the impacts of programs on student learning, development, and well-being.
 - The memorial also requests PED to ensure required technology use in elementary classrooms is purposeful, evidence-based, equitable, and supportive of healthy child development.
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Implementation Considerations

- LESC is requested to conduct a comprehensive use of screen time for instruction and assessment in elementary classrooms, including the impacts of programs on student learning, development, and well-being.
- PED is requested to collaborate with families, educators, and administrators to establish developmentally appropriate guidelines for screen use in elementary classrooms. The development of these guidelines could influence district-level instructional practices and the implementation of technology-based programs.

HM30: Public Education Governance Study

Memorial Summary

- House Memorial 30 requests LESC to conduct a study on public education governance and long-term educational planning by November 30, 2026.
- The requested study asks LESC to assess statutes governing education systems in New Mexico, strategies to support long-term capacity and coherence in the state's education system, and how long-term planning could support both a response to the *Martinez-Yazzie* lawsuit and broader education goals.
- The memorial also requests the study consider a potential education commission and make recommendations about its structure. Importantly, the requested study does not make final determinations about an education commission—rather, it asks LESC to assess current structures and make recommendations about potential changes for the Legislature to consider.

Implementation Considerations

- Several other states have established education commissions to support long-term planning and governance by setting shared goals and metrics.
- LESC has studied education governance regularly in recent years and has a roadmap that outlines key areas for investment in education to guide its work.
- This memorial could build on existing initiatives in New Mexico by better assessing all current plans and determining if a broader commission or structure would be supportive to the state's education goals.
- The memorial requests broad participation in the working group, which would include individuals requested by LESC members. At a minimum, LESC staff is requested to convene a broad working group of state agencies; educators; community, research, and nonprofit organizations; and tribes, nations, and pueblos in New Mexico.

HM43: Study Framework for Public School Rankings

Memorial Summary

- House Memorial 43 requests LESC and PED to conduct a study of the national and state assessments used to evaluate education outcomes in New Mexico and nearby states. The memorial also requests LESC to evaluate literacy outcomes using the Lexile Framework to determine if current assessments are equitable and accurate. LESC staff are requested to publish a report by November 1, 2026.

Implementation Considerations

- LESC staff are requested to collaborate with PED to evaluate national and state assessments and evaluate student literacy outcomes in New Mexico using the Lexile Framework.



HM47: Study Teacher Workloads

Memorial Summary

- House Memorial 47 requests LESC to study statutory requirements and current practices related to teacher workload and the structure of the instructional day in New Mexico’s public schools.

Implementation Considerations

- HM47 asks LESC to develop recommendations to support high-quality instruction and teacher effectiveness to benefit and serve New Mexico’s student population.
- LESC is requested to work with educational leaders, teachers, school personnel, teacher unions, LFC, and PED.
- LESC is requested to publish a report with research and recommendations by December 31, 2026.
- PED is requested to work with LESC to study teacher workloads.
- Local education agency leaders, educators, and personnel are requested to work with LESC to study teacher workloads.

HM53: Study “Gifted in Field” Teacher Endorsement

Memorial Summary

- House Memorial 53 (HM53) requests PED to study the creation of a “gifted in-field” endorsement for secondary gifted education teachers, including consideration of courses available from the state’s public postsecondary educational institutional institutions.
- HM53 requests PED to determine the amount of expertise necessary in various subject areas for a gifted in-field endorsement teacher workforce that can both deliver advanced coursework in various content areas and serve the needs of secondary school gifted students to develop expertise in those subject areas.

Implementation Considerations

- PED will need to work with the state’s public postsecondary education institutions and gifted education organizations to study the creation of a potential gifted in-field endorsement.
- PED will need to collaborate with educator preparation program and other postsecondary programs to identify or create courses appropriate for various gifted in-field endorsements.
- Should PED decide to implement a gifted-in-field endorsement, PED would need to update administrative code with new gifted in-field endorsement requirements.
- Should PED require gifted students in secondary school to be taught by teachers with a gifted-in-field endorsement, LEAs would be required to ensure their teachers meet these requirements.

SJR1: School Election Timing, CA

Resolution Summary

- If approved by voters in the next general election, Senate Joint Resolution 1 would amend Article VII, Section 1 of the New Mexico Constitution by striking the requirement for all school elections to be held separately from partisan elections.

Implementation Considerations

- As this is a constitutional amendment, its adoption would be subject to voter approval at the next general election—scheduled for November 2026—or at any special election prior to that date that may be called for that purpose.
- The Secretary of State is required to publish proposed constitutional amendments in accordance with both the New Mexico Constitution and state law.
- The Secretary of State and county clerks must post proposed amendments and administer elections pursuant to the Election Code in state law.
- School districts would be able to hold bond, levy, local school board, and other local school elections alongside partisan elections (for example, general and primary elections) rather than only in standalone elections. This could reduce administrative complexity.
- Combining elections could reduce costs for printing ballots, staffing polling places, and election administration, since districts would share resources with statewide or local partisan elections.
- Voter turnout for school elections could increase because more people typically vote in partisan elections than in standalone school elections.
- Districts may need to update policies and coordinate with county clerks for elections held in conjunction with partisan elections, including compliance with state reporting requirements.



Other Enacted Education-Related Legislation

Bill No. and Short Title	Impact on Public Education
<p>*SB19 (Ch. 2) School Finance Unit Value Reset</p>	<p>The bill delayed the establishment of the final unit value for FY26 until February 27, 2026 to provide the Legislature with additional time to consider statutory changes related to full-time distance learning programs; the final unit value of FY26 is \$6,871.35.</p>
<p>SB73 (Ch. 57) Driver’s Ed Requirements</p>	<p>Laws 2026, Chapter 57 (SB73) requires driver education courses, including those provided in schools, to include at least three hours of education and training on driving with “vulnerable road users.” PED must promulgate rules for approved driver education courses taught in public schools to include a minimum of three hours of education and training on driving with vulnerable road users.</p>
<p>SB241 (Ch. 63) Child Care Assistance Program Act</p>	<p>The bill creates the Child Care Assistance Program Act in the Children’s Code, outlining childcare assistance program payments, participation, and eligibility criteria; the law provides free childcare for eligible families, and establishes sliding scale copayments for families with incomes above 600 percent of the federal poverty level, or the implementation of waitlists, when specific economic or enrollment triggers are met—for example, if the average price of West Texas intermediate crude oil is less than \$50 per barrel for the applicable fiscal year.</p>
<p>SM20 Statewide Youth Violence Summit</p>	<p>The memorial asks the Department of Health, in collaboration with PED, several other state agencies, and relevant stakeholders, to organize a statewide summit on youth violence and produce a report on the summit’s findings to develop a comprehensive statewide approach to youth violence prevention and mitigation.</p>

Public Education Budget



In the months prior to the legislative session, staff from LESC, LFC, PED, and the Department of Finance and Administration (DFA) design separate budget recommendations for public education for the upcoming fiscal year. Recommendations from each agency are considered by the House Appropriations and Finance Committee and the Senate Finance Committee as the two committees draft the provisions of the General Appropriation Act (GAA).

Each agency’s budget recommendations, and later, the final appropriations in the GAA, are summarized on the “high-level.” The high-level spreadsheet graphically displays appropriations to several components of the public school support budget, including the state equalization guarantee (SEG), categorical programs, below-the-line programs, and other nonrecurring priorities.

The State Equalization Guarantee

A majority of the money appropriated to public schools is appropriated to the SEG, the funding formula designed to equitably distribute funding directly to public school districts and charter schools. The high-level begins on row 2 with the total appropriation to the SEG from the prior year, an amount considered the “base” level of funding. Rows 3 through 24 demonstrate the Legislature’s actions to add or subtract from funding from the prior year. The final SEG distribution for FY27 can be found on row 26, followed by the percentage and dollar increase from the prior year.

Categorical Programs

Appropriations to categorical programs are found on the high-level in rows 30 through 48. Categorical programs are programs with a statutory distribution mechanism that differ from the SEG, including the transportation distribution, out-of-state tuition, emergency supplemental funding, standardized assessments, and the Indian education fund.

Below-the-Line

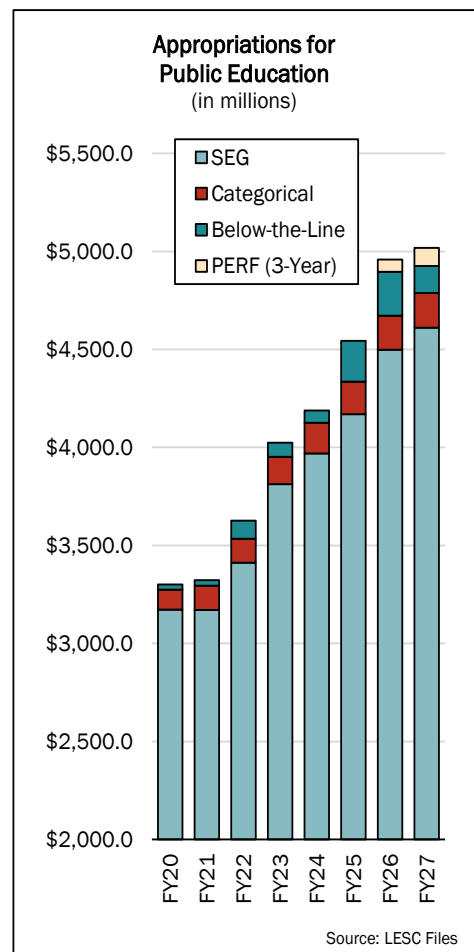
“Below-the-line” appropriations to PED give the department authority to decide how to best expend funds without a statutory distribution mechanism. Below-the-line programs beginning on row 53 are included in appropriations to the PED on a semi-recurring basis, while below-the-line programs beginning on row 78 are considered nonrecurring.

Public Education Reform Fund (PERF)

The Legislature made three-year appropriations to PED for sustained implementation of certain programs that must be evaluated for their impact on student achievement, consistent with the provisions of Laws 2025, Chapter 72 (Senate Bill 201). Appropriations from the PERF are found in rows 124 through 142.

Other Nonrecurring Appropriations

Appropriations for short term needs, including appropriations from the PERF, the public school capital outlay fund, or other fund transfers, are found beginning on row 143 of the high-level.



Since FY20, the Legislature has increased appropriations to the SEG by 45 percent, appropriations to categorical programs by 73 percent, and appropriations to below the line programs by 664 percent.

Throughout the GAA, the Legislature includes language detailing its intent for how certain appropriations should be used, both by PED and by LEAs. Both the high-level and the budget are limited in their ability to explain the Legislature’s intent. The high-level for the FY27 GAA can be found beginning on the next page. On page 23, LESC staff have compiled a table of “budget highlights,” which include additional discussion of the legislative intent of various budget line items.



PUBLIC SCHOOL SUPPORT
General Fund High-Level
(dollars in thousands)

	FY26 OpBud	FY27 EXEC Recommend.	FY27 LFC Recommend.	FY27 LESC Recommend.	Laws 2026
PROGRAM COST					
Prior Year Program Cost OpBud	4,171,971.2	4,499,235.5	4,499,235.5	4,499,235.5	4,499,235.5
UNIT CHANGES					
Removing Title I Units from ARI	(163,229.9)	-	-	-	-
Removing Mobility Units from ARI	(99,298.0)	-	-	-	-
Adding FII Units to ARI	300,740.7	-	-	-	-
Adding EL Units	3,458.0	-	-	-	-
Adding Grades 7 - 12 Units	51,148.3	-	-	-	-
Adding Grade 6 Units	40,115.8	-	-	-	-
Subtotal: Proposed Formula Changes	132,935.0	-	-	-	-
Increased K-12 Plus Units	49,731.7	-	-	-	-
Other FY25 Net Unit Changes	(12,996.5)	-	-	-	-
Subtotal: Net Base Unit Adjustments	36,735.2	-	-	-	-
Other Projected Net Unit Changes	(22,215.1)	-	(44,952.7)	-	(44,952.7)
UNIT VALUE CHANGES					
Average Salary Increase (EXEC: 1%, LFC: 1%, LESC: 3%)	135,129.6	36,043.7	36,043.7	108,131.1	36,043.7
Increase Minimum Salaries for Teachers (\$55K, \$65K, \$75K)	4,380.5	-	-	-	-
Instructional Materials and Educational Technology	-	10,050.0	-	-	-
Insurance Parity (80/20) ¹	-	-	73,153.9	73,153.9	73,153.9
Insurance Premium Increases	38,364.4	-	45,396.5	47,724.7	45,396.5
Fixed Costs	1,934.7	5,050.0	3,032.3	4,863.1	3,032.3
Subtotal Current Year Program Cost Base	4,499,235.5	4,550,379.2	4,611,909.2	4,733,108.3	4,611,909.2
\$ Change from OpBud	327,264.3	51,143.7	112,673.7	233,872.7	112,673.7
% Change from OpBud	7.8%	1.1%	2.5%	5.2%	2.5%
STATE EQUALIZATION GUARANTEE (SEG)					
Subtotal Current Year SEG Base	4,497,735.5	4,548,879.2	4,610,409.2	4,731,608.3	4,610,409.2
\$ Change from OpBud	327,264.3	51,143.7	112,673.7	233,872.7	112,673.7
% Change from OpBud	7.8%	1.1%	2.5%	5.2%	2.5%
CATEGORICAL APPROPRIATIONS					
TRANSPORTATION DISTRIBUTION					
Maintenance and Operations	118,683.7	145,098.0	121,913.4	126,998.0	121,913.4
Fuel	13,201.2	-	13,201.2	11,600.0	13,201.2
Rental Fees	5,894.1	-	5,894.1	6,500.0	5,894.1
Insurance	888.9	-	966.6	-	966.6
Insurance Parity (80/20) ¹	-	-	1,343.6	1,343.6	1,343.6
Average Compensation Increase (EXEC: 1%, LFC: 1%, LESC: 3%)	2,340.8	662.0	662.0	1,986.0	662.0
Adequacy Funding	-	-	-	5,283.7	-
Subtotal Current Year Transportation Base	141,008.7	145,760.0	143,980.9	153,711.3	143,980.9
\$ Change from OpBud	7,215.4	4,751.3	2,972.2	12,702.6	2,972.2
% Change from OpBud	5.4%	3.4%	2.1%	9.0%	2.1%
OTHER CATEGORICAL APPROPRIATIONS					
Indian Education Fund	20,000.0	20,000.0	20,000.0	20,000.0	20,000.0
Standards-Based Assessments	12,770.0	13,000.0	12,770.0	12,770.0	12,770.0
Emergency Supplemental	1,000.0	1,000.0	1,000.0	1,000.0	1,000.0
Out-of-State Tuition	393.0	393.0	393.0	393.0	393.0
Subtotal Current Year Categorical Appropriations	175,171.7	180,153.0	178,143.9	187,874.3	178,143.9
\$ Change from OpBud	9,985.4	4,981.3	2,972.2	12,702.6	2,972.2
% Change from OpBud	6.0%	2.8%	1.7%	7.3%	1.7%
SUBTOTAL PUBLIC SCHOOL SUPPORT	4,672,907.2	4,729,032.2	4,788,553.1	4,919,482.6	4,788,553.1
\$ Change from OpBud	337,249.7	56,125.0	115,645.9	246,575.3	115,645.9
% Change from OpBud	7.8%	1.2%	2.5%	5.3%	2.5%
RELATED REQUESTS: RECURRING					
Universal School Meals	42,201.0	42,201.0	42,201.0	42,201.0	42,201.0
Early Literacy and Reading Support	14,000.0	14,000.0	14,000.0	14,000.0	14,000.0
Statewide Information System and Other Systems (IEP)	-	-	8,500.0	8,500.0	-
School Leader Professional Development	5,000.0	4,600.0	5,000.0	5,000.0	5,000.0
Literacy Coaches	-	-	-	-	2,000.0



PUBLIC SCHOOL SUPPORT
General Fund High-Level
(dollars in thousands)

	FY26 OpBud	FY27 EXEC Recommend.	FY27 LFC Recommend.	FY27 LESC Recommend.	Laws 2026
58 Teacher Professional Development	4,000.0	5,600.0	-	4,000.0	-
59 Regional Education Cooperatives	1,500.0	1,500.0	1,500.0	1,500.0	1,500.0
60 School Safety (Panic Buttons)	1,500.0	1,500.0	1,500.0	1,500.0	1,500.0
61 Test Fee Waivers and Training	1,250.0	1,250.0	1,250.0	1,250.0	1,250.0
62 GRADS – Teen Parent Interventions	750.0	750.0	750.0	750.0	750.0
63 <i>Martinez-Yazzie</i> Action Plan Implementation	-	1,420.0	-	-	-
64 Operations (Literacy Institute)	-	2,000.0	-	-	-
65 Subtotal Current Year Base	70,201.0	74,821.0	74,701.0	78,701.0	68,201.0
66 \$ Change from OpBud	2,851.0	4,620.0	4,500.0	8,500.0	(2,000.0)
67 % Change from OpBud	4.2%	6.6%	6.4%	12.1%	-2.8%
68 PUBLIC EDUCATION DEPARTMENT					
69 Prior Year OpBud	24,521.6	26,263.7	26,263.7	26,263.7	26,263.7
70 Base Changes	1,742.1	3,003.5	928.7	2,688.7	768.7
71 Subtotal Current Year Base	26,263.7	29,267.2	27,192.4	28,952.4	27,032.4
72 % Change from OpBud	7.1%	11.4%	3.5%	10.2%	2.9%
73 TOTAL PUBLIC SCHOOL SUPPORT					
74 Prior Year OpBud	4,427,529.1	4,769,371.9	4,769,371.9	4,769,371.9	4,769,371.9
75 Base Changes	341,842.8	63,748.5	121,074.6	257,764.0	114,414.6
76 Total	4,769,371.9	4,833,120.4	4,890,446.5	5,027,136.0	4,883,786.5
77 % Change from OpBud	7.7%	1.3%	2.6%	5.4%	2.4%

SECTIONS 5, 6, 7, AND OTHER NONRECURRING APPROPRIATIONS

78 General Fund					
79 Public Education Reform Fund	63,800.0	5,000.0	-	52,200.0	-
80 Career and Technical Education (CTE)	28,500.0	38,500.0	-	40,000.0	-
81 Reading and Math Interventions	29,000.0	30,000.0	29,000.0	30,000.0	29,000.0
82 Educator Fellows (GYO: \$1 Million)	20,000.0	20,300.0	20,000.0	20,000.0	20,000.0
83 Evidence-Based CTE and Work-Based Learning Pilot ²	-	-	-	-	17,000.0
84 Literacy Coaches (Schools in lowest quartile, FY27-FY29)	-	14,560.0	-	-	14,600.0
85 Summer Internships	10,000.0	10,000.0	10,000.0	10,000.0	10,000.0
86 Statewide Student Information System	12,000.0	8,500.0	-	-	6,000.0
87 HB63 Hold Harmless Supplemental	-	-	6,000.0	-	6,000.0
88 Administrator Preparation, Induction and Evaluation	2,280.0	5,600.0	5,600.0	5,600.0	5,600.0
89 School Improvement	6,000.0	6,300.0	-	6,000.0	4,000.0
90 Special Education Initiatives	4,000.0	4,000.0	4,000.0	4,000.0	4,000.0
91 Learning Management System (Microcredentials)	-	3,700.0	4,000.0	-	3,700.0
92 STEM Network	3,000.0	3,000.0	-	3,000.0	3,000.0
93 STEAM Initiatives	3,000.0	3,000.0	3,000.0	3,000.0	3,000.0
94 NM School for the Arts Dorm Operations	-	1,150.0	-	-	2,300.0
95 Literacy Center Operations	-	3,000.0	-	5,000.0	2,000.0
96 REC Student Reading	-	-	-	-	1,200.0
97 Wellness Rooms Pilot	-	-	-	-	1,000.0
98 Trauma Informed Care Training	-	-	-	-	1,000.0
99 Outdoor Classroom Initiatives	500.0	500.0	500.0	700.0	500.0
100 Graduation Planning and Pathway System	-	-	-	-	500.0
101 Hispanic Education Act	-	1,500.0	-	-	500.0
102 Bilingual Multicultural Education Act	-	1,100.0	-	-	500.0
103 Black Education Act	-	500.0	-	-	500.0
104 Automated External Defibrillators	-	-	-	-	400.0
105 Unified Application for State and Federal Grants and Plans IT System	-	2,500.0	-	2,500.0	250.0
106 Safety Summit	200.5	200.5	200.5	200.5	200.5
107 Instructional Materials Resource Library (Heritage & Bilingual Programs)	-	-	-	-	200.0
108 Out-of-School Learning and Summer Enrichment	15,000.0	14,000.0	-	20,000.0	-
109 Potential Cost Overruns for School Meals	5,000.0	5,000.0	5,179.3	5,179.3	-
110 School Board Training	-	-	-	1,500.0	-
111 Community School and Family Engagement Initiatives	6,000.0	6,000.0	-	-	-



PUBLIC SCHOOL SUPPORT
General Fund High-Level
(dollars in thousands)

	FY26 OpBud	FY27 EXEC Recommend.	FY27 LFC Recommend.	FY27 LESC Recommend.	Laws 2026	
112		2,030.0	-	-	-	112
113		500.0	-	-	-	113
114	230.3	395.9	-	-	-	114
115	40,000.0	-	-	-	-	115
116	30,000.0	-	-	-	-	116
117	7,848.0	-	-	-	-	117
118	6,000.0	-	-	-	-	118
119	5,000.0	-	-	-	-	119
120	3,054.0	-	-	-	-	120
121	3,000.0	-	-	-	-	121
122	1,500.0	-	-	-	-	122
123	304,912.8	190,836.4	87,479.8	208,879.8	136,950.5	123

201,112.8

OTHER STATE AND FEDERAL FUNDS

124	Public Education Reform Fund					124	
125	High-Impact Tutoring ³	-	15,000.0	15,300.0	30,600.0	15,300.0	125
126	Community Schools ³	-	-	18,300.0	21,600.0	18,300.0	126
127	CTE Innovation Zones ³	-	-	34,500.0	-	21,600.0	127
128	Out-of-School Learning	-	-	21,600.0	-	20,000.0	128
129	Career Technical Education Pilot Program	-	-	-	-	18,000.0	129
130	Attendance Initiatives ³	18,600.0	-	-	-	-	130
131	Secondary Educator Literacy ³	15,600.0	-	-	-	-	131
132	Math Achievement ³	13,500.0	-	-	-	-	132
133	Innovative Staffing Strategies ³	7,800.0	-	-	-	-	133
134	Supports for Students who are Unhoused ³	6,300.0	-	-	-	-	134
135	Martinez-Yazzie Action Plan Implementation ⁴	-	-	-	-	2,000.0	135
136	Learning Management System (Microcredentials)	3,700.0	-	-	4,000.0	-	136
137	Wellness Rooms Pilot	1,000.0	-	-	-	-	137
138	Hispanic Education Act	500.0	-	-	500.0	-	138
139	Black Education Act	500.0	-	-	500.0	-	139
140	Bilingual Multicultural Education Act	500.0	-	-	500.0	-	140
141	Fund Clean-Up (K3PF, RMF, SLAF)	15.5	-	-	-	-	141
142	Subtotal Current Year Base	68,015.5	15,000.0	89,700.0	57,700.0	95,200.0	142

143	Other State Funds and Inter-Agency Transfers						143
144	Security, CTE, Maintenance, and Repair SB9 Distribution (PSCOF)	50,000.0	-	-	-	-	144
145	Electric Vehicle Infrastructure and Bus Conversion (FY26-FY28)	60,000.0	-	-	-	-	145
146	School Bus Replacement (PSCOF)	-	18,880.0	18,880.0	18,880.0	18,880.0	146
147	Alternative School Bus Fueling or Charging Infrast. (PSCOF)	1,500.0	-	-	-	-	147
148	Navajo Prep Infrastructure and Drainage Improvement (PSCOF)	3,000.0	-	-	-	-	148
149	Paolo Soleri Amphitheater (PSCOF)	3,000.0	-	-	-	-	149
150	STEM Institute Construction (PSCOF)	20,000.0	-	-	-	10,000.0	150
151	School Bus Cameras (PSCOF)	-	-	-	-	435.0	151
152	Literacy Institute Construction (PSCOF)	-	-	-	-	10,000.0	152
153	National Board Certification Scholarship Fund	500.0	500.0	500.0	500.0	500.0	153
154	GRADS – Teen Parent Interventions (TANF)	500.0	500.0	500.0	500.0	500.0	154
155	Grow Your Own Teachers Fund (FY26: EdFellows)	300.0	-	-	-	-	155
156	Sufficiency Lawsuit Fees (Consumer Settlement Fund)	500.0	500.0	500.0	500.0	500.0	156
157	Gallup-McKinley County Schools Supplemental (ESF, PERF, SEG)	-	-	-	-	5,000.0	157
158	State Museum Exhibits Supporting Youth Activities (AIPPF)	-	-	-	-	1,750.0	158
159	Public Education Reform Fund (GROF)	-	-	89,700.0	-	89,700.0	159
160	SEG K-12 Plus Units (PKF)	-	14,000.0	-	-	-	160
161	Transfers to PERF (FYRF, TPF, ISIF, SNIF, ETDGF, CSSF, KPF)	258.7	-	-	-	-	161
162	Online Licensure Portal (ELF)	4,000.0	-	-	-	-	162
163	Career Technical Education (CTEF)	10,000.0	-	-	-	-	163
164	Subtotal Current Year Base	153,558.7	34,380.0	110,080.0	20,380.0	137,265.0	164

Footnotes

- Contingent on enactment of legislation
- Includes a reauthorization of unobligated FY26 funding for use in FY27
- Appropriation authorized for three fiscal years
- Includes language restricting funding until a final court order is issued on the action plan

Budget Highlights



During the 2026 session, the Legislature continued to invest significant funding in public schools, with a 2.5 percent increase to the state equalization guarantee (SEG), as well as supports for literacy, career and technical education, student behavioral health, and the educator ecosystem. This section specifies the amount, associated language, and legislative intent of particular appropriations, as well as where those items may be found in the high-level and the General Appropriation Act (GAA).

The high-level spreadsheet lists the dollar amount of appropriations contained in House Bill 2, which becomes the GAA once signed into law. All appropriations can be found in the high-level on the line indicated and in the GAA on the page number specified. Some appropriations also include evidence-based recommendations, so as to encourage innovative local practices that are rooted in data and research.

The State Equalization Guarantee

LINE ITEM	EXPLANATION	SELECT BUDGET LANGUAGE
<p>Net Unit Changes -\$45 million High-Level Line Numbers: 14 GAA Page Number: No language</p>	<p>The GAA includes a \$45 million reduction to the SEG to account for declining student enrollment.</p> <p>Since FY18, the Legislature has accounted for declining enrollment through targeted reductions in the SEG appropriation. Most recently, the Legislature decreased the SEG by \$23.9 million in FY24, \$19.9 million in FY25, and \$35.2 million in FY26.</p> <p>As enrollment continues to decline throughout the state, there is a need to study how changes in enrollment impact operational expenditures in school districts and charter schools.</p>	
<p>Salary Increases \$36 million High-Level Line Number: 16 SB151 Page Number: 53</p>	<p>Laws 2026, Chapter 69 (Senate Bill 151), included a \$36 million appropriation to recruit and retain public school personnel, comparable to an average one percent salary increase.</p>	<p><i>“Thirty-six million forty-three thousand seven hundred dollars (\$36,043,700) is appropriated from the general fund to the state equalization guarantee distribution of the public school fund for expenditure in fiscal year 2027 to recruit and retain public school personnel, comparable to an average one percent salary increase.”</i></p>
<p>Insurance \$45.4 million High-Level Line Number: 20 GAA Page Number: No language</p>	<p>The Legislature appropriated \$45.4 million in recurring funding for increases in medical and risk premiums incurred by school districts and charter schools.</p> <p>The appropriation aligns with a 10 percent increase in medical premiums and an 8 percent increase in risk premiums.</p>	

LINE ITEM	EXPLANATION	SELECT BUDGET LANGUAGE
<p>Insurance Employer Contributions \$73.2 million High-Level Line Number: 19 GAA Page Number: 178-179</p>	<p>The Legislature appropriated \$73.2 million in recurring funding to increase employer contributions for group health insurance to at least 80 percent of the cost of the insurance. This increase in employer contributions is required by Laws 2026, Chapter 52 (House Bill 47).</p>	<p><i>“The general fund appropriation to the state equalization guarantee distribution includes seventy-three million one hundred fifty-three thousand nine hundred dollars (\$73,153,900) contingent on enactment of House Bill 47 or similar legislation in the second session of the fifty-seventh legislature amending the Public School Insurance Authority Act to raise group insurance contributions for school districts and charter schools in the public school insurance authority to at least eighty percent of the cost of the insurance of an employee.”</i></p>

Categorical Appropriations

LINE ITEM	EXPLANATION	SELECT BUDGET LANGUAGE
<p>Transportation Distribution \$143.9 million High-Level Line Number: 38 GAA Page Number: 183</p>	<p>The transportation distribution includes base funding of \$143.9 million, and an additional \$1.3 million to increase employer contributions for group health insurance to at least 80 percent of the cost of the insurance.</p> <p>This increase in employer contributions is required by Laws 2026, Chapter 52 (House Bill 47).</p>	<p><i>“The general fund appropriation to the transportation distribution includes one million three hundred forty-three thousand six hundred dollars (\$1,343,600), contingent on enactment of House Bill 47 or similar legislation in the second session of the fifty-seventh legislature amending the Public School Insurance Authority Act to raise group insurance contributions for school districts and charter schools in the public school insurance authority to at least eighty percent of the cost of the insurance of an employee.”</i></p>

<p>Indian Education Fund \$20 million High-Level Line Number: 42 GAA Page Number: 184</p>	<p>The Indian education fund supports education programs and services for Native American students. Most of the funds awarded to pueblos, tribes, and nations are dedicated to planning, developing, implementing, and sustaining programs that directly support Native American students residing in tribal communities, as well as those in urban areas.</p> <p>Beginning in FY26, PED established a new structure, in collaboration with tribal partners, for distributing funds that allows funding based on student count, including students with special needs, to flow directly from PED at the beginning of each fiscal year. The new structure also removed the application process, allowing tribes, pueblos, and nations to receive recurring, nonreverting, and nonreimbursement-based funds for up to three fiscal years.</p>
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LINE ITEM	EXPLANATION	SELECT BUDGET LANGUAGE
Standards-Based Assessments \$12.8 million High-Level Line Number: 43 GAA Page Number: 184	The Legislature appropriated \$12.8 million to PED for standards-based assessments in FY27, the same as FY26.	<i>“Any unexpended balances in the standards-based assessments appropriation remaining at the end of fiscal year 2027 from appropriations made from the general fund shall revert to the general fund.”</i>

Below-the-Line Appropriations

LINE ITEM	EXPLANATION	SELECT BUDGET LANGUAGE
Universal School Meals \$42.2 million High-Level Line Number: 53 GAA Page Number: 137-138	New Mexico’s Healthy Universal School Meals program ensures K-12 schools can offer two meals to students during the school day at no cost to families. Following federal reimbursement for school meals, the state then covers the remaining balance for all meals reimbursed at the federal reduced and paid meal rates. The recurring appropriation for the program is the same amount in FY27 as was appropriated in FY26.	
School Leader Professional Development \$5 million High-Level Line Number: 56 GAA Page Number: 137	The Legislature appropriated \$5 million to PED for school leader professional development. Research suggests effective school principal professional development boosts student achievement, improves teacher retention, and strengthens school culture.	
Early Literacy and Reading Support \$14 million High-Level Line Number: 54 GAA Page Number: 137	The Legislature appropriated \$14 million to PED for early literacy and reading support in FY27, the same amount appropriated in FY26. PED will continue to use this funding to support awards for structured literacy model and support schools and literacy coaches. Structured literacy is an umbrella term used to describe evidence-based approaches for helping students learn to read and write proficiently. A strong body of evidence supports the implementation of structured literacy to improve early literacy rates.	
Literacy Coaches \$2 million High-Level Line Number: 57 GAA Page Number: 138	The Legislature appropriated \$2 million for literacy coaches in FY27. This appropriation is in addition to a three-year nonrecurring appropriation for literacy coaches in schools in the lowest quartile. This funding is not earmarked for specific schools and could presumably support literacy coaches in all schools, not just those in the lowest quartile of reading proficiency.	

LINE ITEM	EXPLANATION	SELECT BUDGET LANGUAGE
<p>Literacy Coaches \$14.6 million High-Level Line Number: 84 GAA Page Number: 221</p>	<p>The Legislature appropriated \$14.6 million for literacy coaches in FY27 through FY29 to support the implementation of Laws 2026, Chapter 54 (Senate Bill 37), which requires PED to assign a literacy instructional coach to elementary schools that have an average reading proficiency in the bottom quartile of results statewide, beginning in FY28.</p> <p>PED must assign literacy instructional coaches to work with schools for three consecutive school years, regardless of the school's improvements in reading proficiency, and have the primary duty of supporting teachers with literacy instruction.</p>	<p><i>“For literacy coaches at schools in the lowest quartile. Any unexpended balances remaining at the end of fiscal year 2027 shall not revert and may be expended through fiscal year 2029.”</i></p>
<p>Reading and Math Interventions \$29 million High-Level Line Number: 81 GAA Page Number: 222</p>	<p>The Legislature appropriated \$29 million to PED for implementation of a reading and math summer intervention program, the same amount the Legislature appropriated for a summer reading program in FY26.</p> <p>New Mexico's summer reading and math program is a free program offering interventions for students in kindergarten through eighth grade. Previously, the summer institute focused on reading, but in FY27, the summer intervention program is expanding to also include a focus on math supports.</p>	<p><i>“For student reading and math intervention programs.”</i></p>
<p>Educator Fellows \$20 million High-Level Line Number: 82 GAA Page Number: 220</p>	<p>This appropriation is for the Educator Fellows Program and Grow Your Own Teacher Scholarships, pursuant to the Grow Your Own Teachers Act. This amount includes \$1 million for teacher recruitment pilots and programs. School districts and charter schools who provide local matching funds for participants will be prioritized.</p> <p>In the 2024 legislative session, the Legislature also appropriated \$60 million to the government results and opportunity fund for educator clinical experiences from FY25 through FY27, which include residencies.</p>	<p><i>“For the recruitment and retention of educator fellows and grow your own teacher programs, including one million dollars (\$1,000,000) for teacher recruitment pilots and programs to improve the teacher workforce pipeline. The public education department shall prioritize awards to school districts and charter schools that provide local matching funds for participating educators.”</i></p>
<p>Evidence-Based CTE and Work-Based Learning Pilot \$35 million High-Level Line Numbers: 83, 129 GAA Page Number: 220</p>	<p>The Legislature appropriated \$35 million to PED for a career and technical education (CTE) pilot program in FY27, with \$17 million appropriated from the general fund and \$18 million appropriated from the public education reform fund.</p> <p>The appropriation continues CTE programming, grants, and work-based learning programs as the seven-year Next Generation CTE Pilot program expires in FY26.</p> <p>The funds will presumably support ongoing CTE work and secondary students' college and career readiness by maintaining and expanding access to CTE programs and work-based learning programs.</p>	<p><i>“For evidence-based career technical education pilot programs, including work-based learning.”</i></p>

LINE ITEM	EXPLANATION	SELECT BUDGET LANGUAGE
<p>Summer Internships \$10 million High-Level Line Number: 85 GAA Page Number: 223</p>	<p>The Legislature appropriated \$10 million to PED for summer internships, the same as FY26.</p> <p>The program has provided high school students with summer internship opportunities with government and tribal entities statewide since 2021.</p>	<p><i>“For summer internship opportunities for working-age high school students.”</i></p>
<p>Statewide Student Information System \$6 million High-Level Line Number: 86 GAA Page Number: 222</p>	<p>The Legislature appropriated \$6 million to continue the development of a statewide student information system (SIS).</p> <p>In FY26, the Legislature appropriated \$12 million for the SIS, with PED recently selecting Edupoint and its Synergy SIS as the vendor. In FY26, some school districts and charter schools began adding data to Synergy, with the first school districts and charter schools scheduled to begin using the Synergy SIS in the 2026-2027 school year.</p>	<p><i>“For a statewide student information system and connected education data system.”</i></p>
<p>School Improvement \$4 million High-Level Line Number: 89 SB273 Page Number: 5</p>	<p>Laws 2026, Chapter 70 (Senate Bill 273) includes a \$4 million appropriation to PED for school improvement activities. PED uses these funds to provide coaching to school leaders and teachers at low performing schools.</p>	<p><i>“Four million dollars (\$4,000,000) to the public education department for school improvement activities.”</i></p>
<p>Graduation Planning and Pathway System \$500 thousand High-Level Line Number: 100 GAA Page Number: 220-221</p>	<p>The Legislature appropriated \$500 thousand to PED for a statewide graduation planning and pathway system. This appropriation could help build upon the work of Laws 2024, Chapter 2 (House Bill 171), which updated graduation requirements.</p> <p>Beginning in eighth grade, students must complete statutorily required annual Next Step Plans aligned with their school district’s or charter school’s graduate profile to support ongoing monitoring of their progress toward on-time graduation.</p> <p>However, the state does not have a central system that assists school districts and charter schools in tracking student progress toward completing their graduation requirements; currently, this happens at the local level.</p>	<p><i>“To increase kindergarten-through-twelfth-grade graduation rates for all New Mexico students by providing a statewide custom-built graduation planning and pathway system that continuously evaluates student progress against state-defined requirements and enables early identification of risks to graduation or readiness while giving the state clear insight into pathway participation, workforce alignment and student outcomes.”</i></p>
<p>REC Student Reading \$1.2 million High-Level Line Number: 96 GAA Page Number: 223</p>	<p>The Legislature appropriated \$1.2 million to the Regional Education Cooperatives (RECs) to conduct student reading.</p>	<p><i>“To regional education cooperative six in Portales to conduct a statewide study of student reading performancee focused on lexile scores.”</i></p>

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LINE ITEM	EXPLANATION	SELECT BUDGET LANGUAGE
<p>HB63 Hold-Harmless \$6 million High-Level Line Number: 87 GAA Page Number: 236</p>	<p>The Legislature appropriated \$6 million to provide hold-harmless funding in FY26 for school districts and charter schools that lost funding at a result of Laws 2025, Chapter 89 (House Bill 63).</p>	<p><i>“For projected at-risk and English learner program unit losses at school districts and charter schools. Up to six million dollars (\$6,000,000) of this appropriation may be used by the public education department to supplement a school district’s or charter school’s program costs in fiscal year 2026 if the school district’s or charter school’s at-risk index rate decreased from fiscal year 2025, calculated by subtracting the school district’s or charter school’s fiscal year 2025 at-risk index from the sum of the school district’s or charter school’s fiscal year 2026 at-risk index pursuant to Section 22-8-23.3 NMSA 1978 and the product of thirty-three hundredths and the three-year average English learner rate pursuant to Section 22-8-23.15 NMSA 1978. The public education department shall distribute a prorated share of this appropriation to each school district and charter school that had a lower at-risk index rate in fiscal year 2026 based on aforementioned difference in at-risk indices multiplied by the school district’s or charter school’s fiscal year 2026 MEM as defined in Section 22-8-23.3 NMSA 1978 and multiplied by the final fiscal year 2026 unit value.”</i></p>
<p>Educator and Administrator Preparation, Induction, and Evaluation \$5.6 million High-Level Line Number: 88 GAA Page Number: 216</p>	<p>The Legislature appropriated \$5.6 million to PED to fund principal and superintendent preparation, coaching, and residencies.</p> <p>In the 2025 legislative session, the Legislature established new preparation and professional development requirements for principals and superintendents.</p>	<p><i>“For principal and superintendent preparation, coaching and residencies pursuant to the School Personnel Act.”</i></p>
<p>Special Education Initiatives \$4 million High-Level Line Number: 90 GAA Page Number: 222</p>	<p>The Legislature appropriated \$4 million to PED for special education initiatives in FY27, the same amount as FY26. PED could use the funding to support the implementation of Laws 2026, Chapter 55 (Senate Bill 64), which creates the Office of Special Education at PED.</p>	<p><i>“For the implementation of special education initiatives by the public education department.”</i></p>
<p>Learning Management System \$3.7 million High-Level Line Number: 91 GAA Page Number: 221</p>	<p>The Legislature appropriated \$3.7 million to PED to continue funding the learning management system, an online platform used to deliver learning resources to students, teachers, and educators. This system houses PED’s micro-credentials for educators.</p>	<p><i>“For a learning management system that delivers learning resources to students, educators and administrators outside of the classroom setting.”</i></p>

LINE ITEM	EXPLANATION	SELECT BUDGET LANGUAGE
<p>STEAM Initiatives \$3 million High-Level Line Number: 93 GAA Page Number: 223</p>	<p>This appropriation provides funding for science, technology, engineering, arts, and math (STEAM) to PED. Historically, this funding has been used to support the work of the Math and Science Bureau at the department, such as outdoor learning, artificial intelligence education, implementation grants for high-quality instructional materials, and science professional learning.</p>	<p><i>“For science, technology, engineering, arts and mathematics initiatives.”</i></p>
<p>STEM Network \$3 million High-Level Line Number: 92 GAA Page Number: 223</p>	<p>The Legislature appropriated \$3 million to PED to continue support for the science, technology, engineering, and math (STEM) innovation network, which was first established with funding appropriated for FY26.</p> <p>The STEM innovation network consists of a principal hub (New Mexico State University serves in this role) and regional hubs, all intended to provide STEM technical support to local communities and connect STEM resources across the state to share best practices and address gaps in STEM access. In FY26, the STEM network received \$3 million in funding and for FY27, the GAA continues this amount.</p>	<p><i>“For a science, technology, engineering and math network.”</i></p>
<p>Literacy Institute Operations \$2 million High-Level Line Number: 95 GAA Page Number: 221</p>	<p>The Legislature appropriated \$2 million to PED for operational expenditures associated with the literacy institute. The goals of the institute are to enhance literacy, track reading progress, and boost confidence and skills in literacy.</p>	<p><i>“For operations of the literacy institute.”</i></p>
<p>Wellness Room Pilot \$1 million High-Level Line Number: 97 GAA Page Number: 223</p>	<p>This appropriation continues support for a wellness room pilot program, which offers students a calming place to go for short periods to regulate their emotions. The funding could potentially be used for staffing and equipment purchases.</p> <p>This FY27 appropriation follows a FY26 appropriation of \$1 million to support a wellness room pilot program.</p>	<p><i>“For a wellness rooms pilot project.”</i></p>
<p>Hispanic Education Act \$500 thousand High-Level Line Number: 101 GAA Page Number: 221</p>	<p>The Hispanic Education Act is focused on improving academic success, preserving New Mexico’s heritage Spanish language and culture, and encouraging parental and community involvement to ensure the lifelong success of Hispanic students.</p> <p>To meet the act’s goals, funding could support bilingual teacher training, teachers of English to speakers of other languages (TESOL) certification, culturally and linguistically responsive instruction rooted in students’ communities, and improved data collection and analysis.</p>	<p><i>“For purposes pursuant to the Hispanic Education Act.”</i></p>

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LINE ITEM	EXPLANATION	SELECT BUDGET LANGUAGE
<p>Black Education Act \$500 thousand High-Level Line Number: 103 GAA Page Number: 220</p>	<p>The Black Education Act is focused on improving the educational outcomes and school experiences for Black students in New Mexico by identifying best practices in college and career readiness and culturally responsive learning environments. The act also created a liaison and an advisory council and requires anti-racism and racial sensitivity training for school personnel.</p> <p>Expenditures should align with the act's objectives, including the development of culturally responsive curricula and instructional materials, improving student outcomes, educator training and representation, and student support services.</p>	<p><i>"For purposes pursuant to the Black Education Act."</i></p>
<p>Bilingual Multicultural Education Act \$500 thousand High-Level Line Number: 102 GAA Page Number: 220</p>	<p>The Bilingual Multicultural Education Act is focused on biliteracy and bilingualism in English and a second or heritage language. Provisions of the act also include benchmarks for meeting academic standards in biliteracy and bilingualism in all subject areas.</p> <p>During the 2025 interim, LESC recommended a working group to address the disconnect between funding levels and bilingual programs' outcomes and quality. The working group would compose of bilingual experts that would assess and guide a statewide policy framework that ensures program consistency and effective cost structures.</p> <p>The FY27 appropriation could support program implementation, educator professional development, and evaluation of bilingual programs.</p>	<p><i>"For purposes pursuant to the Bilingual Multicultural Act."</i></p>
<p>Unified Application for State and Federal Grants and Plans IT System \$250 thousand High-Level Line Number: 105 GAA Page Number: 221</p>	<p>The Legislature appropriated \$250 thousand to provide a data system for school districts and charter schools to manage their state and federal funding.</p>	<p><i>"To maintain an integrated digital system for school districts and charter schools to manage funding from certain state and federal grant programs."</i></p>

Public Education Reform Fund

LINE ITEM	EXPLANATION	SELECT BUDGET LANGUAGE
<p>Out-of-School Learning \$20 million High-Level Line Number: 128 GAA Page Numbers: 221-222</p>	<p>This appropriation to PED supports grant funding for out-of-school programs, including after school and in the summer. Out-of-school programming in New Mexico has historically included supplemental academic supports, CTE, science, technology, engineering, and math activities, exposure to the arts, educational field trips, supplies, and technology.</p> <p>FY27 marks the first time in recent years in which out-of-school time and tutoring initiatives are funded separately. While this appropriation comes from the public education reform fund, which was converted in 2025 to provide multi-year funding alongside evaluation requirements, this appropriation is only for FY27.</p>	<p><i>“To conduct out-of-school time programs to sustain and expand comprehensive and affordable out-of-school time programming for school-age youth statewide. Ten million five hundred thousand dollars (\$10,500,000) shall be used for school districts, charter schools, the bureau of Indian education schools and tribally controlled schools and ten million five hundred thousand dollars (\$10,500,000) shall be used for contracting with local and statewide nonprofit community organizations that provide out-of-school time programming. Up to two hundred thousand dollars (\$200,000) may be used by the public education department to evaluate and monitor outcomes from either allocation. The other state funds appropriation is from the public education reform fund.”</i></p>
<p>Community Schools \$18.3 million High-Level Line Number: 126 GAA Page Number: 246, 247, 249</p>	<p>The Legislature appropriated \$18.3 million for FY27 through FY29, or \$6.1 million a year, for community schools. The community school strategy centers community involvement in the educational process, making a school building not only a place for learning, but also a place to access healthcare, meal options, clothing, laundry, and other resources to meet the needs of students and families.</p> <p>The budgetary language requires an evaluation to study the impact of this investment on student attendance.</p>	<p><i>“To conduct a randomized controlled trial of community schools to improve student attendance. Up to one hundred thousand dollars (\$100,000) may be used by the public education department to evaluate and monitor outcomes. The other state funds appropriation is from the public education reform fund.”</i></p>
<p>CTE Innovation Zones \$21.6 million High-Level Line Number: 127 GAA Page Number: 245, 247, 249</p>	<p>The Legislature appropriated \$21.6 million for FY27, FY28, and FY29, approximately \$7.2 million per year, for the innovation zone initiative.</p> <p>PED created the innovation zone initiative in 2022 to support schools with broader high school transformation. Historically, participating schools and charter schools were required to use funds to improve graduation, attendance, or proficiency rates.</p> <p>Schools and charter schools have used innovation zone funding to support a range of activities, including supporting CTE programs, completing capstones, social emotional learning, and work-based learning.</p>	<p><i>“To conduct a randomized controlled trial of innovation zones to improve student attendance, graduation and employability. Up to one hundred thousand dollars (\$100,000) may be used by the public education department to evaluate and monitor outcomes. The other state funds appropriation is from the public education reform fund.”</i></p>

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LINE ITEM	EXPLANATION	SELECT BUDGET LANGUAGE
<p>High-Impact Tutoring \$15.3 million High-Level Line Number: 125 GAA Page Number: 245, 247, 249</p>	<p>The Legislature appropriated \$15.3 million for FY27 through FY29, or \$5.1 million a year, to support evidence-based high-impact tutoring programs taking place during school hours.</p> <p>The required evaluation may examine impacts of these tutoring programs on student math and reading proficiency.</p>	<p><i>“To conduct a randomized controlled trial on high impact tutoring during the school day to improve student reading proficiency and math proficiency. Up to one hundred thousand dollars (\$100,000) may be used by the public education department to evaluate and monitor outcomes. The other state funds appropriation is from the public education reform fund.”</i></p>
<p>Martinez-Yazzie Action Plan Implementation \$2 million High-Level Line Number: 135 GAA Page Numbers: 219-220</p>	<p>PED’s action plan is a response to the court ruling that the state failed to meet its constitutional obligation to provide a uniform and sufficient education, particularly for Native American students, English learners, students with disabilities, and students experiencing poverty.</p> <p>PED has developed a draft plan that has been submitted to the 1st Judicial District Court to address the following four areas: equitable access to high-quality instruction; equitable access to high-quality educators; equitable access to academic, social, well-being, and behavioral services and effective funding, support, and accountability to drive systemic improvement.</p> <p>This appropriation contains contingency language requiring a final court order for the funds to become available to PED.</p>	<p><i>“To implement a comprehensive action plan pursuant to a final court order in Martinez v. state of New Mexico No. D-101-CV-2014-00793 and Yazzie v. state of New Mexico No. D-101-CV-2014-02224 for expenditure in fiscal years 2026 and 2027. The other state appropriation is from the public education reform fund.”</i></p>

Other Nonrecurring Appropriations

LINE ITEM	EXPLANATION	SELECT BUDGET LANGUAGE
<p>School Bus Replacement \$18.9 million High-Level Line Number: 146 SB240 Page Number: 237</p>	<p>According to PED, the FY27 school bus replacement funds will be used to replace approximately 118 school buses, across 38 school districts.</p> <p>In New Mexico, school buses are replaced on a 12-year cycle, with earlier replacement allowed to address safety concerns or enrollment growth.</p>	<p><i>“Eighteen million eight hundred eighty thousand dollars (\$18,880,000) to purchase district-owned school buses statewide.”</i></p>

LINE ITEM	EXPLANATION	SELECT BUDGET LANGUAGE
<p>Construction of STEM Institute \$10 million High-Level Line Number: 150 SB240 Number: 240</p>	<p>The \$10 million allocation is for the construction of a New Mexico Science, Technology, Engineering, and Math (STEM) Institute in FY27. In FY26, \$20 million was allocated for the facility.</p> <p>The institute is a statewide initiative designed to expand hands-on, inquiry-based STEM learning and connect students with industry and career pathways. It is intended to support K-12 classrooms, offer out-of-school enrichment, and provide professional development for educators.</p>	<p><i>“Ten million dollars (\$10,000,000) to design, construct, furnish and equip a science, technology, engineering and mathematics institute in Albuquerque in Bernalillo County.</i></p>
<p>Literacy Institute Construction \$10 million High-Level Line Number: 152 SB240 Page Number: 241</p>	<p>This \$10 million allocation is for the construction of the New Mexico Literacy Institute.</p> <p>The institute is a statewide initiative to improve reading outcomes through structured literacy and the science of reading. The institute is intended to provide educator training, tutoring, coaching, and family literacy support, with the goal of helping students reach grade-level reading proficiency.</p> <p>In FY26, the Legislature appropriated \$30 million for the New Mexico Literacy Institute.</p>	<p><i>“Ten million dollars (\$10,000,000) for expenditure in fiscal years 2026 through 2030 to construct, furnish and equip a literacy institute in Albuquerque in Bernalillo county.”</i></p>



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