

## B i t e - S i z e

Structured literacy drives New Mexico's commitment to early reading success. In August, LESC will launch site visits to educator preparation programs across NM, to explore how future teachers are being equipped with evidence-based literacy practices that support decoding, language development, and culturally responsive instruction.

The Indigenous Science Initiative (ISI) is launching place-based, culturally responsive science lessons in grades six through eight across eight pilot schools in NM. The curriculum incorporates Indigenous knowledge systems, community-driven learning, culturally sustaining pedagogy and engages tribal knowledge keepers.

New Mexico State University (NMSU) is launching the state's first bachelor of science in artificial intelligence in fall 2026. The program is designed to provide students with a strong foundation in machine learning, automated reasoning, and natural language processing, along with courses in the ethical and societal implications of AI use.



# i n f o r m E D

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Senator William P. Soules, Chair / Representative G. Andrés Romero, Vice Chair / John Sena, Director / July 2025

### From the Chair

I recently attended the Education Commission of the States (ECS) National Forum on Education Policy in Salt Lake City to learn about policy efforts to support education across the country.

New Mexico received several shoutouts this year. One I'm particularly proud of is how the 2024 national teacher of the year, Missy Testerman from Tennessee, applauded our efforts to increase teacher salaries. She called out how teachers nationally are paying attention to New Mexico—especially how we have increased both starting and ongoing teacher salaries by increasing minimum pay across all levels of our licensure system.

New Mexico was also recognized for its early childhood programs, high school summer enrichment internship program (two of these students are working in the Soules Aero-Knowledge Center this summer), math tutoring, and teacher residencies.

It also gave me a chance to compare New Mexico's efforts in important topics like literacy—we are closely aligned with how states like Mississippi and Louisiana are improving literacy, and LESC has been researching any gaps in implementation this interim so our students can see the same gains.

Folks across the nation are paying attention to New Mexico. For the next two years, we will also be involved more on the national front as I will be serving as Vice Chair of ECS' Executive Committee alongside Wyoming Governor Mark Gordon, who will be serving as Chair.

While progress takes time, we are starting to see our investments make an impact. Enrollment in educator preparation programs is at an all-time high. Literacy rates are improving. Graduation rates have increased to 78 percent. Our starting teacher salaries are seventh highest in the nation. These changes are adding up, and while we have more work to do, we must stay the course in our efforts. We're on the right track.

## Work Group Develops AI Education Policy

In response to House Memorial 2 (2025), Legislative Education Study Committee (LESC) staff convened an artificial intelligence (AI) working group in June 2025 to explore the potential impacts, benefits, and risks of AI in public education. The group brought together legislators, educators, school leaders, agency staff, and nonprofit partners for three virtual sessions and one in-person session, to assess how AI is currently being used in schools and what policies might be needed to guide its safe, effective, and equitable implementation.

At the group's first meeting, participants received baseline presentations from New Mexico's Public Education Department (PED) and Albuquerque-based nonprofit, Future Focused Education (FFE). PED presented its AI Guidance for kindergarten to 12th grade. The guidance includes definitions for AI literacy across different age groups, guiding principles for the use of AI, and a framework for integration. FFE presented a brief which discussed the different needs and recommendations for the development of AI policy. The goal of this meeting was to give participants a foundational understanding of AI, its potential,

and the risks associated with it so participants could set goals for following meetings.

The second session focused on reviewing specific AI-powered tools used for lesson planning, personalized learning, attendance monitoring, and instructional feedback. Participants discussed how these tools are already influencing teaching and learning, as well as their potential to amplify educational inequities if left unchecked. The working group also examined key risks, including algorithmic bias, over-reliance on generative outputs, and the erosion of critical thinking and considered strategies to ensure AI tools are used to support, not supplant, educator expertise. Participants conducted strengths, weaknesses, opportunities, and threats (SWOT) analysis of the technology, mapped the needs of actors across the education system, and identified potential roles.

The third session included presentations on the national policy landscape of AI as well as understanding tribal data sovereignty in AI. During this session's activity, participants developed policy pillars to guide the recommendations defined in the fourth session.

The group's final recommen-

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# Federal Funding for K-12 Education Update

On June 4, 2025, the U.S. Department of Education (ED) released its FY26 budget proposal which includes substantial restructuring of federal kindergarten through 12th grade (K-12) education funding.

The proposal includes a Simplified Funding Program which would consolidate 18 existing programs into a single \$2 billion block grant, a \$3.8 billion reduction from FY25 levels. It would also eliminate dedicated funding for TRIO, English learner programs, and migrant education. These changes could further disrupt New Mexico’s ability to provide supports for high-need students.

Additionally, on June 30, 2025, ED announced the withholding of approximately \$6.8 billion in FY25 federal funding for K-12 education. Impacted funds include Title I-C (Migrant Education Programs), Title II-A (Supporting Effective Instruction), Title III-A (English

Learner Services), Title IV-A (Academic Enrichment), and Title IV-B (21st Century Community Learning Centers).

According to PED, the funds withholding places 185 positions at risk, including 176 at local school districts and charter schools. Impacted roles include instructional coaches, English learner specialists, and out-of-school program coordinators.

The Learning Policy Institute, a national organization that conducts education research, noted every U.S. state will see a delay in receiving at least 10 percent of its annual federal K-12 funds, raising concerns about budget stability nationwide. For New Mexico, the withheld funding totals an estimated \$44.8 million, approximately 10.2 percent of the state’s federal allocation.

On July 18, 2025, ED announced it will be releasing Title IV-B funds to all states, which supports after school and

summer learning. FY25 Title IV-B funds for New Mexico total about \$9.8 million.

The remaining withholding comes at a vulnerable time, as school districts prepare for the start of the academic year and navigate recovery efforts from pandemic-related learning loss, staffing shortages, and expanded student needs. It also intersects with efforts to expand high-quality instruction, multilingual learner support, and extended learning programs, all areas reliant on impacted funds. ED has not provided a specific timeline for resolving the remaining FY25 funding withholding.

In the meantime, LESC staff are preparing contingency analyses and legislative options should additional stabilization efforts be required. Additionally, staff will provide LESC members with an update on federal funds and actions at the committee’s hearing on July 25 in Las Vegas.

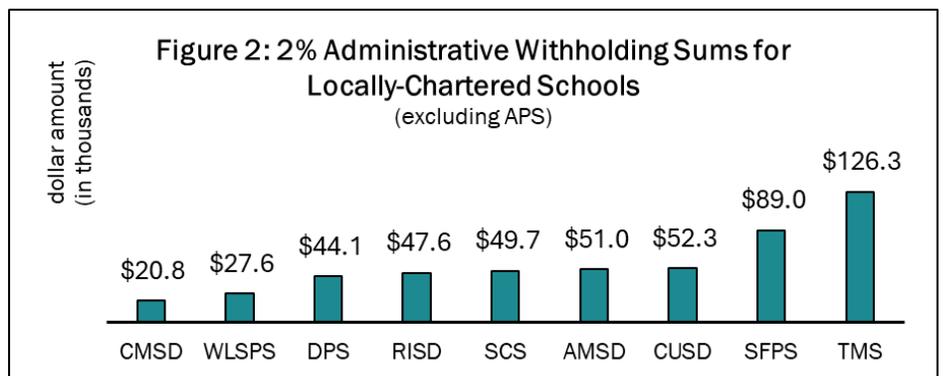
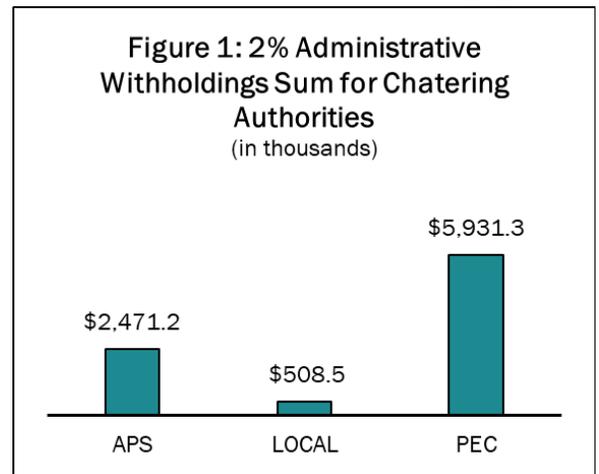
## AI Working Group

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dations, are organized around five guiding pillars: equitable access to AI tools, effective and safe implementation strategies, student and teacher data privacy protections, mitigation of misuse and overdependence, and system-level adjustments in a rapidly evolving AI landscape. LESC staff have compiled the working group’s findings into a formal report to inform future legislation, administrative rulemaking, and district-level guidance. LESC staff, alongside working group participants, will present this report at a hearing on Wednesday, July 23 in Las Vegas, NM.

## Charter School Administrative Support

In New Mexico, charter school authorizers retain 2 percent of the school-generated program cost for administrative support. In FY25, local districts received between \$20.8 thousand and \$126.3 thousand, excluding Albuquerque Public Schools (APS). Meanwhile, APS alone retained nearly \$2.5 million and the Public Education Commission (PEC) retained approximately \$5.9 million. Considering the high variance in the amount retained by each authorizer, it raises questions about the allocation of these funds and the amount needed to be withheld from schools. LESC staff will elaborate on these figures at an upcoming hearing in Las Vegas, NM on Wednesday, July 23.



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