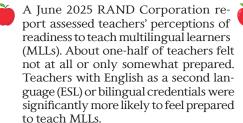
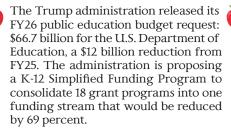
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The U.S. Department of Housing and Urban Development reported a 39 percent increase in family homelessness from 2023 to 2024. New Mexico has not experienced a similar increase, but still sees above average rates. Experts warn this disproportionately impacts children under age six, whose development is affected by housing instability.



a publication of the Legislative Education Study Committee

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

From the Chair

As we embark on another legislative interim that promises thoughtful discussion and healthy debate about our state's education challenges, it is important to take stock of the progress we have made. As a Legislature, we have invested record funding into our schools to equitably fund student needs, improve literacy, support student well-being and safety, and fairly compensate educators.

As a committee, LESC has traveled the state, listening to communities and collaboratively developing policy solutions. Though the efforts of LESC and the broader Legislature are reasons for optimism, significant work remains to ensure our students are prepared to live, work, and thrive in the modern world. We must renew our commitment, in partnership with PED and New Mexicans across our state, to addressing the Martinez-Yazzie lawsuit and building a more equitable and responsive education system. We must ensure our educator preparation programs offer high-quality training to the next generation of educators. And at an uncertain time for many students and families, we should stay grounded in this committee's guiding principle: developing policies that put students and educators first.

During the 2025 legislative interim, the LESC will travel to Roswell, Las Vegas, Gallup, and Las Cruces. It is my hope our discussions will remain rooted in the central pillars of our LESC Roadmap: educator ecosystem, academic design, overarching systems, and whole child supports. This roadmap will be a vital tool to measure progress, vet education-related proposals, and develop concrete policies to serve New Mexico students.

Lastly, public participation is an essential part of the LESC process. I encourage community members to attend our hearings, submit public comments, and share your thoughts. I look forward to a productive 2025 interim.

Martinez-Yazzie: Court Orders PED-Developed Plan

Following a motion filed by plaintiffs in the Martinez-Yazzie lawsuit in September 2024, the First Judicial District Court ruled on April 29, 2025, that the Public Education Department (PED) must lead the development of a comprehensive remedial action plan to address the state's continued noncompliance with court orders in the education sufficiency lawsuit. The plaintiffs argued the state had failed to implement reforms ensuring a "uniform and sufficient education" for at-risk students, citing a lack of measurable progress, ongoing poor student outcomes, and leadership turnover at PED.

While plaintiffs proposed that the Legislative Education Study Committee (LESC) staff lead the planning process, PED and the court disagreed. In its November 2024 response, PED agreed on the need for a plan but rejected the plaintiffs' proposal for LESC to lead this, asserting its own responsibility and capacity to lead. PED emphasized the importance of maintaining executive authority and flexibility while acknowledging LESC's potential advisory role. PED also proposed engaging an expert consultant to help with developing the plan.

In its April 2025 order, the court agreed with PED's stance on leading the plan, although for somewhat different reasons. The court stated LESC is not a party to the case and is beyond the court's jurisdiction. However, the court welcomed voluntary participation from LESC staff to assist PED in identifying an outside consultant and supporting development of the plan. LESC staff, with committee approval, have agreed to partner with PED on specific tasks.

The court's May 2025 order set clear deadlines: by July 1, PED must select an expert consultant; a draft plan must be completed by October 1; and a final plan must be submitted by November 3. Plaintiffs may file objections by December 1, with a hearing possible thereafter. The court warned noncompliance may result in sanctions.

Based on the September 2024 motion, plaintiffs envision a detailed, transparent plan encompassing culturally and linguistically responsive education, equitable finance and accountability systems, inclusive special education services, and adequate staffing. PED, in its response to the plaintiffs' motion, placed an emphasis on system inputs and institutional flexibility.

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Health Insurance Premiums for School Employees

As the cost of insurance premiums has continued to increase in recent years, the Legislature has taken steps to reduce the burden of those costs on public employees. Legislation enacted during the 2025 session increasing the employers' share of premiums for state employees has prompted conversation about doing the same for public school employees.

Laws 2025, Chapter 80 (SB376) requires state agencies to pay 80 percent of insurance premiums for state employees, with employees paying 20 percent. School districts and charter schools are required to pay at least 80 percent of insurance premiums for employees earning less than \$50 thousand annually, however the requirement does not apply to all employees, creating disparities between benefits for state employees and public school employees.

Martinez-Yazzie Plan

(continued from front)

As the plan is developed, meaningful stakeholder engagement statewide will be necessary to create a truly comprehensive remedial action plan.

As of writing, PED issued its request for interest (RFI) to develop a plan. The RFI established minimum qualifications and expected timelines. The RFI also asked applicants to describe their proposed approach to stakeholder engagement and how they would work with PED's cabinet and legal counsel to develop a plan. LESC staff will continue to provide regular updates on the *Martinez-Yazzie* comprehensive remedial action plan.

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https://www.nmlegis.gov/Entity/LESC/Default

Jessica Hathaway Editor John Sena / Conor L. Hicks Contributing Editors And while some school districts and charter schools choose to pay larger shares as a recruitment and retention tool, they use discretionary operational funds to do so, funding this with money that could be used for other student services. At least two school districts in New Mexico pay 100 percent of employees' premiums, while 14 pay more than is statutorily required. Another 14 school districts cover 80 percent of employees' premiums.

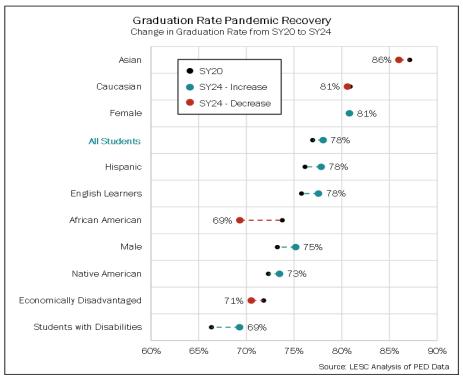
Increasing what school districts and charter schools pay toward premiums would come at a significant recurring expense to the state. Estimates from the New Mexico Public Schools Insurance Authority (NMPSIA) show increasing employers' share from their current levels to 80 percent of premiums would mean \$51.1 million in annually recurring costs, assuming the state closes only the gap between what school dis-

tricts and charter schools are paying presently. To fully cover the increase, including what some school districts are already doing, would mean \$74 million in annual costs.

Insurance and retirement benefits continue to be an integral part of educators' total compensation package. Choosing to increase the state's share of premiums would add to the Legislature's investments in increased educator salaries. NMPSIA estimates an 80/20 cost sharing model could save public school employees earning more than \$60 thousand an additional \$4.7 thousand annually.

LESC staff will present an overview of current insurance structures and the issues surrounding possible increases to employer shares to the committee during its June meeting in Roswell on Wednesday, June 25.

Graduation Rates Reach a 10-Year High Point



PED released graduation rates from the 2023-2024 school year (SY24), announcing a four-year cohort graduation rate of 78 percent, a 1.3 percentage point increase from SY23. The graduation rate is the highest New Mexico has seen in more than 10 years. When comparing student subgroup rates pre- and post-pandemic, most students have improved, notably English learners, students with disabilities, and Native American students. Gaps remain for economically disadvantaged students and African American students.

To reach the national average graduation rate of 87 percent, an additional 2,400 students would need to graduate from high school each year.