

HOUSE BILL 123

57TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2026

INTRODUCED BY

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AN ACT

RELATING TO PUBLIC SCHOOLS; REQUIRING THE PUBLIC EDUCATION DEPARTMENT TO MAINTAIN AN INTEGRATED DIGITAL SYSTEM FOR SCHOOL DISTRICTS AND CHARTER SCHOOLS TO MANAGE FUNDING FROM CERTAIN STATE AND FEDERAL GRANT PROGRAMS; REQUIRING SCHOOL DISTRICTS AND CHARTER SCHOOLS TO APPLY FOR FUNDING FROM CERTAIN STATE AND FEDERAL GRANT PROGRAMS THROUGH A UNIFIED APPLICATION; REQUIRING THE PUBLIC EDUCATION DEPARTMENT TO APPROVE A SCHOOL DISTRICT'S OR CHARTER SCHOOL'S PROPOSED EXPENDITURES; MAKING AN APPROPRIATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. A new section of the Public School Code is enacted to read:

"NEW MATERIAL" UNIFIED APPLICATION FOR STATE AND FEDERAL
GRANTS.--

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A. The department shall maintain an integrated digital system for school districts and charter schools to manage funding from state and federal grant programs. The system shall include a unified application that:

(1) consolidates common requirements across state and federal grant programs;

(2) automates data entry and calculations;

(3) creates a single source of accurate and consistent data for each school district and charter school;

(4) categorizes grant programs with unique

grant codes;

(5) categorizes the types of expenditures

authorized across grant programs with unique expenditure codes;
and

(6) provides a mechanism for the department or a school district or charter school to monitor compliance with grant program requirements.

B. School districts and charter schools shall apply for and manage funding from the following grant programs through the integrated digital system:

(1) grant programs established pursuant to the federal Elementary and Secondary Education Act of 1965, as amended by the federal Every Student Succeeds Act;

(2) grant programs established pursuant to the federal Individuals with Disabilities Education Act;

(3) grant programs established pursuant to the Community Schools Act;

(4) all grant programs established to promote literacy or reading proficiency pursuant to the Public School Code; and

(5) other state or federal grant programs required by the department after consultation with the legislative education study committee and the legislative finance committee.

C. When a school district or charter school applies for grant program funding through the integrated digital system, the school district or charter school shall provide line-item details for each proposed expenditure, and those proposed expenditures shall be subject to the department's approval."

SECTION 2. TEMPORARY PROVISION.--The digital system or unified application currently used by the public education department shall comply with the provisions of this act by December 31, 2026.

SECTION 3. APPROPRIATION.--One million dollars
(\$1,000,000) is appropriated from the general fund to the public education department for expenditure in fiscal years 2026 and 2027 to bring into compliance or otherwise maintain the integrated digital system for school districts and charter schools to manage funding from state and federal grant

1 programs. Any unexpended balance remaining at the end of
2 fiscal year 2027 shall revert to the general fund.

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