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FISCAL IMPACT REPORT

BILL NUMBER: House Memorial 30

SHORT TITLE: Public Education Governance Study

SPONSOR: Garratt/Romero, GA/Baca/Chatfield

LAST ORIGINAL
UPDATE: _____ **DATE:** 2/13/26 **ANALYST:** Liu

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT*

(dollars in thousands)

Agency/Program	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
		No fiscal impact				

Parentheses () indicate expenditure decreases.

*Amounts reflect most recent analysis of this legislation.

Relates to House Bill 185, Senate Bill 64, and Senate Joint Resolution 3

Sources of Information

LFC Files

Legislative Education Study Committee (LESC) Files

Agency or Agencies Providing Analysis

Public Education Department

Early Childhood Education and Care Department

Higher Education Department

SUMMARY

Synopsis of House Memorial 30

House Memorial 30 (HM30) requests the Legislative Education Study Committee (LESC) to study public education governance and make recommendations on a governance structure and statewide education commission. The memorial requests LESC to work with LFC, the Public Education Department (PED), Early Childhood Education and Care Department (ECECD), Higher Education Department (HED), Indian Affairs Department (IAD), the Children's Cabinet, and other organizations, educators, and Indian nations, tribes, and pueblos to study this issue and publish a report by November 30, 2026.

FISCAL IMPLICATIONS

Memorials do not contain appropriations and are not enforceable as state law. The study requested in this memorial is within the normal operations of the agencies involved and is unlikely to result in significant costs.

SIGNIFICANT ISSUES

Changes to New Mexico's governance structure in the last quarter century have coincided with significant events, including the Great Recession of 2008, *Martinez-Yazzie* education sufficiency lawsuit in 2018, and Covid-19 pandemic in 2020. Simultaneously, the state experienced a decade of austere budgeting for schools, the addition of over 100 charter schools, a surge and subsequent decline in student enrollment, a change from a state board of education to executive-level secretary of education, three major shifts in gubernatorial educational platforms and subsequent changes to state accountability structures, and major investments in instructional time and educator pay.

Prior to FY04, New Mexico had an elected policymaking state board of education. When the constitutional amendment establishing PED was passed in September 2003, responsibilities included shifting responsibilities from a superintendent of public instruction selected by the board to a secretary selected by the governor. In recent years, PED has seen more leadership changes in the position, with eight secretaries since 2003. PED secretary tenures have ranged from six months to seven years. According to LESC, between 1963 and 2002, New Mexico had only three state superintendents of instruction, with tenures ranging from five years to 22 years.

Significant changes in education leadership in the state, particularly following gubernatorial changes, have prompted discussion over education governance, given major shifts in direction at the highest levels of the education system are often unsuccessful without a long-term vision and consistent implementation. Yet no one governance structure in the United States appears to be strongly related to improved student achievement. Still, coordination across sectors and consistent leadership appear to be necessary components for effective change to occur. Other states have established educational commissions to provide some level of coherence and communication across administrations or to respond to educational deficiencies. While in theory these commissions provide some level of continuity and focus on education issues, some political and fiscal challenges could affect implementation of recommendations from these groups.

In 2016, the Maryland General Assembly established a 26-member Commission on Innovation and Excellence in Education to make the state's school system the best in the world. The commission, often referred to as the Kirwin Commission (named after the chairman), was given two tasks: (1) make policy recommendations to make Maryland's schools perform at the level of the best-performing schools in the world, and (2) propose changes to the current funding formula for schools. The Kirwan Commission finalized its report in 2019, recommending an annual increase of \$4 billion statewide (\$2.8 billion in state funding and \$1.2 billion in county funding) each year over 10 years to expand prekindergarten, expand career and technical education, hire more educators, raise teacher pay, provide support to struggling learners, and other best practices. In 2019, the Maryland General Assembly enacted an education reform law known as the Blueprint for Maryland's Future based on the Kirwin commission's recommendations, including appropriations of \$255 million FY20, \$355 million FY21, and \$370 million in FY22 for initial implementation.

In 2020, the Maryland General Assembly once again passed the Blueprint for Maryland's Future, but the bill was vetoed by the governor over concerns of a weakening Maryland economy due to the Covid-19 pandemic. In 2021, the Maryland General Assembly overrode the governor's veto. Since its enactment, the state has debated multiple proposals to fund the Blueprint, including tax

changes and spending cuts to pay for the plan. The plan is currently funded through FY27 but is projected to cause a \$1.1 billion deficit in the state's budget for FY28.

ADMINISTRATIVE IMPLICATIONS

The memorial requests LESC to work with LFC, PED, ECECD, HED, IAD, the Children's Cabinet, and other organizations, educators, other members appointed by the legislative and executive branches, and Indian nations, tribes, and pueblos to study public education governance and make recommendations on the purpose, feasibility, structure, time line, and composition of a potential education commission. The study should include a review of New Mexico statutes governing education systems, strategies to strengthen system capacity and coherence, long-term planning to support the state's response to the *Martinez-Yazzie* education sufficiency lawsuit, existing strategic plans addressing education in New Mexico, and the fiscal, staffing, and statutory considerations to implement any recommended governance structure by November 30, 2026.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This bill relates to House Bill 185, which authorizes PED to suspend individual school board members, Senate Bill 64, which creates an office of special education within PED, and Senate Joint Resolution 3, which transfers oversight of the PED secretary from the governor to an appointed state board of education.

OTHER SUBSTANTIVE ISSUES

A 2020 analysis of governance structures by the Education Commission of the States found:

- Twenty-five states have outlined a formal constitutional role specific to education for their governor.
- Every state has constitutional language detailing the authority and duties of state legislatures in education, and 40 states give the legislature some role in appointing or confirming the chief state school officer or state board of education members.
- Thirty chief state school officers have a formal constitutional role in state government. Additionally, how they are selected for office varies: 21 are appointed by state boards of education, 16 are appointed by the governor, 12 are elected, and one is appointed by the state executive-level secretary. In Oregon, the governor is the superintendent of education.
- State board of education authority and duties are also detailed in state constitutions and statute. Twenty-three states include state boards in the constitution, and 26 have only statutory powers and duties. Only Minnesota and Wisconsin do not have a state board, and New Mexico's public education commission is advisory only.
- Thirty-four states have some variation of an executive-level secretary. Such positions may mean additional formal duties for chief state school officers, or they may be individually appointed positions designated to serve the state board of education or work in some other capacity.
- Every state except for the District of Columbia and Hawaii has statutory provisions related to outlining the authority of local school boards. (Hawaii is one single school district and so is the District of Columbia.)

According to McKinsey & Company, a strategy and management consulting firm, approximately 80 percent of government transformation projects and major change efforts fail to achieve their objectives. This high failure rate stems from inadequate planning, political volatility, resistance to change, lack of clear ownership, and, particularly in IT projects, a failure to align technology with user needs. Based on McKinsey research and analysis, key reasons for this 80 percent failure rate include:

- Insufficient up-front planning: Projects often start without proper preparation, leading to unrealistic timelines and budgets.
- Political constraints and turnover: Short tenures of government leaders prevent long-term continuity, while political considerations create roadblocks to necessary, but unpopular, changes.
- Resistance to change: Lack of staff buy-in, workforce fatigue, and cultural resistance within public sector organizations hinder implementation.
- Weak program management: A lack of clear accountability and poor oversight, especially in large-scale IT projects, contributes to failure.
- Misaligned priorities: Government entities often struggle to focus, juggling too many initiatives simultaneously.
- Insufficient capability and resources: Governments frequently lack the necessary skills to design and implement complex, large-scale projects.

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