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FISCAL IMPACT REPORT

BILL NUMBER: House Memorial 43

SHORT TITLE: Study Framework for Public School Rankings

SPONSOR: Gonzales

LAST ORIGINAL
UPDATE: _____ **DATE:** 2/12/26 **ANALYST:** Liu/Goodlaw

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 Senate Bill 34

Sources of Information

LFC Files
Legislative Education Study Committee (LESC) Files
National Assessment of Educational Progress

Agency or Agencies Providing Analysis
Public Education Department

SUMMARY

Synopsis of House Memorial 43

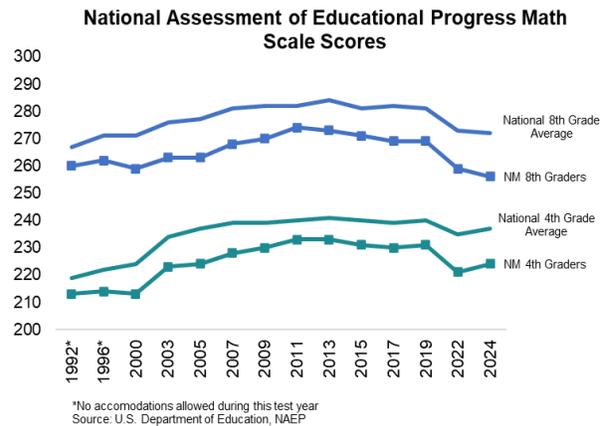
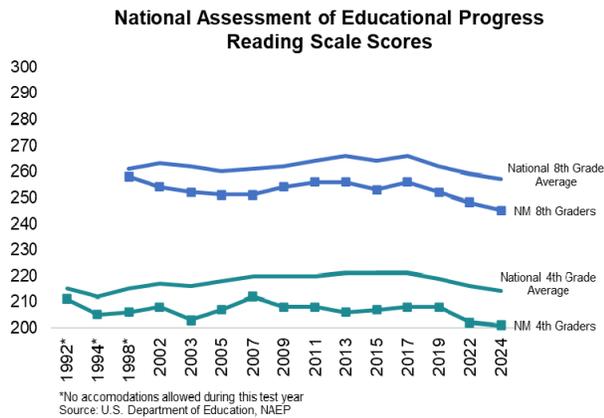
House Memorial 43 (HM43) requests LESC to collaborate with the Public Education Department (PED) to study the variances and methodologies used to rank public schools in New Mexico and surrounding states, to compare all New Mexico students' Lexile scores to peers in other states, and to analyze student achievement in math and reading, dropout and graduation rates, per-pupil funding levels, school safety indicators, class sizes, and instructor qualifications and credentials by November 1, 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

The National Assessment of Educational Progress (NAEP), the only longitudinal national assessment that has been administered to all states over the last two decades, shows average New Mexico math and reading performance has fallen below 2000 levels, except for fourth grade math scale scores. In general, New Mexico’s performance changes have largely mirrored trends in national performance on the NAEP test. The 2024 NAEP results continue to rank New Mexico in 50th place in all math and reading scores, the same rank as the 2022 NAEP results.



A December 2025 report commissioned by the New Mexico Coalition of Educational Leaders and produced by Evress Analytics, a for-profit education consulting firm, indicated New Mexico students exhibited higher growth in reading performance compared to national rates when using a Lexile-based measure. The report noted New Mexico’s benchmark for reading proficiency was higher and more challenging than neighboring states, such as Texas, obscuring the state’s true standing nationally. However, the Evress analysis only included reading test scores from 29 school districts (excluding Albuquerque Public Schools, the largest district) and focused solely on scores in third through eighth grades. The report recommended using multiple assessments to measure growth alongside proficiency and emphasized New Mexico’s ranking was not last in the nation.

Previous LFC evaluations of school time and prekindergarten programs have consistently found students in New Mexico, on average, gain approximately a year’s worth of academic growth in each grade. This average, however, masks large variation among school districts, with some reporting larger student gains than others. Additionally, because many students enter the kindergarten-12th grade system several years behind, the year’s worth of academic growth is insufficient to catch students up by the time they reach high school.

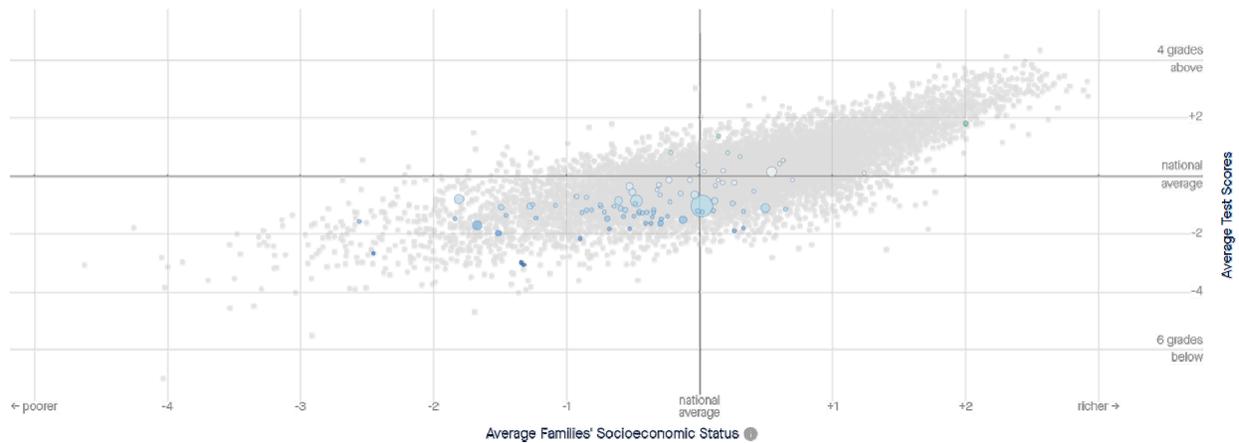
Like the Evress analysis, other organizations have attempted to provide an apples-to-apples comparison of academic performance across states, given the differences across state tests administered and demographic makeup of student groups. The Educational Opportunity Project at Stanford University compared student achievement across differing state tests using the NAEP test as a common benchmark and found between 2009 and 2019, average New Mexico test scores were about one grade level below the U.S. average. However, New Mexico’s learning rates were about the same as other states. Yet these averages also masked the wide variation across individual districts. When looking at individual districts, many showed lower average test scores but higher learning (or growth) rates compared to other districts across the nation.

2009-2019 New Mexico Average Student Test Scores by District

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Average Students' Test Scores vs. Socioeconomic Status

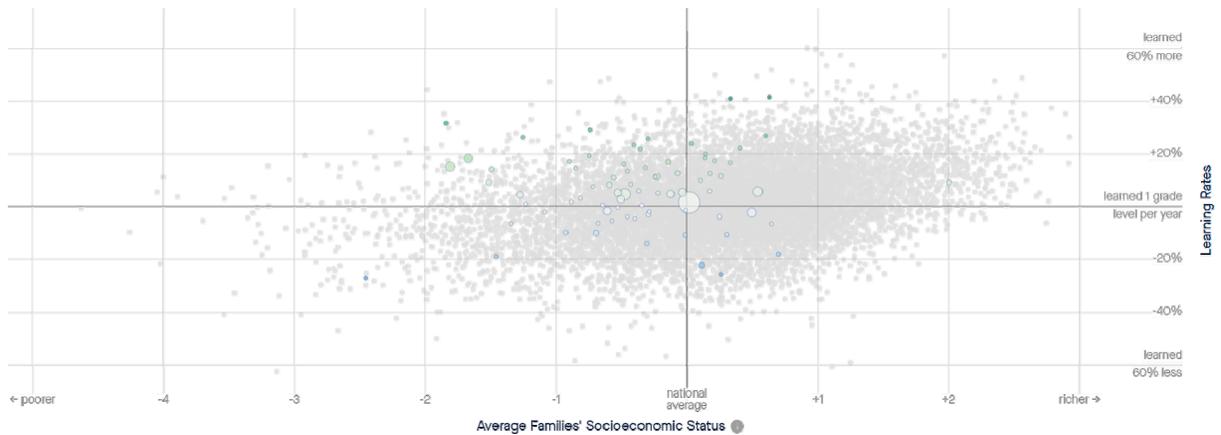
Circles represent school districts, sized relative to the number of students. The largest 86 districts are visible.



2009-2019 New Mexico Average Student Test Score Growth by District

Average Students' Learning Rates vs. Socioeconomic Status

Circles represent school districts, sized relative to the number of students. The largest 77 districts are visible.



Source: Educational Opportunity Project at Stanford University

In 2025, the Urban Institute established a conditional measure for NAEP achievement that attempted to adjust for student background characteristics in 2022 and 2024 in comparing state performance. While this measure did not take into consideration absolute achievement, it did show when New Mexican students were compared with students with similar demographic backgrounds, New Mexican students achieved at higher levels, albeit still well below expected standards of achievement. Using the Urban Institute’s adjustments, New Mexico’s ranking would be higher.

	2022 NAEP				2024 NAEP			
	4 th Grade		8 th Grade		4 th Grade		8 th Grade	
	Math	Reading	Math	Reading	Math	Reading	Math	Reading
NM Rank	50 th	50 th						
Adj. NM Rank	38 th	34 th	27 th	25 th	37 th	31 st	37 th	30 th

Source: Urban Institute

While multiple reports corroborate the fact New Mexico students are learning at a faster growth rate than their peers in some states, the studies do not change the fact that New Mexico students, on average, have a lower overall proficiency rate than most states.

ADMINISTRATIVE IMPLICATIONS

The memorial requests LESC to collaborate with PED in studying the variances and methodologies used to rank public schools in New Mexico and surrounding states. Additionally, the memorial asks LESC to collect and examine the performance of all New Mexico students as measured by Lexile scores that can be easily compared to peers in other states. The memorial requests a report of findings and recommendations to the New Mexico Legislative Council no later than November 1, 2026.

The memorial further requests an analysis of student achievement in math and reading, dropout and graduation rates, per-pupil funding levels, school safety indicators, class sizes, and instructor qualifications and credentials.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

This memorial relates to Senate Bill 34, which requires PED to publish data on the results of standardized assessments on or before September 1.

OTHER SUBSTANTIVE ISSUES

Each assessment cycle, NAEP selects a sample of students in designated grades within both public and private schools throughout the United States. In state assessment years, the samples of public schools and their students in each state must be large enough to support state-level estimates. The selection process uses a probability sample design in which every school and student has a chance to be selected, and standard errors can be calculated for derived estimates. As part of the selection process, public schools are combined into groups based on various school characteristics, such as physical location, minority enrollment, state achievement, and median income levels to provide a more ordered selection process with improved reliability of results.

On average, a sample of 100 grade-eligible public schools is selected within each jurisdiction; within each school, about 50 students are selected for an assessment. Students are sampled from a roster of individual names, not by whole classroom. According to NAEP, a one-time feature of some of the 2022 samples was maximum overlap with other earlier NAEP samples to analyze the effect of Covid-19.

In the 1992 National Adult Literacy Study, 25 thousand adults' reading abilities were tested and compared to their reported jobs and salary levels. The study found the average laborer read at 1000 Lexiles (L), the average secretary at 1200L, the average teacher at 1400L, and the average scientist at 1500L. The study also found a strong relationship between the last school grade completed and subsequent adult reading ability. For example, the average seventh grade graduate read at 800L, while the average high school graduate read at 1150L and college graduate read at 1400L.

According to MetaMetrics, the creator of the Lexile and Quantile measures, the Lexile scale can run from BR300L to 2000L, with scores of 0L and below reported as BR (beginning reader). For example, BR150L indicates the Lexile measure is 150 units below 0L. The higher a Lexile score,

the more complex the text. Texts are analyzed by the Lexile text analyzer, a Windows-based software program that can evaluate the reading challenge of the text for syntactic complexity and semantic difficulty. More than 100 million books, articles, and websites have been analyzed by the program and assigned a Lexile measure.

In addition to calibrating the reading difficulty of specific text, Lexiles can be used to measure a student's reading ability. When standardized test items are calibrated, the analyzer can create a corresponding Lexile measure for each question answered correctly on the test, which acts as a separate yardstick for measuring a student's level of reading comprehension using the Lexile framework. Like the Lexile framework, MetaMetrics has also created an equivalent scale for the complexity of math materials called the Quantile.

ALTERNATIVES

The Evress report only focused on literacy and Lexile scores but did not include an analysis of New Mexico math and Quantile scores, which are used within the state's math assessments. Given the memorial's request to analyze student achievement in math and reading, the sponsor may want to include collection and examination of state Quantile scores as well.

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