

According to the Public Education Department (PED), student math and reading test scores and graduation rates have stagnated in 2023 despite improvements in the achievement of economically disadvantaged students. High school graduation rates have also stayed the same in 2023, and chronic absenteeism rates remain high, despite a slight improvement from the prior year.

The flat trend in student performance this year is particularly concerning, as the department’s draft action plan to address the *Martinez-Yazzie* lawsuit sets growth targets for student outcomes, recurring appropriations have grown by 49 percent since the court ruling, and the state continues to rank at the bottom of national metrics. The department’s plan anticipates 50 percent growth in student achievement between FY22 and FY26—in other words, a statewide 30 percent proficiency rate for math and 50 percent proficiency rate for reading within the next three years.

In August 2023, PED released 852 public school ratings on its public Vistas dashboard and identified 218 schools needing state support or intervention. The ratings included 31 schools with the lowest performance needing more rigorous interventions. Currently, PED is proposing new rules requiring the lowest performing schools to develop department-approved intervention plans that significantly restructure or redesign the school using evidence-based strategies, restarting, or closing the school.

Achievement and Attainment

Flat Academic Performance. According to PED, proficiency rates for fourth and eighth grade students in math and reading for 2023 were virtually the same as the prior year, suggesting potential issues with data quality or a more troubling trend of sluggish progress in overall achievement levels. The department has not released disaggregated student achievement data like previous years, limiting comparisons across all grade levels and student subgroups. However, the performance of economically disadvantaged students improved for fourth and eighth graders, indicating the achievement gap has narrowed for this subgroup.

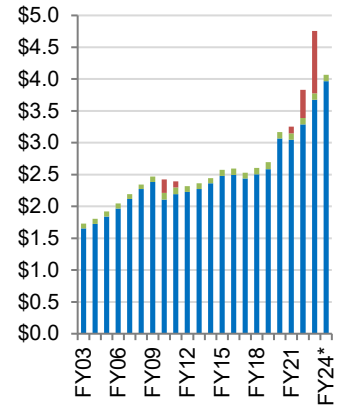
For FY23, PED reports the reading proficiency of economically disadvantaged students grew by 3 percentage points for fourth graders and 2 percentage points for eighth graders. Math proficiency for these students also improved by 2 percentage points for fourth graders and 1 percentage point for eighth graders. Notably, this subgroup of students represents about two-thirds of total enrollment, meaning their more affluent peers performed at significantly lower levels than the prior year to arrive at a flat statewide average proficiency rate. Without more detailed reporting on student achievement from PED, the validity of these results cannot be determined nor verified.

Graduation Rates Unchanged. According to PED, the state’s overall four-year high school graduation rate for the class of 2022 was 76.8 percent—exactly the same as the class of 2021. Like statewide math and reading proficiencies, the stagnant results for graduation rates and absence of disaggregated data beg the question of whether reported results are accurate. If reported figures are valid, the

ACTION PLAN

Submitted by agency?	Yes
Timeline assigned?	Yes
Responsibility assigned?	No

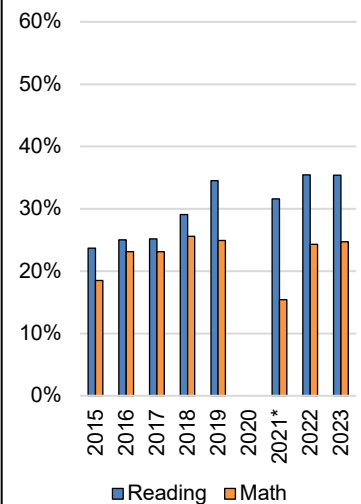
Operational Funding for Public Schools (in billions)



- Federal Emergency Relief Funds
- Federal Impact Aid and Local Mill Levy
- State Equalization Guarantee

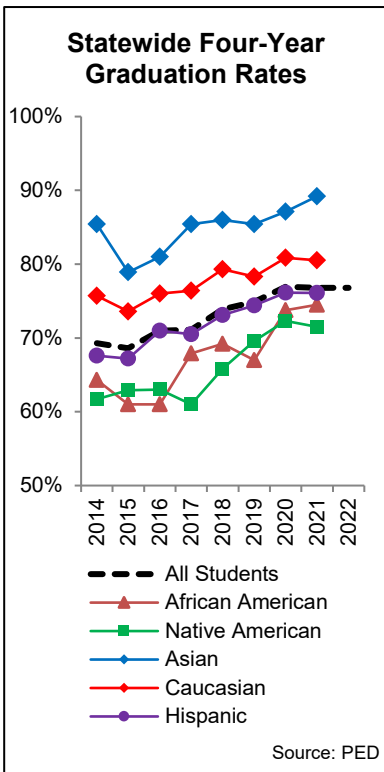
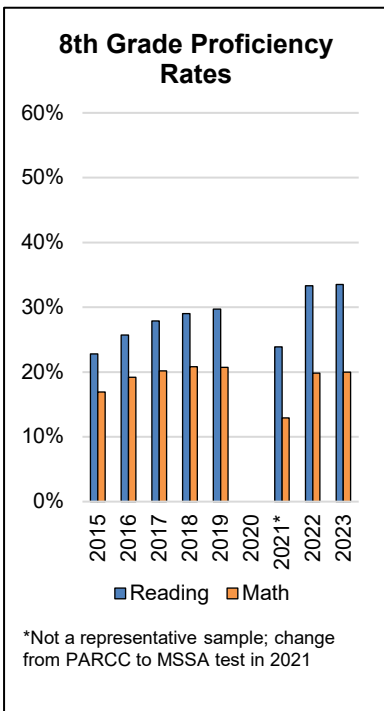
Source: LFC Files

4th Grade Proficiency Rates



*Not a representative sample; change from PARCC to MSSA test in 2021.

Source: PED



lack of progress suggests the state’s recent large investments in education may not be producing any immediate noticeable results.

New Mexico still lags significantly behind the 2021 national graduation rate (85.3 percent). In July 2023, PED changed rules regarding high school graduation requirements for 2025, removing alternative demonstrations of competency and allowing students to demonstrate competency for graduation through district-approved exams or projects, state or national assessments, dual-credit courses, career technical certificates, or programs of study.

PUBLIC SCHOOL SUPPORT

Budget: \$3,812,922.2 FTE: N/A

	FY21 Actual†	FY22 Actual	FY23 Target	FY23 Actual‡	Rating
Reading proficiency (4 th grade)	31.6%	35.4%	34%	35.4%	Y
Math proficiency (4 th grade)	15.4%	24.3%	34%	24.7%	R
Reading proficiency (8 th grade)	23.9%	33.3%	34%	33.5%	R
Math proficiency (8 th grade)	12.9%	19.8%	34%	20%	R
High school graduation rate (4 year)	76.8%	76.8%	75%	Not reported	R
College remediation rate	32.7%	31.4%	<30%	32.7%	R
Chronic absenteeism (elementary)	Not reported	38%	<10%	37.7%	R
Chronic absenteeism (middle)	Not reported	42%	<10%	41.2%	R
Chronic absenteeism (high)	Not reported	43%	<10%	42.9%	R
Students exiting English learner status (elementary)	New	0.03%	10%	3.9%	R
Students exiting English learner status (middle)	New	3.8%	10%	1.4%	R
Students exiting English learner status (high)	New	0.04%	10%	2.3%	R
Teacher vacancies	New	1,048	N/A	690	Y
Share of at-risk funds spent on at-risk services	Not reported	93%	N/A	24.2%	R
Classroom spending in large districts	Not reported	73%	N/A	72.1%	Y
Program Rating	R	R			R

†Proficiency rates reflect students that opted to test in FY21, representing only about a tenth of each grade level
 ‡Proficiency, graduation, remediation, and absenteeism data for FY23 are under review and may be inaccurate

Attendance and Engagement

Enrollment Continues Decreasing. Preliminary student enrollment counts for the 2022-2023 school year dropped to 305.6 thousand students, a decrease of 2,597 students, or 0.8 percent, from the prior year. The decrease reflects a prepandemic trend of declining student enrollment due to lower birth rates and shrinking kindergarten cohorts. The gradual decrease in enrollment can present staffing challenges for schools—particularly for smaller districts—because the loss of students is generally distributed across multiple grade levels rather than in a single classroom.

Chronic Absenteeism Remains High. Student chronic absenteeism rates, or the percentage of students missing 10 percent or more of school days, increased dramatically following the pandemic and have remained at heightened levels since FY20. Statewide chronic absenteeism decreased from a peak of 38.1 percent

in FY22 to 35.8 percent in FY23, with the highest rates of absenteeism reported for students facing housing insecurity at 52.6 percent. Additionally, chronic absenteeism rates were highest for the youngest and oldest students, with 42.1 percent of kindergarteners and 39.8 percent of high school seniors reported as chronically absent in FY23. Like other states, New Mexico’s absenteeism rates have soared since Covid-19; however, New Mexico’s chronic absenteeism rate rank grew from the 18th highest rate in the nation in FY19 to sixth place in FY21 based on federal data.

Public Education Department

The last court order in the *Martinez-Yazzie* case required PED to improve access to high-speed internet and digital devices for students. The department has leveraged federal emergency relief (ESSER) funds to expand access to students and mapped areas across the state needing additional support. PED continues to struggle with processing federal reimbursements, likely due to the substantial influx of ESSER aid and a 23 percent vacancy rate within the agency.

Budget: \$20,869.0 **FTE:** 354.0

	FY21 Actual	FY22 Actual	FY23 Target	FY23 Actual	Rating
Students in K-5 Plus and extended learning time programs	155,864	147,404	N/A*	131,885	R
Average days to process reimbursements	40	37	24	38	R
Data validation audits of funding formula	24	24	30	12	R
Percent of students with access to a high-speed internet connection	New	91%	100%	60%	R
Percent of students with access to a digital device	New	95%	100%	84%	R
Program Rating	R	R			R

Federal and State Resources. Of \$1.5 billion from three rounds of federal ESSER funding, New Mexico has spent the entire first round of ESSER, also known as the Coronavirus Aid, Relief, and Economic Security (CARES) amount. Schools spent nearly one-third of CARES funding on educational technology; other expenditures include \$5 million for school leaders, sanitization, and planning.

At the end of FY23, nearly 70 percent of the second round of ESSER, the Coronavirus Response and Relief Supplemental Appropriations (CRRSA), was spent. Similar to CARES, schools mostly purchased educational technology and operational services but also planned to spend \$21.3 million to address learning loss and \$18.3 million for summer learning and afterschool programs. Schools have already obligated 24 percent of the third round of ESSER, or American Rescue Plan (ARPA) dollars, which must be spent by September 2025. However, recent guidance from the U.S. Department of Education will allow schools to continue spending ARPA funds for some multi-year services beyond that deadline.

In addition to ESSER aid, school districts and charter schools continued to grow unrestricted cash reserves, carrying over balances of \$623 million from FY23. Statewide cash balances grew by \$97.5 million, or 19 percent, from the prior year and now represent 17 percent of FY23 program cost.

