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**LEGISLATIVE EDUCATION STUDY COMMITTEE**  
**BILL ANALYSIS**  
**57th Legislature, 1st Session, 2025**

<b>Bill Number</b>	<u>HM48</u>	<b>Sponsor</b>	<u>Matthews</u>
<b>Tracking Number</b>	<u>.231194.2</u>	<b>Committee Referrals</b>	<u>HEC</u>
<b>Short Title</b>	<u>Study Free School Educational Activities</u>		
<b>Analyst</b>	<u>Estupiñan</u>	<b>Original Date</b>	<u>3/7/2025</u>
		<b>Last Updated</b>	<u></u>

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**BILL SUMMARY**

Synopsis of Memorial

House Memorial 48 (HM48) requests the LESC convene a task force to study the feasibility of making all educational activities offered by high schools free to students and recommend strategies for providing free educational activities to all students.

The task force is requested to provide its findings and recommendations to the LESC by November 1, 2025.

**FISCAL IMPACT**

Legislative memorials do not contain an appropriation.

**SUBSTANTIVE ISSUES**

**Public School Funding.** A large majority of state funding for public schools is allocated through the state equalization guarantee (SEG), which is designed to equitably distribute state resources for operations of school districts and charter schools. The SEG is designed to allocate the same amount of funding for students in the same circumstances, starting with grade level and with additional funding for additional need. For example, a first grade student receiving special education services is allocated the same amount of funding as every other first grade student in the state receiving the same level of special education services, regardless of where they live. While there are some statutory guardrails over the use of SEG funds, school districts and charter schools have broad discretion to spend the \$4.2 billion appropriated to the SEG to meet the unique needs of each community.

School districts and charter schools also receive targeted funding from categorical programs, such as transportation, the Indian education fund, and standards-based assessments. Statute contains more strict rules about how \$175.2 million in categorical funding may be used at the local level.

The Legislature also provides targeted funding to specific initiatives through nonrecurring appropriations, also known as “below-the-line” appropriations. Some examples of below-the-line programs include out-of-school time programs, the summer literacy institute, the educator fellows program, and career and technical education. In FY25, the Legislature appropriated \$140.5 million in nonrecurring funds from the general fund for below-the-line programs.

Public schools receive other funds in the form of federal grants, such as Title I, II, and III, and a wide range of other grant programs. These funds are often subject to spending requirements laid out in federal law.

**Fees for Educational Activities.** Despite the significant funding that flows to public schools in New Mexico through the variety of sources listed above, there are still several school districts and charter schools that rely on supplemental sources of funding for student activities. These methods of securing supplemental funding typically include the levy of a fee for student participation in activities, fundraisers, the solicitation of donations from private organizations, and even partnerships with credit card companies.

An informal search of public schools throughout the state that solicit donations found a variety of methods and funding amounts that are sought for student participation in extracurricular activities. Some high schools provide links to dashboards for donating to band programs in amounts ranging between \$25 and \$500. One high school band and fall color guard program solicits sponsorships in amounts ranging between \$50 and \$1 thousand and states the sponsorship would help cover program fees for students, travel costs, and other student needs.

The [Sandia Band Boosters](#) provides a detailed accounting of its program expenses, with a total budget of \$70.4 thousand in fiscal year 2025 (FY25), compared to approximately \$70.2 thousand in estimated revenue. A large majority of its expected revenue originates from general events, such as a car wash, a craft fair, and restaurant partnerships. Most of its remaining revenue includes booster fees, general donations, and sponsorships.

## **ADMINISTRATIVE IMPLICATIONS**

The memorial requests representation on the task force from the Public Education Department, Albuquerque Public Schools, and people with experience in high school music education.

## **SOURCES OF INFORMATION**

- LESC Files

**DE/tb/mca/jkh**