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

<b>Bill Number</b>	<u>SB480/SECS</u>	<b>Sponsor</b>	<u>Nava/Trujillo/Brandt</u>
<b>Tracking Number</b>	<u>.231527.1</u>	<b>Committee Referrals</b>	<u>SEC/SFC</u>
<b>Short Title</b>	<u>Student Graduation Reporting</u>		
<b>Analyst</b>	<u>Hicks</u>	<b>Original Date</b>	<u>3/4/2025</u>
		<b>Last Updated</b>	<u></u>

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## BILL SUMMARY

### Synopsis of Bill

The Senate Education Committee Substitute for Senate Bill 480 (SB480/SECS) would require the Public Education Department (PED) to create an annual report of the directory information of New Mexico school-aged students who have not graduated within four years of the start of their ninth-grade year (referred to as “out-of-cohort students” in the bill). This report would, upon request, be distributed to the Higher Education Department (HED), public postsecondary educational institutions, school districts or charter schools, and New Mexico-based adult basic education providers or workforce development programs that provide programming for out-of-cohort students attaining a high school diploma, a high school equivalency credential, or workforce credentials. The report would need to be completed no later than July 15 of each year.

The bill does not contain an effective date and as a result, would go into effect 90 days after the legislative session adjourns, or June 20, 2025.

## FISCAL IMPACT

SB480/SECS does not contain an appropriation.

The bill may have fiscal implications for PED for costs related to production and distribution of the report.

## SUBSTANTIVE ISSUES

**New Mexico High School Graduation Rates.** In 2023, the [four-year high school graduation rate](#) in New Mexico was 76.7 percent, a 0.5 percentage point increase over the prior year. The statewide four-year graduation rate has remained relatively flat in recent years, increasing from about 74 percent to about 77 percent in 2023. SB480/SECS would require PED to produce a report of all students who do not graduate within four years of starting ninth grade. However, it should be noted PED also tracks and reports five-year and six-year graduation rates for students who may take longer than four years to complete high school. In New Mexico, five- and six-year graduation rates

do increase over four-year graduation rates. For example, [2021 cohort graduation data](#) shows a four-year graduation rate of 76.8 percent, but this number increased to 82 percent and 82.4 percent, respectively, in five- and six-year graduation rates for the same cohort of students.

**Youth Disconnection.** The youth disconnection rate is defined as the percentage of young people between the ages of 16 and 24 who are neither in school nor working. [Nationwide](#) in 2022, the youth disconnection rate was 10.9 percent, up 0.2 percentage points from the all-time low of 10.7 percent in 2019, though 2022 still reflected a decline from a pandemic era spike in 2020-2021.

[New Mexico](#) had one of the highest youth disconnection rates in 2022, with 15.3 percent of youth between 16 and 24 in the state neither working nor in school. Youth disconnection in New Mexico is spread throughout the state, with the highest concentrations of disconnected youth relative to the area's total population are in San Juan, McKinley, Cibola, Mora, Luna, and Union counties. SB480/SECS's requirement for the creation and dissemination of a list of students who have not graduated within four years of starting ninth grade could potentially help link this disconnected youth population to various educational and workforce development programs.

**Adult Education in New Mexico.** [Adult education programs](#) in the state cover a broad range of subjects and disciplines. HED's Adult Education Division provides information on programs supporting high school equivalency, English as a second language, adult and family literacy, and workforce preparation and career pathways.

According to [HED](#), 14 percent of New Mexico's adult population over the age of 25 did not have a high school credential in 2020-2021; nationally, 9 percent of Americans did not have a high school diploma or equivalent credential. The lack of a high school credential can have significant financial implications for an individual, as HED further notes adults with a high school credential are likely to see a 53 percent increase in income over a decade and stand to make an average of \$9,620 in additional earnings annually.

**Eligibility for State Funding.** State law ([Section 22-1-2 NMSA 1978](#)) allows students up to the age of 21 to generate funding through the state equalization guarantee (SEG), the state's public school funding formula to attend public schools. Further, students who are 22 years old can generate funding so long as they are continuously enrolled in a school district or charter school and are not newly enrolling in public school. This means these students are eligible to attend public schools even if they take longer than four years to graduate from high school.

**Directory Information.** [Directory information](#) is defined under the federal Family Educational Rights and Privacy Act (FERPA) as information contained in the education records of a student that would not generally be considered harmful or an invasion of privacy if disclosed. This information typically includes a student's name, address, phone listing, date and place of birth, participation in activities and sports, and school attendance dates. Under FERPA, schools are allowed to disclose directory information to third parties without parental or student consent, so long as the school provides public notice of the information deemed to be directory information and informs parents and students of their rights to restrict disclosure.

## ADMINISTRATIVE IMPLICATIONS

Under SB480/SECS, PED would have to dedicate department resources and staff to compile relevant student directory information for the purposes of the report and distribute the finalized

report to recipients upon request. Coordination with HED and the Department of Workforce Solutions would likely be necessary to identify appropriate recipients.

According to PED, the data for the required report is readily available to PED as Nova data submissions from school districts and charter schools.

**SOURCES OF INFORMATION**

- LESC Files
- LFC Files
- Department of Workforce Solutions (DWS)
- New Mexico Regional Education Cooperatives Association (NMRECA)
- New Mexico Independent Community Colleges (NMICC)
- Public Education Department (PED)

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