



LFC Requester: Liu

**PUBLIC EDUCATION DEPARTMENT
BILL ANALYSIS
2025 REGULAR SESSION**

SECTION I: GENERAL INFORMATION

Check all that apply:

Original Amendment
Correction Substitute

Date Prepared: 02/03 /25
Bill No: SB234

Agency Name and Code: PED - 924

Sponsor: Pinto

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Short Title: TRIBAL EDUCATION TRUST FUND

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SECTION II: FISCAL IMPACT

(Parenthesis () Indicate Expenditure Decreases)

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
\$100,000.00	None	Nonrecurring	GF

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
None	None	None	N/A	NFA

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	None	None	None	N/A	N/A	NFA

Duplicates/Relates to Appropriation in the General Appropriation Act: [HB141](#), the current version of the General Appropriation Act of 2025, includes \$4.6 million of a general fund appropriation to the Indian Education Fund to support tribal education departments. PED is directed to enter into agreements with these tribal education departments for disbursing the funds on a monthly basis.

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: Senate Bill 234 (SB234) would create the tribal education trust fund as a nonreverting fund in the state treasury to be used for the [purposes of the Indian Education Act](#), according to intergovernmental agreements (IGAs) between a tribe and the PED.

The bill has an effective date of July 01, 2025.

FISCAL IMPLICATIONS

This bill would appropriate \$100 million from the general fund to the tribal education trust fund to carry out the purpose of the tribal education trust fund. Any unexpended or unencumbered balance at the end of FY26 would not revert to the General Fund. Disbursement from the fund would be the greater of 12.5 million or 5 percent of the average of the year end market values of the tribal education trust fund for the preceding five calendar years. These disbursements may not be enough to significantly ameliorate the achievement gap for Native American students. Native American students continue to be lowest scoring racial or ethnic group in New Mexico.

The Executive budget recommendation for Indian education includes an additional \$37.5 million above the amount proposed by SB234. The executive budget recommendation includes \$20 million in recurring funds for Indian education and an additional \$90 million allocated over the next three years at \$30 million per year.

SIGNIFICANT ISSUES

The Executive's \$50 million Indian funding proposal is a direct response to requests and concerns gathered over many years of tribal consultation with tribal leaders and experts from their communities. The important features of the Indian education proposal include direct flow of funds to Pueblos, Tribes, and Nations with allocations to LEAs and to BIE: tribally controlled schools, which shall not revert. This key aspect allows for long-term, sustainable, and immediate impacts within tribal communities.

It is unclear if all 22 Pueblos, Tribes, and Nations were consulted on SB234.

PERFORMANCE IMPLICATIONS

None.

ADMINISTRATIVE IMPLICATIONS

SB234 would require the PED to enter into an IGA with each New Mexico Pueblo, Tribe, and Nation and create a "tribal education trust fund disbursement formula task force." The task force would consist of nine members from New Mexico's Pueblos, Tribes, and Nations appointed by the department's Assistant Secretary of Indian Education.

SB234 would also require the PED to develop a disbursement formula, in consultation with the

tribal education trust fund disbursement formula task force, to distribute funds from the tribal education trust fund and ensure the disbursement is considerate of tribal needs and tribal size. Additionally, the PED would be required to collect a summary of tribally determined goals and needs, as well as a spending report and an assessment of program impact, from each Pueblo, Tribe, and Nation to use in its report to the LESC.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

SB234 also relates to:

- Senate Bill 13, which proposes the State-Tribal Education Compact Schools Act.
- Senate Bill 163, Tribal Regalia at School Events, which proposes to permit the wearing and use of tribal regalia at graduation ceremonies and other public school events.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

SB234 is not identified in the executive or LFC budget.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

None.

AMENDMENTS

None.