



Office of the Governor

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FOR IMMEDIATE RELEASE:

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**Governor signs impact aid legislation,
boosting financial support for many schools**
*Measure provides certain school districts with access to over \$60
million;
tribal leaders herald the long-awaited breakthrough*

SANTA FE — Alongside tribal leaders from all across New Mexico, Gov. Michelle Lujan Grisham on Monday afternoon signed historic legislation ending credits for impact aid payments in the public school funding formula, providing school districts with federally impacted land access to more than \$60 million to better serve their students, including many Native Americans.

In addition, a recurring \$67 million appropriation from the general fund ensures that no district will be financially harmed from the change.

“Money designed to offset the impact of federal property in a district should go in full to that district without adversely affecting its state funding. This measure achieves that, ending a longstanding practice that was fundamentally unfair, disadvantaging too many Native American students and communities,” Gov. Michelle Lujan Grisham said. “This was an equity issue, and I’m grateful to the Legislature for understanding the great need to rectify it, and working with my administration over several years to get it done. It will ensure that every penny provided to offset the cost of federal installations and tribal lands goes to the districts affected.”

Impact aid is intended to offset property tax losses from tax-exempt federal and tribal lands within the districts’ boundaries. In New Mexico, property taxes are used to fund school capital projects -- new buildings and building improvements.

“The governor’s signature today is a historic milestone for New Mexico,” Public Education Secretary Ryan Stewart said. “This bill removes a systemic inequity in the way we fund New Mexico public schools that has resulted in huge disparities between have and have-not districts.”

“Today marks a turning point for Indian education in New Mexico,” Indian Affairs Secretary Lynn Trujillo said. “This historic change will ensure that school districts serving Native American students see an increase in funding by allowing districts to keep the federal Impact Aid funds generated by Native students. This legislation is another landmark investment by this administration to rebuild Indian education in our state.”

“When we invest in our students, we invest in the future of tribal communities and the State of New Mexico,” said Navajo Nation President Jonathan Nez. “The signing of House Bill 6 signifies another milestone for providing more equitable educational resources for school districts, including many that serve Native American students. The Navajo Nation, along with other tribes in New Mexico, have strongly advocated for this change for years for school districts with high Native American student populations to receive the full benefit of Impact Aid, as the federal law originally intended. We are grateful to everyone who advocated for this measure including Rep. Lundstrom, Speaker Egolf, Rep. D. Wonda Johnson, Rep. Harry Garcia, Rep. Lente, Sen. Stewart, Secretary Stewart, Secretary Trujillo, and Gov. Michelle Lujan Grisham.”

"We appreciate that Governor Lujan Grisham and the New Mexico Legislature supported the Zuni Tribe and others in their efforts to end the state's practice of taking credit for Impact Aid funds," said Gov. Val Panteah of the Pueblo of Zuni. "This change will benefit Native American citizens, especially the Zuni people, for generations to come. These additional educational dollars will allow our school district to provide programs and facilities that have only been hopes and dreams in the past. This is an historic day for Native peoples throughout the State of New Mexico."

"The Pueblo of Acoma appreciates Governor Lujan Grisham’s firm commitment to close the achievement gap that disproportionately affects the academic success of New Mexico’s Native student population," said Gov. Brian Vallo of the Pueblo of Acoma. "This new law will correct the long-standing imbalance created by the way the state has distributed federal Impact Aid. I am hopeful that, with the additional funding, school districts can now fully implement the Indian Education Act and begin addressing the inequities experienced by so many Native students."

“Laguna congratulates Gov. Lujan Grisham for achieving an impact aid solution. After decades, public schools serving Native children in New Mexico will finally begin to get the resources our children deserve,” said Gov. John Antonio of Laguna. “We appreciate the efforts of the Governor, Sen. Mimi Stewart, Rep. Patricia Lundstrom, Speaker Brian Egolf, Rep. Derrick Lente, and Rep. Georgene Louis who helped reach this solution. We look forward to working with our local district to make sure the additional resources truly benefit Native children.”

The governor signed the bill alongside tribal leaders and legislative sponsors in a signing ceremony outside the state Capitol on Monday afternoon. She presented a replica of a signed House Bill 6 to each of the tribal representatives in attendance.

Generally, states are prohibited from considering impact aid when allocating state aid, but federal law includes an exception for states that maintain a system of school finance designed to equalize educational expenditures. New Mexico has been applying for and receiving that exception year after year since the 1970s.

The Senate voted 40-1 on March 19 for House Bill 6, which was one of Gov. Lujan Grisham's priority bills. The House passed the bill 67-1 on March 1.

“For many Native and underserved students across New Mexico, this is the most important piece of legislation passed in the last 25 years,” said Rep. Patty Lundstrom, lead sponsor of the bill. “This bill corrects nearly five decades of inequities, and puts federal education dollars back into the schools and communities for which they were intended. For years, tribal leaders and our state’s educational experts have worked to get these resources to the students who need them most, and I am proud to see this bill signed.”

“For almost half a century, antiquated policy in New Mexico has created an imbalance and inequity in the federal funds intended for our Native and other at-risk schools, contributing to devastating achievement gaps,” said bill co-sponsor Speaker of the House Brian Egolf. “Thanks to years of hard work by our state, tribal and educational leaders, tens of thousands of children in New Mexico will finally have better access to a quality education regardless of zip code, and get a real chance at the bright future they deserve.”

“It’s hard to get a quality education when your school lacks basic resources like adequate classrooms and internet connection. Yet, many of our rural and minority communities still face these challenges in 2021, because funds intended for these in-need schools have long been diverted elsewhere,” said sponsor Rep. Harry Garcia. “HB 6 helps reverse these decades of inequity and uplift our struggling school districts across New Mexico.”

“Impact Act funds are a birthright of our Native students, which has been denied to them through no fault of their own,” said sponsor Rep. D. Wonda Johnson. “I’m so pleased that these millions of dollars will finally go to the intended recipients, addressing the vital need for essential resources that our Native schools and children need to level the playing field and set them up for success.”

House Bill 6 also includes important transparency measures for districts and charter schools to report how they spent the federal funding to improve student outcomes or improve the condition of a school building.

Ending the impact aid credit is one of several equity-in-education proposals the governor backed in the just-ended legislative session. The Legislature also approved funding for Native language programs, tribal broadband, tribal libraries and tribal education departments. These appropriations are aligned with the Tribal Remedy Framework, a broad plan created by tribal communities, families and indigenous education experts to promote academic success for Native students.

“I couldn’t be more pleased with the collaboration between myself and Rep. Patty Lundstrom that went into crafting this vital piece of legislation, and would also like to

recognize the many dedicated legislators past and present who championed this issue over the years,” said Senate Pro Tem Mimi Stewart. “Underserved students deserve every opportunity we can provide them, and by making these changes to how we fund public schools I think we’re going to see much better educational outcomes in the communities where the dollars are most needed.”

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