

NOTICE OF PROPOSED RULEMAKING

Public Hearing

The New Mexico Public Education Department (PED) gives notice on Tuesday, August 25, 2026, that it will conduct a public hearing for the following proposed rulemakings on Thursday, September 24, 2026, from 1:30 p.m. to 2:30 p.m. (MDT) in Mabry Hall, located in the Jerry Apodaca Education Building, 300 Don Gaspar Ave., Santa Fe, New Mexico 87501.

Repeal and replace of 6.20.2 NMAC, Governing Budgeting and Accounting for New Mexico Public Schools and School Districts

The PED will give a verbal summary statement, on record, at the hearing.

The purpose of the public hearing is to receive public input on the proposed rulemakings. Attendees who wish to provide public comments on the record will be given three minutes to make a statement concerning the proposed rulemaking. To submit written comments, please see the Public Comment section of this notice.

Explanation of Purpose of Rulemaking, Summary of Text, and Statutory Authority

6.20.2 NMAC, Governing Budgeting and Accounting for New Mexico Public Schools and School Districts

Explanation: Make updates to fiscal accountability and budget oversight requirements for public school districts, including charter schools and Regional Education Cooperatives (RECs), to reflect current department practice.

Summary: The proposed rulemaking would add a definition of "bonded to practical capacity" and require public school districts, not including charter schools and RECs, to be bonded to practical capacity before using operational funds for building site acquisition or new construction. It would establish procedures for department intervention when a school district's cash balance, financial condition, or fiscal practices warrant additional safeguards, including authority to reserve budget funds. It would also establish procedures for department intervention when a school district maintains a negative cash balance, including authority to issue corrective action plans, require additional financial reporting, and refer the board of finance for suspension. It would authorize the department to require additional supporting documentation and to revise projected enrollment growth and reduce budgeted projected growth units when a district's projection is unsupported or when enrollment assumptions create a material fiscal risk to the school district. The proposed rulemaking also makes technical amendments to improve conciseness and clarity.

Statutory Authority: Sections 9-24-8, 22-2-1, 22-2-2, 22-5-7, 22-8-5, 22-8-6 through 22-8-12.1, 22-8-39, 22-8-40, 22-8-41, 22-13-13, 22-16-1, and 22-29-1 through 22-29-10 NMSA 1978.

No technical information served as a basis for these proposed rule changes.

Public Comment

Interested parties may provide comments at the public hearing or may submit written comments by mail or e-mail.

Mailing Address

Policy and Legislative Affairs Division
New Mexico Public Education Department
300 Don Gaspar Avenue, Room 121
Santa Fe, New Mexico 87501

E-Mail Address

Rule.Feedback@ped.nm.gov

Written comments must be received no later than 5 p.m. (MDT) on Thursday, September 24, 2026. The PED encourages early submission of written comments.

Public Comment Period

The public comment period is from Tuesday, August 25, 2026, to Thursday, September 24, 2026, at 5:00 p.m. (MDT). The PED will review all feedback received during the public comment period and issue communication regarding a final decision of the proposed rulemaking at a later date.

Copies of the proposed rule may be obtained from Denise Terrazas at (505) 470-5303 during regular business hours or may be accessed through the PED Policy and Legislative Affairs webpage titled, "Proposed Rules," at <http://webnew.ped.state.nm.us/bureaus/policy-innovation-measurement/rule-notification/>.

Individuals with disabilities who require the above information in an alternative format or need any form of auxiliary aid to attend or participate in the public hearing are asked to contact Denise Terrazas at (505) 470-5303 as soon as possible before the date set for the public hearing. The PED requires at least 10 calendar days advance notice to provide any special accommodations requested.