



The Navajo Nation
Office of the President and Vice President

CONTACTS:

Jared Touchin, Communications Director
(928) 274-4275

Crystalyne Curley, Sr. Public Information Officer
(928) 274-2758

nnopvp.communications@gmail.com

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**President Nez joins New Mexico Governor Lujan Grisham
for the signing of Impact Aid bill to support tribal schools**



PHOTO: New Mexico Gov. Michelle Lujan Grisham, joined by tribal leaders, signs House Bill 6 into law at the New Mexico State Capitol in Santa Fe, N.M. on April 5, 2021.

SANTA FE N.M. – Navajo Nation President Jonathan Nez joined New Mexico Gov. Michelle Lujan Grisham in Santa Fe, N.M. on Monday, as she signed into law House Bill 6, a 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 school district will be financially harmed from the change.

Since 1974, federal Impact Aid was included in the State Equalization Guarantee calculation, in which 75-percent of the impact aid received by school districts was credited in the SEG and the amount of SEG funding sent to school districts was reduced by that amount. With House Bill 6, impacted school districts will be able to use 100-percent of their Impact Aid funds and receive 100-percent of their SEG funds as well.

The signing of the bill took place outdoors at the New Mexico State Capitol building, with several other New Mexico tribal leaders in attendance including Council Delegate Daniel Tso, who is also the chair of the 24th Navajo Nation Council's Health, Education, and Human Services Committee, and Navajo Nation Board of Education President Priscilla B. Manuelito.

"Today marks a significant turning point for Native American students and educators in the state of New Mexico. When we invest in our students, we invest in the future of tribal communities and the State of New Mexico. 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 Ego, Rep. D. Wonda Johnson, Rep. Harry Garcia, Rep. Lente, Sen. Stewart, Secretary Stewart, Secretary Trujillo, and Gov. Michelle Lujan Grisham," said Navajo Nation President Jonathan Nez.

House Bill 6, the State Equalization Guarantee Distribution, was sponsored by New Mexico State Rep. Patty Lundstrom (D-Dist. 9) and co-sponsored by Speaker Brian Ego (D-Dist. 47), Rep. D. Wonda Johnson (D-Dist. 5), Rep. Harry Garcia. (D-Dist. 69), and Sen. Mimi Stewart (D-Dist. 17).

"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," Gov. Michelle Lujan Grisham said. "This was an equity issue, and I'm grateful to the Legislature for understanding that and passing this bill. It will ensure that every penny provided to offset the cost of federal installations and tribal lands goes to the districts affected."

Tribal consultation is an important piece of the Impact Aid application process and will be included in the reporting requirement of HB6. Federal Impact Aid is designed to assist local school districts that miss out on property tax revenue due to the presence of tax-exempt federal properties in their district, which is similar to the money that counties get in the form of payment in lieu of taxes or PILT.

"We are very thankful to Rep. Lundstrom, the co-sponsors, and many others who worked behind the scenes and committed a great amount of time to support our students and educators through House Bill 6. There were many debates and compromises to get us to this point. We are very optimistic that we will see the benefits of Impact Aid in more classrooms throughout the state and for our students," said Vice President Lizer.

In accordance with the bill, by July 1, 2024, the Public-School Capital Outlay Council shall adopt regulations determining which types of revenues shall be considered "unrestricted revenues" for the purposes of calculating the state and local match calculation. The regulations must be developed in consultation with school districts, the Public Education Department, the Public-School Capital Outlay Oversight Task Force, the Legislative Finance Committee, and LESC, and may

not consider revenues from the Public-School Capital Improvements Act or the Public-School Buildings Act or any expenditures made for teacher housing.

“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,” 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.”

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