

A JOINT MEMORIAL

REQUESTING THAT A TASK FORCE OF EXPERTS BE APPOINTED TO ANALYZE AND RECOMMEND PERMANENT FUNDING OPTIONS FOR THE CAPITAL OUTLAY NEEDS OF NEW MEXICO PUBLIC SCHOOLS.

WHEREAS, the constitution of New Mexico guarantees a uniform system of free public schools to all children in the state; and

WHEREAS, a state district court judge has ruled that the current system of funding capital improvements for New Mexico's school districts violates the state constitution; and

WHEREAS, a continuing permanent revenue stream for funding the current and future needs for public school capital outlay projects should be established; and

WHEREAS, alternative options for the revenue stream and the costs and benefits of each option need to be analyzed; and

WHEREAS, in addressing options for public school capital outlay needs, it may be useful to consider options for the credits taken for "impact aid" and other local and federal revenues in the public school equalization formula to find a more appropriate way to ensure equity in both capital and operational funding; and

WHEREAS, a task force of experts should be appointed for the purpose of analyzing the funding options and making recommendations on a permanent revenue stream;

NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF

THE STATE OF NEW MEXICO that a task force of experts be appointed to analyze options for providing a continuing funding mechanism for capital outlay projects needed by public school districts within New Mexico; and

BE IT FURTHER RESOLVED that, for each option, the analysis include:

(1) any short-term and long-term effects upon the general fund;

(2) any potential impact upon other capital outlay needs of the state and its political subdivisions;

(3) any potential impact upon the citizens, business and future economic development potential of the state;

(4) consideration of the different property values, indebtedness levels, income levels, populations and number of students between the various school districts;

(5) any potential impact upon the rating of general obligation bonds, severance tax bonds and other bonds issued by the state or its political subdivisions; and

(6) any potential impact upon the prudence of future state investments; and

BE IT FURTHER RESOLVED that the task force evaluate the credits taken for "impact aid" and other local and federal revenues in the public school equalization formula and analyze options for changes in the formula that would further the goals of providing additional funds for public school capital outlay and maintain equity in funding formula; and

BE IT FURTHER RESOLVED that the task force be composed of the dean of the university of New Mexico law school, the secretary of finance and administration or his designee, the state investment officer or his designee, the superintendent of public instruction or his designee, the chairs of the legislative finance committee, senate education committee and house education committee, two public members appointed by the speaker of the house of representatives who have expertise in education and finance, two public members appointed by the president pro tempore of the senate who have expertise in education and finance and three public members appointed by the governor who have expertise in education and finance and two public members representing the "impact aid" districts appointed by the New Mexico legislative council in consultation with the governor;

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BE IT FURTHER RESOLVED that the task force be staffed by the state department of public education, with the assistance of staff from the department of finance and administration, the legislative council service, the legislative education study committee and the legislative finance committee;

BE IT FURTHER RESOLVED that the task force report the results of its analyses and its findings and recommendations to the governor and the legislature no later than December 1, 2000; and

BE IT FURTHER RESOLVED that copies of this memorial be transmitted to the secretary of finance and administration, the state investment officer, the superintendent of public

instruction, the state board of education and the director
of the legislative council service. =====

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