

**LEGISLATIVE EDUCATION STUDY COMMITTEE  
BILL ANALYSIS**

**Bill Number:** SB 80

**50th Legislature, 1st Session, 2011**

**Tracking Number:** .183664B.2

**Short Title:** School District Student Membership Minimums

**Sponsor(s):** Senator Stephen Fischmann

**Analyst:** Craig J. Johnson and Peter B. van Moorsel   **Date:** February 8, 2011

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**Bill Summary:**

Senate Bill 80 creates a new section of the *Public School Code* to create statutory school district student membership<sup>1</sup> minimum of 1,000.

The provisions of the bill:

- prohibit the Public Education Department (PED), after July 1, 2018, from approving a budget for a school district of fewer than 1,000 students;
- permit the Public Education Commission (PEC) and the Secretary of Public Education to
  - jointly determine that a school district, due to distance, geographic features, or extraordinary cost, does not have any logical choice of another school district with which to consolidate; and
  - order that the school district does not have to consolidate with another school district.
- require, in all other cases, if a school district has not voluntarily found another school district with which to consolidate by July 1, 2017 to meet the membership minimum, that the Secretary and the PEC jointly issue an order consolidating a school district with a neighboring school district.
- permit the consolidation order to include the annexation of areas of the school district to another school district if such annexation would be more cost-effective.
- provide that consolidations pursuant to the provisions of SB 80 shall be an alternate method of consolidation, and are not subject to other provisions of statutes governing the creation, consolidation and annexation of school districts [Ch. 22-4 NMSA 1978].

**Fiscal Impact:**

SB 80 does not contain an appropriation.

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<sup>1</sup> Membership (MEM) includes all students in grades K-12 and three- and four-year-old developmentally disabled students when calculating district size.

School districts with a MEM of less than 4,000 qualify for District Size Adjustment units, which are calculated as follows:

$$\frac{4000 - MEM}{4000} \times 0.15 \times MEM = Units$$

In school year 2009-2010, 72 school districts generated district size units. The potential consolidation of school districts into larger districts with a minimum membership of 1,000 may result in a reduction of district size adjustment units generated statewide.

However, the overall fiscal impact to the state of New Mexico is unclear, because the potential consolidations that would be mandated by SB 80 create several questions, including:

- Where will the district offices of the consolidated districts be located?
- What will be the economic impact on the communities that will lose a district administrative office (and, consequently, the jobs created by that office) as a result of consolidation?
- What will be the cost savings achieved as a result of the consolidation?
- Will there be additional costs as a result of the consolidation, such as longer bus routes or facility needs?

### **Technical Issues:**

In its analysis of SB 80, PED questions whether the PEC should be involved in the decision to consolidate and whether such a decision by the PEC is binding, noting that other provisions in current law governing the consolidation of school districts charge the PED with this authority.

In addition related to the above issue, Article XII, Section 6 D of the Constitution of New Mexico states that the Secretary, and not the PEC, “shall have administrative and regulatory powers and duties, including all functions relating to the distribution of school funds and financial accounting for the public schools to be performed as provided by law.”

### **Substantive Issues:**

Of the 89 school districts in New Mexico, 49 currently have a student membership less than 1,000; and the memberships of two further districts exceed 1,000 by less than 50 students (see Attachment 1).

Thus, barring a joint order by the PEC and the Secretary not to consolidate for the reasons allowed for in its provisions, SB 80 could require the consolidation of up to 51 of New Mexico’s school districts. If these consolidations do not occur before July 1, 2017, up to 51 consolidations could be required to take place in one year, placing a large administrative burden on PED, the PEC, as well as the affected school districts.

PED’s analysis of SB 80 echoes this concern, noting that “it may prove difficult for school districts to meet the timeline since over 50% of the state’s school districts have a membership less than 1,000.”

SB 80 provides that consolidations performed as a result of the provisions of SB 80 are not subject to other current statutory provisions for consolidation. However, PED notes that some of

these provisions may be useful and necessary, such as provisions requiring that an order for consolidation include:

- an accurate description of the geographical boundaries of all school districts affected by the order;
- the disposition of all property affected by the order; and
- the dissolution of the elected local school board of each school district affected by the order of consolidation.

In addition to the above concerns noted in the PED analysis of SB 80, it is unclear whether all of these school districts would be able to find a neighboring district with which consolidation would be both operationally efficient and geographically practical.

**Background:**

Current law contains provisions [Ch. 22-4 NMSA 1978] governing the consolidation of school districts. This section of law provides that PED “may order consolidation of school districts upon receipt of and according to identical resolutions requesting consolidation from each local school board of each school district affected by the consolidation only if it determines that such consolidation:

- (1) will help to equalize the educational opportunities for public school students in each school district affected by the consolidation;
- (2) will make the most advantageous and economical use of public school facilities;
- (3) takes into consideration the convenience and welfare of the public school students in each school district affected by the consolidation; and
- (4) is in the best interest of public education in each school district affected by the consolidation and in the best interest of the public education in the state.”

SB 80 could require a large number of school district consolidations. PED provides a history of the number of school districts in New Mexico (see Attachment 2). The most recent series of district consolidations occurred between 1970 and 1979, when the number of school districts decreased from 157 to 89.

**Related Bills:**

None as of February 8, 2011.

2009-2010 FINAL FUNDED MEMBERSHIP				
District	Membership <sup>1</sup>		District	Membership <sup>1</sup>
1 MOSQUERO	38.00		46 DULCE	665.75
2 ROY	56.00		47 CUBA	697.00
3 CORONA	83.75		48 ESTANCIA	917.75
4 DES MOINES	84.75		49 TULAROSA	958.25
5 HOUSE	98.00		50 DEXTER	1,030.00
6 MAXWELL	99.00		51 TUCUMCARI	1,044.00
7 VAUGHN	99.50		52 RATON	1,316.25
8 ELIDA	118.25		53 HATCH	1,366.25
9 GRADY	124.00		54 COBRE CONS.	1,373.25
10 WAGON MOUND	128.00		55 TRUTH OR CONSEQ.	1,402.00
11 SAN JON	143.00		56 ZUNI	1,436.00
12 HONDO	146.00		57 WEST LAS VEGAS <sup>2</sup>	1,734.00
13 LAKE ARTHUR	147.50		58 SOCORRO <sup>2</sup>	1,860.25
14 RESERVE	170.00		59 LAS VEGAS CITY	1,953.25
15 QUEMADO	176.50		60 POJOAQUE	1,973.25
16 CARRIZOZO	190.00		61 RUIDOSO	2,257.00
17 SPRINGER	202.50		62 PORTALES	2,741.50
18 MELROSE	215.00		63 TAOS <sup>2</sup>	3,039.50
19 LOGAN	229.50		64 BLOOMFIELD	3,064.50
20 DORA	240.75		65 LOVINGTON	3,144.00
21 FLOYD	241.25		66 BERNALILLO <sup>2</sup>	3,157.00
22 ANIMAS	257.00		67 SILVER CITY <sup>2</sup>	3,203.75
23 TATUM	304.50		68 AZTEC <sup>2</sup>	3,213.25
24 MOUNTAINAIR	321.50		69 LOS ALAMOS	3,361.75
25 FT. SUMNER	323.00		70 MORIARTY	3,383.75
26 JEMEZ MOUNTAIN <sup>2</sup>	375.00		71 GRANTS	3,464.50
27 MESA VISTA	396.00		72 ARTESIA	3,557.50
28 JAL	399.00		73 ESPANOLA <sup>2</sup>	4,415.75
29 CHAMA VALLEY	403.00		74 BELEN	4,648.50
30 HAGERMAN	427.75		75 DEMING <sup>2</sup>	5,305.50
31 MAGDALENA	430.75		76 CARLSBAD <sup>2</sup>	5,957.25
32 CLOUDCROFT	431.00		77 ALAMOGORDO	6,101.50
33 CAPITAN	493.50		78 CENTRAL CONS.	6,339.75
34 CIMARRON <sup>2</sup>	495.25		79 HOBBS	7,917.25
35 JEMEZ VALLEY <sup>2</sup>	503.00		80 CLOVIS	8,013.75
36 PEÑASCO	508.25		81 LOS LUNAS	8,475.00
37 TEXICO	529.50		82 ROSWELL <sup>2</sup>	9,574.75
38 QUESTA <sup>2</sup>	532.50		83 FARMINGTON	10,351.25
39 MORA	543.00		84 GALLUP <sup>2</sup>	11,992.00
40 LOVING	584.25		85 SANTA FE <sup>2</sup>	13,497.75
41 CLAYTON	584.75		86 GADSDEN <sup>2</sup>	13,901.50
42 EUNICE	595.50		87 RIO RANCHO	15,910.75
43 SANTA ROSA	628.25		88 LAS CRUCES <sup>2</sup>	23,688.75
44 LORDSBURG	658.75		89 ALBUQUERQUE <sup>2</sup>	93,862.25
45 PECOS	659.75		<b>STATEWIDE</b>	<b>321,684.50</b>

<sup>1</sup> State membership includes grades 1-12, special education C, D, 3 and 4 year old, D-nonprofit (private special education), and early childhood education FTE.

<sup>2</sup> Membership for these districts includes charter schools.

NUMBER OF SCHOOL DISTRICTS IN THE STATE

ATTACHMENT 2

COUNTY	1950-1959	1960-1969	1970-1979	1980-1989	1990-2010
BERNALILLO	1	1	1	1	1
CATRON	14	2	2	2	2
CHAVES	24	10	4	4	4
CIBOLA	0	0	0	1	1
COLFAX	27	4	4	4	4
CURRY	9	4	4	4	4
DE BACA	4	1	1	1	1
DONA ANA	12	3	3	3	3
EDDY	9	3	3	3	3
GRANT	16	3	2	2	2
GUADALUPE	19	2	2	2	2
HARDING	11	2	2	2	2
HIDALGO	5	4	2	2	2
LEA	6	5	5	5	5
LINCOLN	17	5	5	5	5
LOS ALAMOS	1	1	1	1	1
LUNA	8	1	1	1	1
McKINLEY	9	1	1	1	2
MORA	4	2	2	2	2
OTERO	10	3	3	3	3
QUAY	15	4	4	4	4
RIO ARRIBA	52	27	4	4	4
ROOSEVELT	8	5	5	4	4
SAN JUAN	10	4	4	4	4
SAN MIGUEL	47	24	3	3	3
SANDOVAL	20	3	3	3	4
SANTA FE	19	3	2	2	2
SIERRA	15	1	1	1	1
SOCORRO	24	3	2	2	2
TAOS	9	8	4	4	4
TORRANCE	22	4	4	3	3
UNION	13	11	2	2	2
VALENCIA	3	3	3	2	2
<b>TOTALS</b>	463	157	89	87	89