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LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS
53rd Legislature, 2nd Session, 2018

Bill Number SB30/aSFI#1/aHEC **Sponsor** Stewart/Roch

Tracking Number .208826.2 **Committee Referrals** SCC/SEC/SFC;HEC

Short Title Change Capital Outlay Funding Formula

Analyst Rogne **Original Date** 1/22/18
Last Updated 2/14/18

**FOR THE PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE AND
THE LEGISLATIVE EDUCATION STUDY COMMITTEE**

BILL SUMMARY

Synopsis of House Education Committee Amendment

The House Education Committee Amendment to SB30 (SB30/aSFL#1/aHEC) strikes all items of Senate Floor Amendment #1 and sets a minimum state match of 6 percent.

Synopsis of Senate Floor Amendment #1

Senate Floor Amendment #1 (SB30/aSFI#1) amendment number 6 attempts to set a minimum state match of 6 percent. However, the amendment also makes several changes to the five-year phase in of the new “phase two” formula, which Legislative Council Service (LCS) indicated were technical in nature; however, the amendments have several unintended consequences and it only sets a minimum of 6 percent for the “phase one” formula, which already has a minimum of 10 percent. The sponsor is working with LCS and LESC on a technical clean-up amendment.

Synopsis of Original Bill

Senate Bill 30 (SB30) proposes to replace the current state and local match formula in the Public School Capital Outlay Act (PSCOA) for capital outlay awards made pursuant to the PSCOA. This formula would phase in over five years. The new formula adjusts the state and local match to more accurately reflect each school district’s ability to pay for public school capital outlay projects. The current calculation is based on the net taxable value for a school district and the number of students enrolled during the immediately preceding year. The new calculation is based on the net taxable value for a school district for the prior five years, the maximum allowable gross square foot per student, the replacement cost per square foot, and the school district population density.

FISCAL IMPACT

SB30/aSFI#1/aHEC does not contain an appropriation.

SB30/aSFI#1/aHEC will not change the total amount of available public school capital outlay funding. It will change the proportion of state and local funding to potentially allow the state to fund more projects.

Using the 2017-2018 state and local match formula, the average state share is 43 percent and the average local share is 57 percent. After full implementation of the proposed formula in FY23, the average state share would be 37 percent, and the average local share would be 63 percent.

SUBSTANTIVE ISSUES

Overall, the updated formula could allow the Public School Capital Outlay Council (PSCOC) to fund more projects by shifting a larger share of the cost of PSCOC-funded projects to school districts that can afford it. SB30/aSFI#1/aHEC addresses some of the inequities brought forth by the Zuni lawsuit by reducing the state match percentage for school districts that are able to build above adequacy and increasing the state match for other districts. The current standards-based public school capital outlay program was developed and established partially in response to a 1998 lawsuit filed in state district court by Zuni Public Schools and later joined by Gallup-McKinley County Public Schools and Grants-Cibola County Public Schools. State district court Judge Joseph Rich found, in a partial summary judgment rendered in October 1999, that through its public school capital outlay funding system, which relied primarily upon local property tax wealth to fund public school capital outlay, the state was violating that portion of the state constitution that guarantees establishment and maintenance of a “uniform system of free public schools sufficient for the education of, and open to, all children of school age” in the state. The court ordered the state to “establish and implement a uniform funding system for capital improvements... and for correcting past inequities” and set a deadline at the end of the 2001 legislative session. The court appointed a special master to review the state’s progress.

In 2001, the Legislature established the Deficiencies Corrections Program to identify and correct serious deficiencies in all public school buildings and grounds that may adversely affect the health or safety of students and school personnel. The following year the court-appointed special master reported the state was making a good faith effort to comply with the court’s order and “has made great strides.” Nonetheless, lower wealth districts were concerned that the new system would actually exacerbate facilities disparities among districts. The additional state funding would not change the low-wealth districts’ limited bonding capacity, but might enable higher wealth districts to use their bonding capacity for superior facilities.

In 2003, the Legislature enacted a state share funding formula to take into account the availability of school district revenues from both bond levies and direct mill levies that support capital outlay. Relying primarily on the relative property tax wealth of a school district as measured by assessed property tax valuation per student, the funding formula calculation also takes into account the total mill levy applicable to residential property of the district for education purposes.

During the 2015 interim, the Public School Capital Outlay Oversight Task Force (PSCOOTF) convened a subcommittee to study the capital outlay funding formula. The subcommittee contracted the Bureau of Business & Economic Research (BBER) at the University of New Mexico to conduct an assessment of the current capital outlay funding formula. BBER’s assessment concluded: “While the formula is being correctly applied, there are reasonable concerns that the formula does not make the most effective use of state resources and does not provide predictability necessary for long-term planning.” The assessment identified two factors

in the formula that could potentially be the source of the problems. First, property tax valuation may not be the best measure of a school district’s “ability to pay,” and property valuations are subject to significant fluctuations when commodities such as oil and gas extraction comprise a large share of property valuation. Second, the formula does not account for differences in the per-student facility construction and maintenance costs.

SB30/aSFI#1/aHEC uses BBER’s assessment to amend the public school capital outlay funding formula. The current formula, pursuant to Subsection 5 of Section 22-24-5 NMSA 1978, is amended to become the “phase one formula” to calculate the school district and state share of capital outlay projects. SB30/aSFI#1/aHEC adds a “phase two formula” to a new Subsection 7 to the Public School Capital Outlay Act for this purpose (page 12, line 3 through page 13, line 7). By FY23, school district shares of capital outlay projects will be calculated according to the “phase two formula.” There will be a five-year shift from the “phase one formula” to the “phase two formula” starting in FY20, as outlined in a new Subsection 8 (page 13, line 8 through page 14, line 12). The five-year phase in will allow school districts and charter schools time to adjust to the new funding requirements. The new “phase two formula” more accurately reflects a school district or charter school’s ability to pay for public school capital outlay and accounts for differences in per-student facility construction and maintenance costs.

SB30/aSFI#1/aHEC provides parameters for the calculation of the phase two formula by adding definitions for the maximum allowable gross square foot per student, replacement cost per square foot, school district population density, and school district population density factor.

The phase two formula value (state match) for each school district includes three calculations:

1. The sum of the final prior five years net taxable value for a school district multiplied by nine ten-thousandths;
2. The maximum allowable gross square foot per student multiplied by the replacement cost per square foot, divided by 45; and
3. The result of calculation one divided by the result of calculation two.

If the final result of calculation three is a value equal to or greater than one, the phase two formula value (state match) is 0 percent. According to the Public School Facilities Authority (PSFA), a result of equal to or greater than one indicates that a district is able to cover more than 100 percent of their annualized amortization costs with their debt service revenue at a rate of 4.5 mills. However, SB30/aSFI#1/aHEC sets a minimum state match of 6 percent, so all districts with a calculated state match of less than 6 percent will be revised upward to 6 percent.

If the final result of calculation three is greater than ninety-hundredths but less than one, the phase two formula value (state match) is one minus the unweighted local match, pursuant to calculation three. According to PSFA, if the final result of calculation three is less than ninety-hundredths, the phase two formula value (state match) is weighted to account for population density using the most current tract level population estimates published by the US Census Bureau, and then estimated by PSFA, the following modifications are made to increase the state match for rural districts:

- If a district has 0-15 people per square mile, an additional 12 percent is added to the phase two formula value.
- If a district has 16-50 people per square mile, an additional 6 percent is added to the phase two formula value.

- If a district has more than 50 people per square mile nothing is added to the phase two formula value.

Any adjustments made to the state share from the population density result in a decreased local match percentage to account for higher construction and maintenance costs in rural areas.

The implementation process for the phase two formula is planned as follows:

- FY19 – 100 percent of phase one formula;
- FY20 – 80 percent of phase one formula and 20 percent of phase two formula;
- FY21 – 60 percent of phase one formula and 40 percent of phase two formula;
- FY22 – 40 percent of phase one formula and 60 percent of phase two formula;
- FY23 – 20 percent of phase one formula and 80 percent of phase two formula; and
- FY24 – 100 percent of phase two formula.

SB30/aSFI#1/aHEC sets a minimum state match of 6 percent, and 30 of the 89 school districts will receive the minimum 6 percent (see Attachment 1). This does not preclude the school district from applying to the PSCOC for funding and requesting a waiver of a portion of their local match, if they qualify (see Attachment 2 for current waiver criteria). To be eligible for a local match waiver for standards-based funding, school districts must meet one of three requirements:

1. If the mill levy is equal to or greater than 10.0; **OR**
2. If the MEM count is equal to or less than 800, and
 - the percent of free or reduced fee lunch is equal to or greater than 70 percent, and
 - the state share is less than 50 percent, and
 - the mill levy is equal to or greater than 7.0; **OR**
3. The school district has an enrollment growth rate over the previous school year of at least 2.5 percent, and
 - pursuant to its five-year facilities master plan, will be building a new school within the next two years, and
 - the mill levy is equal to or greater than 10.0.

Twenty-nine districts currently have state shares greater than 50 percent, which makes them ineligible for a waiver under the second option for meeting waiver requirements; however, nothing precludes these districts from meeting waiver requirements through option one or option three. For example, school districts could bond themselves so that they have a mill levy equal to or greater than 10 to be eligible for a waiver through option one. The phase two formula in SB30/aSFI#1/aHEC would result in four additional districts becoming ineligible for a waiver under option two: Cobre, Cuba, House, and Roy. As noted earlier, these districts could potentially be eligible for a waiver under options one or three.

According to PSFA, to maintain the current FCI of 34.35 percent of the 61 million square feet of existing school learning facilities, approximately \$445 million must be spent annually on facility and building systems renewal. While the total amount of PSCOC funding will remain unchanged, the cost of the state share of projects funded by the PSCOC depends upon which school districts or charter schools apply for funding and the state and local match requirements of eligible projects.

ADMINISTRATIVE IMPLICATIONS

SB30/aSFI#1/aHEC shifts the responsibility of calculating the state and local shares for PSCOC projects from the Public Education Department (PED) to the PSFA. While no additional FTE would be needed, this adjustment would increase the responsibilities and duties of the PSFA. PED supports this administrative change.

SOURCES OF INFORMATION

- LESC Files
- Public School Facilities Authority
- Public Education Department

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Phase Two Formula with Five-Year Phase In
Sorted by Change in State Share

District	a. Five Year Assessed Valuation	b. a * .0009		c. APG GSF	d. c * \$320	e. d/45	f. b/e		g. Population Density Weight Factor	h. Phase 2 Formula Calculation Local Match	i. Phase 2 Formula Calculation State Match	j. Phase 1 Formula 2017-2018 Local Share	k. Phase 1 Formula 2017-2018 State Share	l. CHANGE in State Share
		Revenue	Revenue				Percent of Amortized Revenue Covered by Revenue	Percent of Amortized Revenue Covered by Revenue						
1	ALBUQUERQUE	\$ 74,147,723,131	\$ 66,732,950.82	10,669,285	\$ 3,414,171,200	\$ 75,870,471	88%	0%	88%	12%	43%	57%	-45%	
2	LOS ALAMOS	\$ 3,441,335,202	\$ 3,097,201.68	457,078	\$ 146,264,960	\$ 3,250,332	95%	0%	95%	5%	52%	48%	-43%	
3	MORIARTY	\$ 2,502,842,388	\$ 2,252,558.15	354,850	\$ 113,552,000	\$ 2,523,378	89%	6%	83%	17%	49%	51%	-34%	
4	FARMINGTON	\$ 7,292,650,542	\$ 6,563,385.49	1,323,871	\$ 423,638,720	\$ 9,414,194	70%	0%	70%	30%	36%	64%	-34%	
5	BERNALILLO	\$ 3,053,119,376	\$ 2,747,807.44	425,992	\$ 136,317,440	\$ 3,029,276	91%	0%	91%	9%	58%	42%	-33%	
6	HOBBS	\$ 7,712,713,429	\$ 6,941,442.09	1,229,606	\$ 393,473,920	\$ 8,743,865	79%	0%	79%	21%	47%	53%	-32%	
7	LOVINGTON	\$ 4,343,678,527	\$ 3,909,310.67	538,703	\$ 172,384,960	\$ 3,830,777	102%	0%	100%	0%	62%	38%	-38%	
8	ESPANOLA	\$ 2,821,006,716	\$ 2,538,906.04	530,579	\$ 169,785,280	\$ 3,773,006	67%	0%	67%	33%	37%	63%	-30%	
9	AZTEC	\$ 4,109,944,938	\$ 3,698,950.44	426,436	\$ 136,459,520	\$ 3,032,434	122%	0%	100%	0%	64%	36%	-36%	
10	RIO RANCHO	\$ 10,480,141,004	\$ 9,432,126.90	2,109,080	\$ 674,905,600	\$ 14,997,902	63%	0%	63%	37%	33%	67%	-30%	
11	LAS CRUCES	\$ 15,240,815,243	\$ 13,716,733.72	3,036,992	\$ 971,837,440	\$ 21,596,388	64%	0%	64%	36%	34%	66%	-30%	
12	RATON	\$ 771,669,469	\$ 694,502.52	112,962	\$ 36,147,840	\$ 803,285	86%	12%	74%	26%	47%	53%	-27%	
13	TRUTH OR CONS.	\$ 1,477,673,156	\$ 1,329,905.84	205,491	\$ 65,757,120	\$ 1,461,269	91%	0%	91%	9%	68%	32%	-23%	
14	LOS LUNAS	\$ 3,871,069,230	\$ 3,483,962.31	1,083,242	\$ 346,637,440	\$ 7,703,054	45%	0%	45%	55%	24%	76%	-21%	
15	MESA VISTA	\$ 364,667,710	\$ 328,200.94	45,021	\$ 14,406,720	\$ 320,149	103%	0%	100%	0%	73%	27%	-27%	
16	BELÉN	\$ 2,803,467,513	\$ 2,523,120.76	533,846	\$ 170,830,720	\$ 3,796,238	66%	6%	60%	40%	40%	60%	-20%	
17	BLOOMFIELD	\$ 4,161,134,488	\$ 3,745,021.04	408,591	\$ 130,749,120	\$ 2,905,536	129%	0%	100%	0%	75%	25%	-25%	
18	SILVER	\$ 2,821,800,683	\$ 2,539,620.61	409,611	\$ 131,075,520	\$ 2,912,789	87%	12%	75%	25%	57%	43%	-18%	
19	LORDSBURG	\$ 608,837,467	\$ 547,953.72	80,780	\$ 25,849,600	\$ 574,436	95%	0%	95%	5%	76%	24%	-19%	
20	JEMEZ VALLEY	\$ 422,305,311	\$ 380,074.78	65,791	\$ 21,053,120	\$ 467,847	81%	12%	69%	31%	53%	47%	-16%	
21	CLOVIS	\$ 3,456,331,192	\$ 3,110,698.07	1,065,603	\$ 340,992,960	\$ 7,577,621	41%	0%	41%	59%	26%	74%	-15%	
22	PORTALES	\$ 1,213,263,109	\$ 1,091,936.80	389,543	\$ 124,653,760	\$ 2,770,084	39%	0%	39%	61%	26%	74%	-13%	
23	LAS VEGAS CITY	\$ 1,272,732,623	\$ 1,145,459.36	233,064	\$ 74,580,480	\$ 1,657,344	69%	12%	57%	43%	45%	55%	-12%	
24	ROS WELL	\$ 4,745,090,574	\$ 4,270,581.52	1,318,461	\$ 421,907,520	\$ 9,375,723	46%	6%	40%	60%	28%	72%	-12%	
25	GADSDEN	\$ 4,163,041,730	\$ 3,746,737.56	1,675,248	\$ 536,079,360	\$ 11,912,875	31%	6%	25%	75%	15%	85%	-10%	
26	POJOAQUE	\$ 910,288,730	\$ 819,259.86	278,097	\$ 88,991,040	\$ 1,977,579	41%	6%	35%	65%	25%	75%	-10%	
27	ALAMOGORDO	\$ 3,608,812,693	\$ 3,247,931.42	774,721	\$ 247,910,720	\$ 5,509,127	59%	12%	47%	53%	37%	63%	-10%	
28	ESTANCIA	\$ 507,414,749	\$ 456,673.27	95,866	\$ 30,677,120	\$ 681,714	67%	12%	55%	45%	47%	53%	-8%	
29	CENTRAL	\$ 3,845,571,631	\$ 3,461,014.47	871,229	\$ 278,793,280	\$ 6,195,406	56%	12%	44%	56%	36%	64%	-8%	
30	DEMING	\$ 2,664,380,336	\$ 2,397,942.30	676,370	\$ 216,438,400	\$ 4,809,742	50%	12%	38%	62%	30%	70%	-8%	
31	TATUM	\$ 644,987,413	\$ 580,488.67	58,033	\$ 18,570,560	\$ 412,679	141%	0%	100%	0%	88%	12%	-12%	
32	PECOS	\$ 598,687,661	\$ 538,818.89	95,603	\$ 30,592,960	\$ 679,844	79%	12%	67%	33%	62%	38%	-5%	
33	PENASCO	\$ 244,304,234	\$ 219,873.81	58,779	\$ 18,809,280	\$ 417,984	53%	6%	47%	53%	42%	58%	-5%	
34	ARTESIA	\$ 10,594,922,809	\$ 9,535,430.53	547,553	\$ 175,216,960	\$ 3,893,710	245%	0%	100%	0%	90%	10%	-10%	
35	CAPITAN	\$ 1,889,871,252	\$ 1,700,884.13	81,567	\$ 26,101,440	\$ 580,032	293%	0%	100%	0%	90%	10%	-10%	
36	CARLSBAD	\$ 10,354,898,769	\$ 9,319,408.89	717,471	\$ 229,590,720	\$ 5,102,016	183%	0%	100%	0%	90%	10%	-10%	
37	CARRIZOZO	\$ 281,072,412	\$ 252,965.17	29,556	\$ 9,457,920	\$ 210,176	120%	0%	100%	0%	90%	10%	-10%	
38	CHAMA	\$ 681,912,843	\$ 613,721.56	67,295	\$ 21,534,400	\$ 478,542	128%	0%	100%	0%	90%	10%	-10%	
39	CIMARRON	\$ 2,215,528,570	\$ 1,993,975.71	78,912	\$ 25,251,840	\$ 561,152	355%	0%	100%	0%	90%	10%	-10%	
40	CLAYTON	\$ 818,192,482	\$ 736,373.23	77,340	\$ 24,748,800	\$ 549,973	134%	0%	100%	0%	90%	10%	-10%	
41	CLOUDCROFT	\$ 855,710,421	\$ 770,139.38	56,445	\$ 18,062,400	\$ 401,387	192%	0%	100%	0%	90%	10%	-10%	
42	CORONA	\$ 221,324,708	\$ 199,192.24	13,122	\$ 4,199,040	\$ 93,312	213%	0%	100%	0%	90%	10%	-10%	
43	DULCE	\$ 2,922,767,421	\$ 2,630,490.68	108,401	\$ 34,688,320	\$ 770,852	341%	0%	100%	0%	90%	10%	-10%	
44	EUNICE	\$ 3,356,028,089	\$ 3,020,425.28	121,568	\$ 38,901,760	\$ 864,484	349%	0%	100%	0%	90%	10%	-10%	
45	JAL	\$ 3,088,971,385	\$ 2,780,074.25	72,864	\$ 23,316,480	\$ 518,144	537%	0%	100%	0%	90%	10%	-10%	
46	JEMEZ MOUNTAIN	\$ 1,474,062,141	\$ 1,326,655.93	41,653	\$ 13,328,960	\$ 296,199	448%	0%	100%	0%	90%	10%	-10%	
47	LAKE ARTHUR	\$ 441,575,586	\$ 397,418.03	19,840	\$ 6,348,800	\$ 141,084	282%	0%	100%	0%	90%	10%	-10%	

Phase Two Formula with Five-Year Phase In
Sorted by Change in State Share

District	a. Five Year Assessed Valuation	b. a * .0009		c. APG GSF	d. c * \$320 Total Replacement Cost	e. d/45 Annualized Amortization	f. b/e Percent of Amortization Covered by Revenue		g. Population Density Weight Factor	h. Phase 2 Formula Calculation Local Match	i. Phase 2 Formula Calculation State Match	j. Phase 1 Formula 2017-2018 Local Share	k. Phase 1 Formula 2017-2018 State Share	l. CHANGE in State Share
		Revenue	Revenue				Revenue	Revenue						
48	LOVING	\$ 1,024,287,655	\$ 921,858.89	93,551	\$ 29,936,320	\$ 665,252	139%	0%	100%	0%	90%	10%	-10%	
49	MOSQUERO	\$ 540,325,225	\$ 486,292.70	10,750	\$ 3,440,000	\$ 76,444	636%	0%	100%	0%	90%	10%	-10%	
50	QUEMADO	\$ 444,710,674	\$ 400,239.61	36,211	\$ 11,587,520	\$ 257,500	155%	0%	100%	0%	90%	10%	-10%	
51	QUESTA	\$ 920,195,587	\$ 828,176.03	67,856	\$ 21,713,920	\$ 482,532	172%	0%	100%	0%	90%	10%	-10%	
52	RUIDOSO	\$ 3,164,988,496	\$ 2,848,489.65	295,053	\$ 94,416,960	\$ 2,098,155	136%	0%	100%	0%	90%	10%	-10%	
53	SANTA FE	\$ 30,992,566,782	\$ 27,893,310.10	1,629,730	\$ 521,513,600	\$ 11,589,191	241%	0%	100%	0%	90%	10%	-10%	
54	TAOS	\$ 5,407,731,840	\$ 4,866,958.66	406,891	\$ 130,205,120	\$ 2,893,447	168%	0%	100%	0%	90%	10%	-10%	
55	VAUGHN	\$ 275,775,439	\$ 248,197.90	14,925	\$ 4,776,000	\$ 106,133	234%	0%	100%	0%	90%	10%	-10%	
56	WAGON MOUND	\$ 129,825,168	\$ 116,842.65	14,096	\$ 4,510,720	\$ 100,238	117%	0%	100%	0%	90%	10%	-10%	
57	GRANTS	\$ 1,525,578,263	\$ 1,373,020.44	526,261	\$ 168,403,520	\$ 3,742,300	37%	12%	25%	75%	22%	78%	-3%	
58	ANIMAS	\$ 165,342,115	\$ 148,807.90	26,415	\$ 8,452,800	\$ 187,840	79%	12%	67%	33%	65%	35%	-2%	
59	MOUNTAINAIR	\$ 296,650,938	\$ 266,985.84	41,956	\$ 13,425,920	\$ 298,354	89%	12%	77%	23%	76%	24%	-1%	
60	TULAROSA	\$ 440,873,446	\$ 396,786.10	138,929	\$ 44,457,280	\$ 987,940	40%	12%	28%	72%	27%	73%	-1%	
61	LAS VEGAS WEST	\$ 858,388,310	\$ 772,549.48	243,821	\$ 78,022,720	\$ 1,733,838	45%	12%	33%	67%	32%	68%	-1%	
62	SOCORRO	\$ 818,790,611	\$ 736,911.55	270,437	\$ 86,539,840	\$ 1,923,108	38%	12%	26%	74%	26%	74%	0%	
63	GALLUP	\$ 3,985,252,909	\$ 3,586,727.62	1,620,281	\$ 518,489,920	\$ 11,521,998	31%	12%	19%	81%	19%	81%	0%	
64	ZUNI	\$ 11,411,140	\$ 10,270.03	171,541	\$ 54,893,120	\$ 1,219,847	1%	12%	0%	100%	0%	100%	0%	
65	TUCUMCARI	\$ 488,458,325	\$ 439,612.49	147,984	\$ 47,354,880	\$ 1,052,331	42%	12%	30%	70%	31%	69%	1%	
66	MORA	\$ 446,016,050	\$ 401,414.45	75,118	\$ 24,037,760	\$ 534,172	75%	12%	63%	37%	65%	35%	2%	
67	SANTA ROSA	\$ 466,633,184	\$ 419,969.87	107,944	\$ 34,542,080	\$ 767,602	55%	12%	43%	57%	45%	55%	2%	
68	SPRINGER	\$ 161,346,280	\$ 145,211.65	27,068	\$ 8,661,760	\$ 192,484	75%	12%	63%	37%	66%	34%	3%	
69	LOGAN	\$ 324,428,123	\$ 291,985.31	60,427	\$ 19,336,640	\$ 429,703	68%	12%	56%	44%	59%	41%	3%	
70	HATCH	\$ 372,565,955	\$ 335,309.36	202,168	\$ 64,693,760	\$ 1,437,639	23%	12%	11%	89%	15%	85%	4%	
71	DEXTER	\$ 371,949,334	\$ 334,754.40	156,791	\$ 50,173,120	\$ 1,114,958	30%	12%	18%	82%	22%	78%	4%	
72	ELIDA	\$ 119,119,659	\$ 107,207.69	22,989	\$ 7,356,480	\$ 163,477	66%	12%	54%	46%	60%	40%	6%	
73	DORA	\$ 153,458,112	\$ 138,112.30	49,106	\$ 15,713,920	\$ 349,198	40%	12%	28%	72%	34%	66%	6%	
74	TEXICO	\$ 350,133,846	\$ 315,120.46	96,175	\$ 30,776,000	\$ 683,911	46%	12%	34%	66%	41%	59%	7%	
75	COBRE	\$ 977,130,093	\$ 879,417.08	202,894	\$ 64,926,080	\$ 1,442,802	61%	12%	49%	51%	56%	44%	7%	
76	HAGERMAN	\$ 159,468,680	\$ 143,521.81	78,414	\$ 25,092,480	\$ 557,611	26%	12%	14%	86%	23%	77%	9%	
77	MAGDALENA	\$ 149,297,103	\$ 134,367.39	67,425	\$ 21,576,000	\$ 479,467	28%	12%	16%	84%	26%	74%	10%	
78	HOUSE	\$ 59,245,110	\$ 53,320.60	12,638	\$ 4,044,160	\$ 89,870	59%	12%	47%	53%	58%	42%	11%	
79	FLOYD	\$ 82,984,626	\$ 74,686.16	41,783	\$ 13,370,560	\$ 297,124	25%	12%	13%	87%	24%	76%	11%	
80	GRADY	\$ 42,724,526	\$ 38,452.07	27,020	\$ 8,646,400	\$ 192,142	20%	12%	8%	92%	20%	80%	12%	
81	SAN JON	\$ 70,212,058	\$ 63,190.85	31,102	\$ 9,952,640	\$ 221,170	29%	12%	17%	83%	30%	70%	13%	
82	MELROSE	\$ 134,972,739	\$ 121,475.47	43,957	\$ 14,066,240	\$ 312,583	39%	12%	27%	73%	41%	59%	14%	
83	HONDO	\$ 166,297,461	\$ 149,667.71	28,390	\$ 9,084,800	\$ 201,884	74%	12%	62%	38%	77%	23%	15%	
84	DES MOINES	\$ 138,545,876	\$ 124,691.29	20,245	\$ 6,478,400	\$ 143,964	87%	12%	75%	25%	90%	10%	15%	
85	RESERVE	\$ 219,545,653	\$ 197,591.09	32,469	\$ 10,390,080	\$ 230,891	86%	12%	74%	26%	90%	10%	16%	
86	CUBA	\$ 426,517,689	\$ 383,865.92	91,830	\$ 29,385,600	\$ 653,013	59%	12%	47%	53%	64%	36%	17%	
87	FORT SUMNER	\$ 317,953,931	\$ 286,158.54	59,282	\$ 18,970,240	\$ 421,561	68%	12%	56%	44%	74%	26%	18%	
88	MAXWELL	\$ 76,059,598	\$ 68,453.64	23,858	\$ 7,634,560	\$ 169,657	40%	12%	28%	72%	47%	53%	19%	
89	ROY	\$ 40,858,449	\$ 36,772.60	12,495	\$ 3,998,400	\$ 88,853	41%	12%	29%	71%	53%	47%	24%	
90	TOTALS	\$ 276,838,958,144	\$ 249,155,062.33	41,000,287	\$ 13,120,091,840	\$ 291,557,596.44	85%		65%	35%	57%	43%	-8%	

of Districts w/ 6% min

Phase Two Formula with Five-Year Phase In
Sorted by Change in State Share

District	m.		n.		o.		p.		q.		r.		s.		t.		u.		v.	
	Phase Year 1		Phase Year 2		Phase Year 3		Phase Year 4		Phase Year 5 (Final)		Phase Year 1		Phase Year 2		Phase Year 3		Phase Year 4		Phase Year 5 (Final)	
	FY20 Local	FY20 State	FY21 Local	FY21 State	FY22 Local	FY22 State	FY23 Local	FY23 State	FY24 Local	FY24 State	FY20 Local	FY20 State	FY21 Local	FY21 State	FY22 Local	FY22 State	FY23 Local	FY23 State	FY24 Local	FY24 State
1	ALBUQUERQUE	52%	48%	61%	39%	70%	30%	79%	21%	88%	12%									
2	LOS ALAMOS	61%	39%	69%	31%	78%	22%	87%	13%	94%	6%									
3	MORIARTY	56%	44%	63%	37%	70%	30%	76%	24%	83%	17%									
4	FARMINGTON	43%	57%	49%	51%	56%	44%	63%	37%	70%	30%									
5	BERNALILLO	65%	35%	71%	29%	78%	22%	84%	16%	91%	9%									
6	HOBBS	53%	47%	60%	40%	66%	34%	73%	27%	79%	21%									
7	LOVINGTON	70%	30%	77%	23%	85%	15%	92%	8%	94%	6%									
8	ESPANOLA	43%	57%	49%	51%	55%	45%	61%	39%	67%	33%									
9	AZTEC	71%	29%	78%	22%	86%	14%	93%	7%	94%	6%									
10	RIO RANCHO	39%	61%	45%	55%	51%	49%	57%	43%	63%	37%									
11	LAS CRUCES	40%	60%	46%	54%	52%	48%	58%	42%	64%	36%									
12	RATON	52%	48%	58%	42%	63%	37%	69%	31%	74%	26%									
13	TRUTH OR CONS.	73%	27%	77%	23%	82%	18%	86%	14%	91%	9%									
14	LOS LUNAS	28%	72%	32%	68%	37%	63%	41%	59%	45%	55%									
15	MESA VISTA	78%	22%	84%	16%	89%	11%	94%	6%	94%	6%									
16	BELEN	44%	56%	48%	52%	52%	48%	56%	44%	60%	40%									
17	BLOOMFIELD	80%	20%	85%	15%	90%	10%	94%	6%	94%	6%									
18	SILVER	61%	39%	64%	36%	68%	32%	72%	28%	75%	25%									
19	LORDSBURG	80%	20%	84%	16%	88%	12%	92%	8%	94%	6%									
20	JEMEZ VALLEY	56%	44%	59%	41%	63%	37%	66%	34%	69%	31%									
21	CLOVIS	29%	71%	32%	68%	35%	65%	38%	62%	41%	59%									
22	PORTALES	29%	71%	31%	69%	34%	66%	37%	63%	39%	61%									
23	LAS VEGAS CITY	47%	53%	50%	50%	52%	48%	55%	45%	57%	43%									
24	ROS WELL	30%	70%	33%	67%	35%	65%	37%	63%	40%	60%									
25	GADSDEN	17%	83%	19%	81%	21%	79%	23%	77%	25%	75%									
26	POJOAQUE	27%	73%	29%	71%	31%	69%	33%	67%	35%	65%									
27	ALAMOGORDO	39%	61%	41%	59%	43%	57%	45%	55%	47%	53%									
28	ESTANCIA	49%	51%	50%	50%	52%	48%	53%	47%	55%	45%									
29	CENTRAL	38%	62%	39%	61%	41%	59%	42%	58%	44%	56%									
30	DEMING	32%	68%	33%	67%	35%	65%	36%	64%	38%	62%									
31	TATUM	90%	10%	93%	7%	94%	6%	94%	6%	94%	6%									
32	PECOS	63%	37%	64%	36%	65%	35%	66%	34%	67%	33%									
33	PENASCO	43%	57%	44%	56%	45%	55%	46%	54%	47%	53%									
34	ARTESIA	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%									
35	CAPITAN	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%									
36	CARLSBAD	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%									
37	CARRIZOZO	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%									
38	CHAMA	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%									
39	CIMARRON	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%									
40	CLAYTON	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%									
41	CLOUDCROFT	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%									
42	CORONA	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%									
43	DULCE	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%									
44	EUNICE	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%									
45	JAL	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%									
46	JEMEZ MOUNTAIN	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%									
47	LAKE ARTHUR	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%									

Phase Two Formula with Five-Year Phase In
Sorted by Change in State Share

District	m.		n.		o.		p.		q.		r.		s.		t.		u.		v.		
	Phase Year 1		Phase Year 2		Phase Year 3		Phase Year 4		Phase Year 5 (Final)		Phase Year 4		Phase Year 5 (Final)		Phase Year 4		Phase Year 5 (Final)		Phase Year 5 (Final)		
	FY20 Local	FY20 State	FY21 Local	FY21 State	FY22 Local	FY22 State	FY23 Local	FY23 State	FY24 Local	FY24 State	FY23 Local	FY23 State	FY24 Local	FY24 State	FY23 Local	FY23 State	FY24 Local	FY24 State	FY24 Local	FY24 State	FY24 State
48	LOVING	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%
49	MOSQUERO	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%
50	QUEMADO	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%
51	QUESTA	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%
52	RUIDOSO	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%
53	SANTA FE	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%
54	TAOS	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%
55	VAUGHN	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%
56	WAGON MOUND	92%	8%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%	94%	6%
57	GRANTS	23%	77%	23%	77%	24%	76%	24%	76%	24%	76%	24%	76%	24%	76%	24%	76%	24%	76%	24%	75%
58	ANIMAS	65%	35%	66%	34%	66%	34%	66%	34%	66%	34%	66%	34%	66%	34%	66%	34%	67%	33%	67%	33%
59	MOUNTAINAIR	76%	24%	77%	23%	77%	23%	77%	23%	77%	23%	77%	23%	77%	23%	77%	23%	77%	23%	77%	23%
60	TULAROSA	27%	73%	27%	73%	28%	72%	28%	72%	28%	72%	28%	72%	28%	72%	28%	72%	28%	72%	28%	72%
61	LAS VEGAS WEST	32%	68%	32%	68%	32%	68%	32%	68%	32%	68%	32%	68%	32%	68%	32%	68%	32%	68%	32%	67%
62	SOCORRO	26%	74%	26%	74%	26%	74%	26%	74%	26%	74%	26%	74%	26%	74%	26%	74%	26%	74%	26%	74%
63	GALLUP	19%	81%	19%	81%	19%	81%	19%	81%	19%	81%	19%	81%	19%	81%	19%	81%	19%	81%	19%	81%
64	ZUNI	0%	100%	0%	100%	0%	100%	0%	100%	0%	100%	0%	100%	0%	100%	0%	100%	0%	100%	0%	100%
65	TUCUMCARI	31%	69%	31%	69%	30%	70%	30%	70%	30%	70%	30%	70%	30%	70%	30%	70%	30%	70%	30%	70%
66	MORA	65%	35%	64%	36%	64%	36%	64%	36%	64%	36%	64%	36%	64%	36%	64%	36%	64%	36%	63%	37%
67	SANTA ROSA	45%	55%	44%	56%	44%	56%	44%	56%	44%	56%	44%	56%	44%	56%	44%	56%	44%	56%	43%	57%
68	SPRINGER	65%	35%	65%	35%	65%	35%	65%	35%	64%	36%	64%	36%	64%	36%	64%	36%	64%	36%	63%	37%
69	LOGAN	58%	42%	58%	42%	57%	43%	57%	43%	57%	43%	57%	43%	57%	43%	57%	43%	56%	44%	56%	44%
70	HATCH	14%	86%	14%	86%	14%	86%	14%	86%	13%	87%	12%	88%	12%	88%	12%	88%	11%	89%	11%	89%
71	DEXTER	21%	79%	20%	80%	20%	80%	20%	80%	20%	80%	19%	81%	19%	81%	19%	81%	18%	82%	18%	82%
72	ELIDA	59%	41%	57%	43%	57%	43%	56%	44%	56%	44%	55%	45%	55%	45%	54%	46%	54%	46%	54%	46%
73	DORA	33%	67%	31%	69%	30%	70%	30%	70%	30%	70%	29%	71%	29%	71%	28%	72%	28%	72%	28%	72%
74	TEXICO	40%	60%	38%	62%	37%	63%	37%	63%	37%	63%	35%	65%	35%	65%	34%	66%	34%	66%	34%	66%
75	COBRE	55%	45%	53%	47%	52%	48%	52%	48%	52%	48%	50%	50%	50%	49%	51%	49%	50%	49%	51%	51%
76	HAGERMAN	21%	79%	19%	81%	17%	83%	17%	83%	17%	83%	16%	84%	16%	84%	16%	84%	14%	86%	14%	86%
77	MAGDALENA	24%	76%	22%	78%	20%	80%	20%	80%	20%	80%	18%	82%	18%	82%	18%	82%	16%	84%	16%	84%
78	HOUSE	56%	44%	54%	46%	52%	48%	52%	48%	52%	48%	49%	51%	49%	51%	47%	53%	47%	53%	47%	53%
79	FLOYD	22%	78%	20%	80%	17%	83%	17%	83%	17%	83%	15%	85%	15%	85%	13%	87%	13%	87%	13%	87%
80	GRADY	18%	82%	15%	85%	13%	87%	13%	87%	13%	87%	10%	90%	10%	90%	8%	92%	8%	92%	8%	92%
81	SAN JON	27%	73%	25%	75%	22%	78%	22%	78%	22%	78%	19%	81%	19%	81%	17%	83%	17%	83%	17%	83%
82	MELROSE	38%	62%	35%	65%	33%	67%	33%	67%	33%	67%	30%	70%	30%	70%	27%	73%	27%	73%	27%	73%
83	HONDO	74%	26%	71%	29%	68%	32%	68%	32%	68%	32%	65%	35%	65%	35%	62%	38%	62%	38%	62%	38%
84	DES MOINES	87%	13%	84%	16%	81%	19%	81%	19%	81%	19%	78%	22%	78%	22%	75%	25%	75%	25%	75%	25%
85	RESERVE	87%	13%	83%	17%	80%	20%	80%	20%	80%	20%	77%	23%	77%	23%	74%	26%	74%	26%	74%	26%
86	CUBA	61%	39%	57%	43%	54%	46%	54%	46%	54%	46%	50%	50%	50%	47%	53%	47%	53%	47%	53%	53%
87	FORT SUMNER	70%	30%	67%	33%	63%	37%	63%	37%	63%	37%	60%	40%	60%	40%	56%	44%	56%	44%	56%	44%
88	MAXWELL	43%	57%	40%	60%	36%	64%	36%	64%	36%	64%	32%	68%	32%	68%	28%	72%	28%	72%	28%	72%
89	ROY	48%	52%	44%	56%	39%	61%	39%	61%	39%	61%	34%	66%	34%	66%	29%	71%	29%	71%	29%	71%
90	TOTALS	59%	41%	60%	40%	61%	39%	61%	39%	61%	39%	62%	38%	62%	38%	63%	37%	63%	37%	63%	37%

of Districts w/ 6% min

0

23

24

26

30

Waiver Criteria

Standards-Based Waiver Criteria - 22-24-5 (B)(9)

If the mill levy is equal to or greater than	10.0	the district is eligible, OR
if the MEM count is equal to or less than	800	and
the percent of free or reduced fee lunch is equal to or greater than	70%	and
the state share is less than	50%	and
the mill levy is equal to or greater than	7.00	the district is eligible, OR
the school district has an enrollment growth rate over the previous school year of at least		
pursuant to its 5-year FMP, will be building a new school within the next	2.5%	and
the mill levy is equal to or greater than	2 years	and
	10.0	the district is eligible

FMP Waiver Criteria - 22-24-4 (K)(2)

If the MEM count is equal to or less than	600	the district is eligible, OR
if the MEM count is equal to or less than	1,000	and
the percent of free or reduced fee lunch is equal to or greater than	70%	and
the state share is less than	50%	and
the Mill levy is equal to or greater than	7.00	the district is eligible.

Source: PSFA