

1 SENATE MEMORIAL 124

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

3 INTRODUCED BY

4 Mimi Stewart

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10 A MEMORIAL

11 REQUESTING THE PUBLIC EDUCATION DEPARTMENT TO CONVENE A TASK  
12 FORCE TO IDENTIFY POTENTIAL IMPACTS TO THE CENTRAL CONSOLIDATED  
13 SCHOOL DISTRICT.

14  
15 WHEREAS, the central consolidated school district in San  
16 Juan county issued school bonds for its facilities; and

17 WHEREAS, the central consolidated school district  
18 currently is obligated to repay the bonds; and

19 WHEREAS, a large percentage of the funds used by the  
20 central consolidated school district to repay the outstanding  
21 bonds comes from property tax paid by the owners of the San  
22 Juan generating station; and

23 WHEREAS, the owners of ninety-five percent of the San Juan  
24 generating station have indicated their intent not to continue  
25 their participation in the San Juan generating station after

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1 mid-2022, and the public service company of New Mexico has  
2 indicated that it will file an application to abandon the San  
3 Juan generating station in 2022; and

4 WHEREAS, the abandonment of the San Juan generating  
5 station may have a large impact on the property tax revenues  
6 available for the central consolidated school district to repay  
7 the bonds; and

8 WHEREAS, it is critical that the central consolidated  
9 school district have a plan to obtain sufficient funds to repay  
10 the bonds if property tax revenues are lost;

11 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE STATE  
12 OF NEW MEXICO that the public education department be requested  
13 to convene, by August 1, 2019, a task force to study the  
14 potential changes to the central consolidated school district's  
15 property tax base and potential changes related to mill levies  
16 and bonding capacity to determine if the school district will  
17 have a potential deficit in funds to repay the bonds; and

18 BE IT FURTHER RESOLVED that the task force be composed of:

- 19 A. the secretary of public education;
- 20 B. the chair of the public school capital outlay  
21 council;
- 22 C. the director of the legislative finance  
23 committee;
- 24 D. the director of the legislative education study  
25 committee;

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- 1 E. the secretary of taxation and revenue;
- 2 F. the San Juan county assessor;
- 3 G. the superintendent of the central consolidated
- 4 school district;
- 5 H. the president of the Navajo Nation;
- 6 I. the chair of the public regulation commission;
- 7 J. a resident residing in San Juan county appointed
- 8 by the central consolidated school district board; and
- 9 K. a parent of a child attending a school in the
- 10 central consolidated school district appointed by the central
- 11 consolidated school district board; and

12 BE IT FURTHER RESOLVED that the task force be requested to  
13 present a report no later than October 1, 2019 to the governor,  
14 the speaker of the house of representatives and the president  
15 pro tempore of the senate on its findings regarding:

16 A. possible reductions in property tax funds  
17 provided to the central consolidated school district due to the  
18 closure of the San Juan generating station and estimated new  
19 property tax revenue from new resources anticipated to be built  
20 in the area;

21 B. the availability of state funds provided to the  
22 central consolidated school district to repay the bonds;

23 C. the estimated amount of additional funding  
24 needed for the central consolidated school district to be able  
25 to make the bond payments;

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1           D. the estimated amount of additional funding  
2 needed for the central consolidated school district to be able  
3 to maintain facilities into the future; and

4           E. recommendations regarding options to provide the  
5 central consolidated school district with sufficient funds to  
6 be able to repay the bonds and maintain its facilities; and

7           BE IT FURTHER RESOLVED that copies of this memorial be  
8 transmitted to the secretary of public education, the chair of  
9 the public school capital outlay council, the director of the  
10 legislative finance committee, the director of the legislative  
11 education study committee, the secretary of taxation and  
12 revenue, the San Juan county assessor, the board president of  
13 the central consolidated school district, the speaker of the  
14 Navajo Nation council and the chair of the public regulation  
15 commission.