LFC Requester:	Liu

# AGENCY BILL ANALYSIS - 2025 REGULAR SESSION

#### WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO

AgencyAnalysis.nmlegis.gov and email to billanalysis@dfa.nm.gov

(Analysis must be uploaded as a PDF)

#### **SECTION I: GENERAL INFORMATION**

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

**Date Prepared**: February 14, 2025 *Check all that apply:* Bill Number: SJR11 Original X Correction Amendment Substitute

> **Agency Name** New Mexico Public School and Code

Facilities Authority 940 Number: **Sponsor:** Trujillo, Armstrong, Gallegos

SCHOOL ELECTIONS **Person Writing** Short Alyce Ramos

Title: TIMING, CA **Phone:** 505-468-0299 **Phone** 505-468-0299

# **SECTION II: FISCAL IMPACT**

## ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY25	FY26	FY27	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total				NFI	NFI	NFI

(Parenthesis ( ) Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to: N/A

Duplicates/Relates to Appropriation in the General Appropriation Act: N/A

## **SECTION III: NARRATIVE**

## **BILL SUMMARY**

Synopsis:

This SJR11 proposes to amend Article 7, Section 1, of the New Mexico Constitution by removing the language barring school elections to be held during partisan elections.

#### FISCAL IMPLICATIONS

Indeterminate as to the Public School Facilities Authority (PSFA) and Public School Capital Outlay Council (PSCOC).

By allowing school districts the opportunity to hold elections during partisan elections, more districts may attempt to gain voter approval of general obligation bonds, SB-9 and/or HB-33 mill levies in that year, without having to hold a special election. This could lead to more districts applying for funding through the Public School Capital Outlay Council to replace or improve school facilities. The passage of general obligation bonds, SB-9 and /or HB-33 increases district mill levies, which could make school districts eligible for a local match reduction (waiver) of local match for a given PSCOC funded project, thereby increasing the state share of a project. The

It is difficult to ascertain or predict the potential increased state funding that may occur based on the potential passage of SJR11. The following variables would factor into the increase in state funding in a given year:

- Quantity of districts that may attempt passage of general obligation bonds, SB-9 and /or HB-33 elections during a partisan election
- Quantity of districts that may apply for capital funding, following a successful bond election
- Quantity of districts requiring a waiver to fund the project
- Quantity of districts eligible for a waiver mill levy
- Each district's available funding to contribute to the local match for a project, based on bonding capacity and other available funding sources.
- The size, scope and cost of the projects

#### **SIGNIFICANT ISSUES**

School districts seek voter approval for authorization to use general obligation bonds and/or levying SB-9 and HB-33 mill levies to gain available funding to contribute to the local match of a PSCOC awarded project. It is important that districts adequately plan for financial and capital outlay needs. General obligation bonds should be intended and prioritized for specified projects the district is applying for. The timing of the bonds and usage of general obligation bond funding may impact the appropriate timing for a school district to apply for a PSCOC project and/or waiver.

By allowing districts an opportunity to hold an election for this purpose during a partisan election, districts will not need to wait a full year until the next non-partisan election or hold a special election, which school districts must fund themselves. Therefore, this may lead to more districts being able to apply for PSCOC funding following partisan elections.

#### RELATED BILLS

N/A

## PERFORMANCE IMPLICATIONS

N/A

## **ADMINISTRATIVE IMPLICATIONS**

N/A

## CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

N/A

#### **TECHNICAL ISSUES**

N/A

#### OTHER SUBSTANTIVE ISSUES

N/A

## **ALTERNATIVES**

N/A

# WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

An amendment to the New Mexico Constitution to remove language barring school elections to be held during partisan elections will not be submitted to the electorate for approval or rejection.

# **AMENDMENTS**

N/A