

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website ([www.nmlegis.gov](http://www.nmlegis.gov)). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

## FISCAL IMPACT REPORT

ORIGINAL DATE 02/19/13

SPONSOR Griego LAST UPDATED \_\_\_\_\_ HB \_\_\_\_\_

SHORT TITLE Pecos School Uniforms SB 534

ANALYST Roberts

### APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY13	FY14		
	\$25.0	Recurring	General Fund

(Parenthesis ( ) Indicate Expenditure Decreases)

Relates to SB 60

### SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

### SUMMARY

#### Synopsis of Bill

Senate Bill 534 appropriates \$25 thousand dollars from the general fund to the Public Education Department (PED) to pay for uniforms for the Pecos public schools.

### FISCAL IMPLICATIONS

The appropriation of \$25 thousand dollars contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of fiscal year 2014 shall revert to the general fund.

### SIGNIFICANT ISSUES

The PED notes that the appropriation would impact the offset provided for in the Public School Capital Outlay Act (Section 22-24-5 NMSA 1978). This provision was enacted to help equalize capital funding across all of New Mexico's school districts. This section of the law states in part: "that the Public School Capital Outlay Council (PSCOC) must reduce any grant amounts awarded to a school district by a percentage of all direct non-operational legislative

appropriations for schools in that district that have been accepted... The districts keep the total amount of direct appropriations; however, capital outlay grant awards made by the PSCOC are reduced by the offset.” The offset is the amount the grant award is reduced. For Pecos Independent School District, their district share is 54 percent. The districts offset for a future PSCOC project would be \$13.5 as a result of this appropriation.

### **ADMINISTRATIVE IMPLICATIONS**

The PED will be responsible for administering the funds to pay for uniforms for the Pecos Public Schools.

The PED is the administrative agent for this proposed allocation along with all the other capital appropriations appropriated to school districts in the capital outlay bill. The administration of the \$25.0 for uniforms for Pecos Independent Schools would require PED to issue a request for information, a letter of award, grant agreement, notice of obligation, budget and request for reimbursement. This could be accomplished with existing staff.

MIR/svb