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## FISCAL IMPACT REPORT

SPONSOR Clahchischilliage/Louis ORIGINAL DATE 3/8/17 HM 90  
LAST UPDATED \_\_\_\_\_ SB \_\_\_\_\_  
SHORT TITLE Review Santa Fe Indian School Capital Outlay SB \_\_\_\_\_  
ANALYST Boerner

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

|              | FY17 | FY18 | FY19 | 3 Year<br>Total Cost | Recurring or<br>Nonrecurring | Fund<br>Affected |
|--------------|------|------|------|----------------------|------------------------------|------------------|
| <b>Total</b> |      | NFI  | NFI  | NFI                  |                              |                  |

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

Indian Affairs Department (IAD)

Department of Finance and Administration (DFA)

### SUMMARY

#### Synopsis of Memorial

House Memorial 90 requests the Legislative Finance Committee (LFC), the Department of Finance and Administration and the Legislative Council Service identify and recommend an appropriate formal interim hearing and review process for Santa Fe Indian School capital outlay projects.

The memorial also requests the LFC, DFA, IAD and LCS present their recommendations at an interim legislative finance committee meeting so that determinations on Santa Fe Indian school funding requests may be made by November 1, 2017 for possible inclusion in legislation for consideration by the full legislative body beginning in the second session of the fifty-third legislature.

### FISCAL IMPLICATIONS

None noted.

### SIGNIFICANT ISSUES

The SFIS provides education for Native American students from 7th to 12th grades. The students

represent 19 Indian Pueblos in Bernalillo, Catron, Cibola, Lincoln, McKinley, Otero, Rio Arriba, San Juan, Sandoval, Santa Fe, Socorro, Taos and Valencia counties. SFIS is open only to Native American students from the 19 pueblos.

IAD points out the Santa Fe Indian school is a statewide institution that cannot participate in the state's public school operational funding formula process or the higher education funding process. The school has no bonding process in which to garner funds for capital outlay projects. Reliance on the legislative process is currently the only means for obtaining funds for capital projects. It is not clear that the absence of a special, formal interim hearing and review process for Santa Fe Indian school capital outlay projects would preclude the school from presenting its legislative priorities before interim committees, or from applying for capital monies.

IAD notes also that since 2009, the SFIS has had a strategic planning process that addresses the physical and curriculum development needs to further students' education ([www.sfis.k12.nm.us/strategic\\_planning](http://www.sfis.k12.nm.us/strategic_planning)). The development direction for the school is modeled on the Center for Secondary School redesign for capacity-building. In addition, the superintendent and the board of trustees meet monthly to set policies and provide school programmatic guidance.

## **ALTERNATIVES**

IAD suggests the school could request an opportunity to present its funding priorities to the Interim Indian Affairs Committee.

DFA offers that rather than creating the proposed interim working group, a simple solution could be to allow the SFIS to submit an Infrastructure Capital Improvement Plan (ICIP) to the Local Government Division (LGD), similar to the process followed by all state agencies and the vast majority of political subdivisions. The ICIP is a five-year plan that establishes priorities for capital projects. Local entities that submit ICIP's to the LGD include municipalities, counties, tribal governments, special districts and senior citizen facilities. The ICIP is a valuable tool to assist Legislators in making funding decisions related to local capital projects.

CB/sb