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**LEGISLATIVE EDUCATION STUDY COMMITTEE**  
**BILL ANALYSIS**  
**54th Legislature, 1st Session, 2019**

<b>Bill Number</b>	<u>SM124</u>	<b>Sponsor</b>	<u>Stewart</u>
<b>Tracking Number</b>	<u>.214983.2</u>	<b>Committee Referrals</b>	<u>SEC</u>
<b>Short Title</b>	<u>Central Consolidated School District Impacts</u>		
<b>Analyst</b>	<u>Rogne</u>	<b>Original Date</b>	<u>3/12/2019</u>
		<b>Last Updated</b>	<u></u>

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**BILL SUMMARY**

Synopsis of Memorial

Senate Memorial 124 (SM124) requests the Public Education Department (PED) to convene a task force to study the potential changes to Central Consolidated School District's (CCSD) property tax base and potential changes related to mill levies and bonding capacity to determine if the school district will have a potential deficit in funds to repay the bonds by August 1, 2019. The task force would be composed of the secretary of PED, the chair of the Public School Capital Outlay Council, the director of the Legislative Finance Committee, the director of the Legislative Education Study Committee, the secretary of Taxation and Revenue, the San Juan county assessor, the superintendent of CCSD, the president of the Navajo Nation, the chair of the Public Regulation Commission, and a San Juan county resident and a parent of a child in CCSD that are appointed by the school board. SM124 would request the task force present a report to the governor, the speaker of the House of Representatives, and the President Pro Tempore of the Senate on its findings by October 1, 2019.

**FISCAL IMPACT**

Legislative memorials do not carry appropriations.

**SUBSTANTIVE ISSUES**

SM124 notes the Public Service Company of New Mexico has indicated that it will file an application to abandon the San Juan Generating Station in 2022. A large percentage of funds used by CCSD to repay outstanding bonds issued for its public school facilities comes from property tax paid by the owners of the San Juan generating station. This means the abandonment of the San Juan Generating Station may have a large impact on the property tax revenues available for CCSD to repay these bonds. SM124 requests that PED convene a task force to study these issues, and present a report on its findings.

As of December 31, 2018, CCSD has a bonding capacity of \$41.6 million and is bonded to 82.9 percent of capacity. CCSD has \$34.5 million in outstanding bonds. See Attachment, **Public School Bonding Indebtedness as of December 31, 2018**.

### **RELATED BILLS**

Duplicate of HM88, Central Consolidated School District Impacts.

Related to SB489, Energy Transition Act, which establishes new renewable and zero carbon emission portfolio standards for both utilities and rural electric cooperatives and authorizes an alternative mechanism for financing the retirement of coal-fired power plants.

### **SOURCES OF INFORMATION**

- LESC Files

**MCR/mc/mhg**

Public School Bonding Indebtedness as of December 31, 2018

ATTACHMENT

School District	2018 Initial Valuations	Bonding Capacity	Bonds Outstanding 12/31/18	Available Capacity	Percent of Capacity Bonded	FY18 MEM	Assessed Value Per MEM	Date of SB9 Mill Levy Election
1 ALAMOGORDO	\$ 832,244,987	\$ 49,934,699	\$ 32,065,000	\$ 17,869,699	64.2%	5927.75	\$ 140,398	2/5/2013
2 ALBUQUERQUE	\$ 16,742,529,957	\$ 1,004,551,797	\$ 627,740,000	\$ 376,811,797	62.5%	96810.25	\$ 172,942	2/5/2013
3 ANIMAS	\$ 37,721,762	\$ 2,263,306	\$ -	\$ 2,263,306	0.0%	167	\$ 225,879	2/7/2017
4 ARTESIA	\$ 1,600,689,313	\$ 96,041,359	\$ -	\$ 96,041,359	0.0%	3785.75	\$ 422,820	2/6/2018
5 AZTEC	\$ 650,610,363	\$ 39,036,622	\$ 27,500,000	\$ 11,536,622	70.4%	3036	\$ 214,299	5/7/2013
6 BELEN	\$ 630,293,746	\$ 37,817,625	\$ 36,920,000	\$ 897,625	97.6%	3844.75	\$ 163,936	2/7/2017
7 BERNALILLO	\$ 636,031,113	\$ 38,161,867	\$ 34,485,000	\$ 3,676,867	90.4%	2889.5	\$ 220,118	2/5/2013
8 BLOOMFIELD	\$ 762,465,055	\$ 45,747,903	\$ 35,220,000	\$ 10,527,903	77.0%	2865.5	\$ 266,084	2/5/2013
9 CAPITAN	\$ 426,286,299	\$ 25,577,178	\$ 4,330,000	\$ 21,247,178	16.9%	503.25	\$ 847,067	2/3/2015
10 CARLSBAD	\$ 2,725,791,438	\$ 163,547,486	\$ 44,280,000	\$ 119,267,486	27.1%	7215.75	\$ 377,756	2/5/2013
11 CARRIZOZO	\$ 70,388,051	\$ 4,223,283	\$ 3,155,000	\$ 1,068,283	74.7%	151	\$ 466,146	2/5/2013
12 CENTRAL	\$ 693,726,276	\$ 41,623,577	\$ 34,505,000	\$ 7,118,577	82.9%	5731.75	\$ 121,032	2/5/2013
13 CHAMA	\$ 147,655,309	\$ 8,859,319	\$ 8,245,000	\$ 614,319	93.1%	366	\$ 403,430	2/7/2017
14 CIMARRON	\$ 428,876,355	\$ 25,732,581	\$ 7,310,000	\$ 18,422,581	28.4%	433.5	\$ 989,334	2/3/2015
15 CLAYTON	\$ 134,808,514	\$ 8,088,511	\$ 7,425,000	\$ 663,511	91.8%	466	\$ 289,289	2/7/2017
16 CLOUDCROFT	\$ 206,973,602	\$ 12,418,416	\$ 6,015,000	\$ 6,403,416	48.4%	368	\$ 562,428	2/5/2013
17 CLOVIS	\$ 837,973,685	\$ 50,278,421	\$ 47,315,000	\$ 2,963,421	94.1%	7988.75	\$ 104,894	2/7/2017
18 COBRE	\$ 262,970,904	\$ 15,778,254	\$ 7,185,000	\$ 8,593,254	45.5%	1185	\$ 221,916	2/3/2015
19 CORONA	\$ 64,485,480	\$ 3,869,129	\$ 450,000	\$ 3,419,129	11.6%	64.5	\$ 999,775	2/3/2015
20 CUBA	\$ 141,741,479	\$ 8,504,489	\$ 3,115,000	\$ 5,389,489	36.6%	550	\$ 257,712	2/5/2013
21 DEMING	\$ 595,370,798	\$ 35,722,248	\$ 25,520,000	\$ 10,202,248	71.4%	5262.75	\$ 113,129	2/5/2013
22 DES MOINES	\$ 38,216,551	\$ 2,292,993	\$ 284,000	\$ 2,008,993	12.4%	91	\$ 419,962	2/7/2017
23 DEXTER	\$ 84,426,761	\$ 5,065,606	\$ 5,060,000	\$ 5,606	99.9%	944.75	\$ 89,364	2/2/2016
24 DORA	\$ 27,592,173	\$ 1,655,530	\$ 1,165,000	\$ 490,530	70.4%	240.5	\$ 114,728	2/7/2017
25 DULCE	\$ 300,434,805	\$ 18,026,088	\$ 16,295,000	\$ 1,731,088	90.4%	673	\$ 446,411	2/5/2013
26 ELIDA	\$ 28,281,648	\$ 1,696,899	\$ -	\$ 1,696,899	0.0%	137.75	\$ 205,311	2/3/2015
27 ESPANOLA	\$ 590,998,167	\$ 35,459,890	\$ 21,325,000	\$ 14,134,890	60.1%	4166.5	\$ 141,845	2/5/2013
28 ESTANCIA	\$ 118,410,591	\$ 7,104,635	\$ 4,155,000	\$ 2,949,635	58.5%	606	\$ 195,397	4/12/2016
29 EUNICE	\$ 722,325,841	\$ 43,339,550	\$ 19,245,000	\$ 24,094,550	44.4%	782.25	\$ 923,395	2/2/2016
30 FARMINGTON	\$ 1,528,006,542	\$ 91,680,393	\$ 89,415,000	\$ 2,265,393	97.5%	11370.25	\$ 134,386	2/6/2018
31 FLOYD	\$ 14,994,840	\$ 899,690	\$ -	\$ 899,690	0.0%	214	\$ 70,069	2/3/2015
32 FT. SUMNER	\$ 91,348,468	\$ 5,480,908	\$ 2,285,000	\$ 3,195,908	41.7%	286.75	\$ 318,565	2/5/2013
33 GADSDEN	\$ 983,499,672	\$ 59,009,980	\$ 46,205,000	\$ 12,804,980	78.3%	13085.25	\$ 75,161	2/6/2018
34 GALLUP-MCKINLEY	\$ 836,647,457	\$ 50,198,847	\$ 47,055,000	\$ 3,143,847	93.7%	11443.5	\$ 73,111	2/2/2016
35 GRADY	\$ 10,063,999	\$ 603,840	\$ 414,000	\$ 189,840	68.6%	130.75	\$ 76,971	2/7/2017
36 GRANTS-CIBOLA	\$ 339,772,897	\$ 20,386,374	\$ 14,114,000	\$ 6,272,374	69.2%	3446	\$ 98,599	2/2/2016
37 HAGERMAN	\$ 39,517,340	\$ 2,371,040	\$ 750,000	\$ 1,621,040	31.6%	423.5	\$ 93,311	2/5/2013
38 HATCH	\$ 85,856,724	\$ 5,151,403	\$ 4,485,000	\$ 666,403	87.1%	1219.75	\$ 70,389	2/5/2013
39 HOBBS	\$ 1,582,784,488	\$ 94,967,069	\$ 50,940,000	\$ 44,027,069	53.6%	9722.75	\$ 162,792	2/3/2015
40 HONDO	\$ 37,387,387	\$ 2,243,243	\$ 1,435,000	\$ 808,243	64.0%	131	\$ 285,400	2/7/2017
41 HOUSE	\$ 15,767,307	\$ 946,038	\$ 265,000	\$ 681,038	28.0%	74.5	\$ 211,642	2/7/2017
42 JAL	\$ 1,768,516,729	\$ 106,111,004	\$ 43,280,000	\$ 62,831,004	40.8%	476.75	\$ 3,709,526	2/7/2017
43 JEMEZ MOUNTAIN	\$ 234,313,259	\$ 14,058,796	\$ -	\$ 14,058,796	0.0%	219	\$ 1,069,924	2/3/2015
44 JEMEZ VALLEY	\$ 109,156,022	\$ 6,549,361	\$ 4,105,000	\$ 2,444,361	62.7%	425.25	\$ 256,687	2/5/2013
45 LAKE ARTHUR	\$ 48,771,141	\$ 2,926,268	\$ 3,795,000	\$ (868,732)	129.7%	95	\$ 513,380	2/7/2017
46 LAS CRUCES	\$ 3,454,905,647	\$ 207,294,339	\$ 125,185,000	\$ 82,109,339	60.4%	25055.5	\$ 137,890	2/2/2016
47 LAS VEGAS CITY	\$ 278,575,560	\$ 16,714,534	\$ 12,975,000	\$ 3,739,534	77.6%	1534.75	\$ 181,512	2/7/2017
48 LAS VEGAS WEST	\$ 196,020,007	\$ 11,761,200	\$ 9,390,000	\$ 2,371,200	79.8%	1490	\$ 131,557	2/5/2013
49 LOGAN	\$ 69,196,770	\$ 4,151,806	\$ 2,385,000	\$ 1,766,806	57.4%	311.25	\$ 222,319	5/16/2017
50 LORDSBURG	\$ 133,747,501	\$ 8,024,850	\$ 7,015,000	\$ 1,009,850	87.4%	470.25	\$ 284,418	2/5/2013

Public School Bonding Indebtedness as of December 31, 2018

ATTACHMENT

	School District	2018 Initial Valuations	Bonding Capacity	Bonds Outstanding 12/31/18	Available Capacity	Percent of Capacity Bonded	FY18 MEM	Assessed Value Per MEM	Date of SB9 Mill Levy Election	
51	LOS ALAMOS	\$ 745,267,498	\$ 44,716,050	\$ 31,280,000	\$ 13,436,050	70.0%	3667.5	\$ 203,209	No Election	51
52	LOS LUNAS	\$ 895,222,415	\$ 53,713,345	\$ 48,300,000	\$ 5,413,345	89.9%	8773.5	\$ 102,037	2/6/2018	52
53	LOVING MUNICIPAL	\$ 237,070,571	\$ 14,224,234	\$ 3,545,000	\$ 10,679,234	24.9%	532	\$ 445,621	2/5/2013	53
54	LOVINGTON	\$ 694,678,895	\$ 41,680,734	\$ 39,780,000	\$ 1,900,734	95.4%	3531.25	\$ 196,723	2/3/2015	54
55	MAGDALENA	\$ 30,458,455	\$ 1,827,507	\$ 1,370,000	\$ 457,507	75.0%	318.5	\$ 95,631	2/7/2017	55
56	MAXWELL	\$ 21,593,837	\$ 1,295,630	\$ 114,000	\$ 1,181,630	8.8%	111.5	\$ 193,667	2/5/2013	56
57	MELROSE	\$ 34,369,038	\$ 2,062,142	\$ 550,000	\$ 1,512,142	26.7%	227.5	\$ 151,073	2/7/2017	57
58	MESA VISTA	\$ 82,583,365	\$ 4,955,002	\$ 4,280,000	\$ 675,002	86.4%	236.5	\$ 349,190	2/5/2013	58
59	MORA	\$ 101,531,411	\$ 6,091,885	\$ -	\$ 6,091,885	0.0%	414.75	\$ 244,801	2/5/2013	59
60	MORIARTY	\$ 567,933,067	\$ 34,075,984	\$ 21,325,000	\$ 12,750,984	62.6%	2933	\$ 193,636	2/3/2015	60
61	MOSQUERO	\$ 77,677,598	\$ 4,660,656	\$ 4,872,000	\$ (211,344)	104.5%	37.5	\$ 2,071,403	2/2/2016	61
62	MOUNTAINAIR	\$ 72,549,445	\$ 4,352,967	\$ 2,680,000	\$ 1,672,967	61.6%	214.5	\$ 338,226	2/2/2016	62
63	PECOS	\$ 139,986,249	\$ 8,399,175	\$ 4,375,000	\$ 4,024,175	52.1%	602.25	\$ 232,439	2/7/2017	63
64	PEÑASCO	\$ 56,141,252	\$ 3,368,475	\$ 1,470,000	\$ 1,898,475	43.6%	341.5	\$ 164,396	6/18/2013	64
65	POJOAQUE	\$ 174,140,328	\$ 10,448,420	\$ 5,860,000	\$ 4,588,420	56.1%	1967.75	\$ 88,497	2/5/2013	65
66	PORTALES	\$ 287,857,024	\$ 17,271,421	\$ 10,740,000	\$ 6,531,421	62.2%	2659.25	\$ 108,247	2/7/2017	66
67	QUEMADO	\$ 91,735,672	\$ 5,504,140	\$ 425,000	\$ 5,079,140	7.7%	149	\$ 615,676	2/7/2017	67
68	QUESTA	\$ 192,294,467	\$ 11,537,668	\$ 5,015,000	\$ 6,522,668	43.5%	491	\$ 391,638	2/5/2013	68
69	RATON	\$ 155,380,622	\$ 9,322,837	\$ 1,097,000	\$ 8,225,837	11.8%	891	\$ 174,389	2/7/2017	69
70	RESERVE	\$ 46,596,417	\$ 2,795,785	\$ 1,690,000	\$ 1,105,785	60.4%	127	\$ 366,901	2/5/2013	70
71	RIO RANCHO	\$ 2,280,162,355	\$ 136,809,741	\$ 121,135,000	\$ 15,674,741	88.5%	17676.5	\$ 128,994	2/6/2018	71
72	ROSWELL	\$ 1,077,890,843	\$ 64,673,451	\$ 39,135,000	\$ 25,538,451	60.5%	10076	\$ 106,976	2/5/2013	72
73	ROY	\$ 10,026,358	\$ 601,581	\$ 423,000	\$ 178,581	70.3%	48.5	\$ 206,729	2/2/2016	73
74	RUIDOSO	\$ 713,584,862	\$ 42,815,092	\$ 36,915,000	\$ 5,900,092	86.2%	1963.75	\$ 363,379	2/5/2013	74
75	SAN JON	\$ 15,514,533	\$ 930,872	\$ 90,000	\$ 840,872	9.7%	143	\$ 108,493	2/7/2017	75
76	SANTA FE	\$ 6,554,328,127	\$ 393,259,688	\$ 212,500,000	\$ 180,759,688	54.0%	16244.75	\$ 403,474	2/6/2018	76
77	SANTA ROSA	\$ 111,937,209	\$ 6,716,233	\$ 3,325,000	\$ 3,391,233	49.5%	640.25	\$ 174,834	2/5/2013	77
78	SILVER CITY	\$ 574,977,096	\$ 34,498,626	\$ 5,000,000	\$ 29,498,626	14.5%	2715.25	\$ 211,758	2/5/2013	78
79	SOCORRO	\$ 187,509,044	\$ 11,250,543	\$ 10,229,000	\$ 1,021,543	90.9%	1642.75	\$ 114,143	2/6/2018	79
80	SPRINGER	\$ 41,299,618	\$ 2,477,977	\$ 532,000	\$ 1,945,977	21.5%	137.5	\$ 300,361	2/2/2016	80
81	TAOS	\$ 1,174,163,675	\$ 70,449,821	\$ 27,120,000	\$ 43,329,821	38.5%	3289	\$ 356,997	2/5/2013	81
82	TATUM	\$ 97,141,908	\$ 5,828,514	\$ 2,575,000	\$ 3,253,514	44.2%	320	\$ 303,568	2/5/2013	82
83	TEXICO	\$ 86,194,552	\$ 5,171,673	\$ 3,640,000	\$ 1,531,673	70.4%	538	\$ 160,213	2/5/2013	83
84	T OR C	\$ 319,657,445	\$ 19,179,447	\$ 12,625,000	\$ 6,554,447	65.8%	1225.75	\$ 260,785	2/7/2017	84
85	TUCUMCARI	\$ 118,464,317	\$ 7,107,859	\$ 4,490,000	\$ 2,617,859	63.2%	952.75	\$ 124,339	2/5/2013	85
86	TULAROSA	\$ 100,780,137	\$ 6,046,808	\$ 4,790,000	\$ 1,256,808	79.2%	837.25	\$ 120,370	2/3/2015	86
87	VAUGHN	\$ 95,754,251	\$ 5,745,255	\$ 2,390,000	\$ 3,355,255	41.6%	66.5	\$ 1,439,914	2/3/2015	87
88	WAGON MOUND	\$ 33,083,870	\$ 1,985,032	\$ 880,000	\$ 1,105,032	44.3%	62	\$ 533,611	2/4/2014	88
89	ZUNI	\$ 2,227,109	\$ 133,627	\$ -	\$ 133,627	0.0%	1271.5	\$ 1,752	2/6/2018	89
90	STATEWIDE	\$ 60,698,935,715	\$ 3,641,936,141	\$ 2,202,364,000	\$ 1,439,572,141	60%	326958			90

Source: PED