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FISCAL IMPACT REPORT

SPONSOR Stewart ORIGINAL DATE 1/24/19
LAST UPDATED _____ HB _____
SHORT TITLE Public School Capital Outlay Calculations SB 231
ANALYST Kehoe

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY19	FY20	FY21	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		NFI				

(Parenthesis () Indicate Expenditure Decreases)

Relates to Senate Bill 230

SOURCES OF INFORMATION

LFC Files
New Mexico Public School Facilities Authority (PSFA)
New Mexico Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Bill 231 clarifies terminology and makes technical changes to conform with amendments to the Public School Capital Outlay Act enacted in the 2018 Legislative Session (Senate Bill 30). The effective date of the bill is July 1, 2019.

FISCAL IMPLICATIONS

The bill does not have a fiscal impact on the state general fund or any other state funding sources. It should be noted that Senate Bill 30 enacted in the 2018 Legislative Session changed the state and local match formula. However, this bill does not make changes to the formula, but primarily addresses the application of the state and local match formula to provide clearer guidance for its application.

SIGNIFICANT ISSUES

The following changes, by section, are as follows:

1. All references to the “Public School Facilities Authority” is changed to the “Authority” to reflect the terminology within the Public School Capital Outlay Act,
2. Omits references to “no Child Left Behind Act of 2001” and instead references “Every Student Succeeds Act” to conform with new federal law,
3. Clarifies reporting dates of average full-time-equivalent enrollment for charter schools in leased spaces,
4. All references to “Public Education Department” is changed to the “Department” throughout the bill to reflect the terminology in the Act,
5. All references to “the Public School Capital Outlay Fund is changed to the “Fund” throughout the bill to reflect the terminology in the Act and to be inclusive of all allowable funds pursuant to the Act,
6. Deletes language referencing the outdated critical capital outlay process to reflect the new standards-based process,
7. Deletes references to the American Recovery and Reinvestment Act of 2009 that no longer exists,
8. Clarifies how state-chartered schools state share is calculated to ensure the total project cost definition applies to the final calculation of distribution from the fund,
9. Defines reporting of full-time-equivalent students reporting dates to be on the second and third reporting dates of the prior school year, and
10. Makes grammatical and other technical changes to organize and structure Senate Bill 30 enacted during the 2018 Legislative session.

ADMINISTRATIVE IMPLICATIONS

The PSFA reports it will collaborate with PED during the implementation phase of determining formula calculations through fiscal year 2024, after which time the responsibility of providing the value of the formula will be the sole responsibility of PSFA.

LMK/gb/sb