

MINUTES
of the
NINETY-FIRST MEETING
of the
PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE

November 3, 2023
State Capitol, Room 322
Santa Fe

The ninety-first meeting of the Public School Capital Outlay Oversight Task Force was called to order by Senator William P. Soules, chair, on Friday, November 3, 2023, at 10:08 a.m. in Room 322 of the State Capitol in Santa Fe.

Present

Sen. William P. Soules, Chair
Rep. Eliseo Lee Alcon
Scott Elder
LeAnne Gandy
Ashley Leach, Designee for Secretary of
Finance and Administration Wayne
Propst
Rep. Tanya Mirabal Moya
Cindy Montoya
Sen. George K. Muñoz
Antonio Ortiz, Designee for Secretary of
Public Education Arsenio Romero
Sen. Shannon D. Pinto
Stan Rounds
Sen. Joshua A. Sanchez
Karen Sanchez-Griego
Sen. Mimi Stewart

Absent

Rep. G. Andrés Romero, Vice Chair
Sondra Adams
Johnny Benavidez
Rep. Jack Chatfield
Julie Lucero
Rep. Javier Martínez
Brandy Murphy
Amber L. Romero
Sen. Benny Shendo, Jr.
Rep. Nathan P. Small

Advisory Members

Rep. Brian G. Baca
Rep. Ambrose Castellano
Rep. Yanira Gurrola
Sen. Leo Jaramillo
Sen. Michael Padilla
Sen. Cliff R. Pirtle

Staff

Raúl E. Burciaga, Director, Legislative Council Service (LCS)
Clinton Turner, Research and Fiscal Policy Analyst, LCS
Sheila Keleher, Researcher, LCS
Lenaya Montoya, Staff Attorney, LCS
Joanne Montague, Senior Legislative Librarian, LCS

Minutes Approval

Because the task force will not meet again this interim, the minutes for this meeting have not been officially approved by the task force.

Guests

The guest list is in the meeting file.

Handouts

Handouts and other written testimony are in the meeting file and posted on the legislature's website.

References to Webcast

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the task force meeting, which can be found at www.nmlegis.gov, under the "Webcast" tab. The presentations made and task force discussions for agenda items can be found on the recorded webcast for this meeting.

Friday, November 3

Welcome and Introductions (10:08 a.m.)

Senator Soules welcomed task force members and guests to the meeting, and members and staff introduced themselves.

Public School Capital Outlay Council (PSCOC) Update (10:12 a.m.)

Mr. Burciaga, vice chair, PSCOC, announced the upcoming retirement of Martica Casias, executive director, Public School Facilities Authority (PSFA). Gwen Perea Warniment, chair, Awards Subcommittee, PSCOC, and Ashley Leach, chair, Administration, Maintenance and Standards Subcommittee, PSCOC, discussed the inclusion of manufactured housing in the teacher housing guidelines, as well as new PSCOC awards. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20110323%20Item%201%20PSCOC%20Update.pdf>

Approval of Minutes (10:30 a.m.)

On a motion made and seconded, and without objection, the task force approved the minutes of the September 25, 2023 meeting.

PSFA Update (10:31 a.m.)

Ms. Casias and Ryan Parks, deputy director, PSFA, responded to questions raised during the September 25, 2023 meeting about training opportunities for maintenance of heating, ventilation and air conditioning (HVAC) systems at public schools. They also discussed the three-year maintenance agreement required by the authority for HVAC mechanical contractors. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20110323%20Item%202%20PSFA%20Responses.pdf>

PSFA Budget Request (10:56 a.m.)

Ms. Casias, Mr. Parks and Iris Romero, chief financial officer, PSFA, outlined the operating budget for fiscal year 2024, as well as the operating budget request for fiscal year 2025. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20110323%20Item%203%20PSFA%20Budget.pdf>.

Adequacy Standards (11:12 a.m.)

Ms. Casias and Mr. Parks presented a brief history of the adequacy standards developed and adopted in 2002 in response to the *Zuni* lawsuit of 1999. They reviewed the current adequacy standards used to measure and evaluate all existing public school buildings and the adequacy planning guide for new schools, including educational spaces and safety and security areas. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20110323%20Item%204%20PSFA%20Adequacy%20Standards.pdf>.

State/Local Match and Waivers (1:06 p.m.)

Sunny Liu, fiscal analyst, Legislative Finance Committee (LFC), and Tim Bedeaux, senior policy analyst, Legislative Education Study Committee (LESC), addressed the history of the state's response to the *Zuni* lawsuit. They discussed the waiver criteria for districts wanting to waive their local match, noting that the formula may not be working as intended since more districts are requesting waivers. Senate Bill 131 (2023) provides some temporary financial relief to public schools, while the state continues to evaluate the state-local match formula. Ms. Casias; Alyce Ramos, programs manager, PSFA; and Antonio Ortiz, director, Finance and Operations, Public Education Department, reviewed the temporary reductions in local matches for fiscal years 2024 through 2026. Despite the local match reductions, Ms. Ramos acknowledged that the reduction is still not sufficient enough for many districts to afford potential projects. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=PSCO&Date=11/3/2023&ItemNumber=5>.

Transportation Funding and Electric Buses (2:24 p.m.)

Mr. Bedeaux presented a LESL report outlining the history of public school transportation funding, including the statutory framework for calculating the state transportation distribution. He noted that school transportation is a key element for providing students with access to an equitable and sustainable education. Among the recommendations from the LESL report are: funding increases to the state transportation distribution, amending the statute to create a more stable and equitable funding system for school transportation and building a funding mechanism for electric school buses. Charles Goodmacher, board member, NMVC Action Fund, discussed the Clean School Bus Program administered by the United States Environmental Protection Agency. He reviewed the federal funding that five New Mexico school districts received for new electric school buses. Mr. Goodmacher emphasized the

benefits of electric school buses for student health and academic performance and the environment. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=PSCO&Date=11/3/2023&ItemNumber=6>.

House Joint Memorial 7 (2023), State and Federal Funding of HVAC Systems (3:40 p.m.)

Erik Malmstrom, chief executive officer, SafeTraces, addressed the current federal policy for institutions to improve ventilation and filtration systems. He also reviewed research that found a direct correlation between indoor air quality in school buildings and illness-related absences among students. Mr. Liu outlined the federal Education Stabilization Fund (ESF) and the three major sub-funds of the ESF that were established to support emergency education needs. Mr. Bedeaux and Mr. Ortiz discussed House Joint Memorial 7 (2023), which requests that the Public School Capital Outlay Oversight Task Force study public school HVAC systems and make a recommendation for a sustainable funding mechanism for the assessment, repair, adjustment and replacement of such systems. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=PSCO&Date=11/3/2023&ItemNumber=7>.

Adjournment

There being no further business before the task force, the meeting adjourned at 4:25 p.m.