

**MINUTES
of the
EIGHTIETH MEETING
of the
PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE**

**September 3, 2021
State Capitol, Senate Chambers
Santa Fe**

The eightieth meeting of the Public School Capital Outlay Oversight Task Force was called to order by Representative G. Andrés Romero, chair, on September 3, 2021 at 9:32 a.m. in the Senate Chambers of the State Capitol in Santa Fe.

Present

Rep. G. Andrés Romero, Chair
Sen. William P. Soules, Vice Chair
Sondra Adams
Rep. Eliseo Lee Alcon
Johnny Benavidez
Rep. Jack Chatfield
Scott Elder
Rep. Susan Herrera, Designee for Rep. Brian Egolf
Sen. Stuart Ingle
Ashley Leach, Designee for Secretary of Finance and Administration Debbie Romero
Antonio Ortiz, Designee for Secretary-Designate of Public Education Kurt Steinhaus
Rep. Randall T. Pettigrew
Sen. Shannon D. Pinto
Amber L. Romero
Stan Rounds
Sen. Benny Shendo, Jr.
Sen. Mimi Stewart

Advisory Members

Absent

Carl Foster
Rep. Patricia A. Lundstrom
Cindy Montoya
Sen. George K. Munoz
Brandy Murphy
Sen. Joshua A. Sanchez
Karen Sanchez-Griego

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, Research Assistant, LCS

Minutes Approval

Because the task force lacked a quorum at its last meeting of the interim, the minutes for this meeting were not considered for approval 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, September 3

Welcome (9:32 a.m.)

Representative Romero welcomed task force members and presenters.

Public School Capital Outlay Council (PSCOC) and Public School Facilities Authority (PSFA) Update (9:34 a.m.)

Jonathan Chamblin, executive director, PSFA, and Randy Evans, chief financial officer, PSFA, provided an update on the PSCOC and the PSFA. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20090321%20Item%201%20PSCOC%20PSFA%20Update.pdf>.

Approval of Minutes (10:37 a.m.)

Upon a motion made and seconded, and without any objections, the task force approved and adopted the minutes of the August 16, 2021 meeting.

Impact and Implementation of House Bill 6 (2021) on the Capital Funding Formula for Schools (10:38 a.m.)

Mr. Chamblin and Mr. Evans reviewed the capital funding formula for New Mexico school districts and outlined the changes in Subsection K of Section 7 of House Bill 6 (2021),

which require the PSCOC to develop rules that will change the formula to include a new local revenue source. Martin Romine, director of finance, Zuni Public School District, and Jvanna L. Hanks II, deputy superintendent, Gallup-McKinley County School District, expressed the need for an ongoing collaborative subcommittee to address the complexity of issues involved, such as unrestricted revenues, global resources and teacherages. Claire Cieremans, chief finance officer, Los Lunas Public School District; Ludym Martinez, associate superintendent for finance, Gadsden Independent School District; Leslie Pearce, business manager, Tatum Municipal School District; and Tami Coleman, chief financial officer, Albuquerque Public School District, addressed the impact that the new capital funding formulas will have on their respective districts, and more specifically, how restricted and unrestricted revenues will affect state and local matching funds. Terry Dean, executive director, New Mexico Association of School Business Officials, expressed concerns about which revenues will be restricted and emphasized the importance of ensuring that the funding formula remain beneficial, in accordance with the intent of the legislation. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20090321%20Item%202%20PSFA%20Presentation%202021%20HB6.pdf>.

Facilities Funding Process and Options for Charter Schools (11:44 a.m.)

Mr. Chamblin presented a brief overview of PSCOC funding programs and outlined the eligibility criteria that are specific to charter schools. Matthew Pahl, executive director, Public Charter Schools of New Mexico, gave an overview of the history of charter schools in New Mexico and examined the funding implications of Senate Bill 318 (2021) on charter school facilities. The presentations can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=PSCO&Date=9/3/2021&ItemNumber=3>.

Adjournment

There being no further business before the task force, the meeting adjourned at 12:26 p.m.