

# 2020 Post Special Session Financial Report

June 23, 2020

In the wake of the pandemic and severe recession, the New Mexico Legislature met in a special session on June 18 to achieve solvency for state finances and address other matters.

The consensus revenue estimating group followed up on an April report and presented a revised general fund revenue estimate with a reduction of FY20 general fund revenue of \$374 million and a reduction in FY21 general fund revenue of \$1.98 billion. The FY21 forecast is down 25 percent from the December 2019 estimate and 20 percent from FY20.

Prior to the special session, the Legislative Finance Committee advanced a staff framework with two bills: general fund appropriations reductions (HB1), and capital outlay voids and fund balance sweeps (SB5). These measures reflected significant input, but not total agreement of the executive. The Legislature passed these bills with some amendments and a third bill providing targeted tax relief with modest general fund revenue reductions.

These measures allow use of federal stimulus revenue, reduce or deauthorize nonrecurring appropriations to save almost \$200 million, reduce FY21 appropriations by almost \$600 million, and allow use of restricted general fund reserves. The projected ending balance in FY21 is \$850 million, or 11.8 percent

General Appropriation Act Sanding. HB1-SS authorizes the transfer of \$750 million from the coronavirus stimulus fund authorized by the CARES Act to the general fund. (There are two contingent options if “flexible” use of the stimulus is not enacted.) HB1-SS sands general fund appropriations in HB2, the General Appropriation Act of 2020, for schools by 1 percent, Department of Health by 2 percent, the Human Services Department by 3 percent, and all other agencies by 4 percent to save \$193 million compared to HB2.

HB1-SS also mostly eliminates the general fund appropriations for 4 percent compensation increases in HB2 to save \$157 million. However, HB1-SS includes language that public school appropriations include sufficient funding for 1 percent raises and appropriates \$1.7 million to provide state employees earning less than \$50 thousand a one percent increase.

In addition to sanding, HB1-SS provides for additional reductions to new programs started or expanded by HB2, including physical education, opportunity scholarship, and K-5 Plus. HB1-SS also makes one-time general fund reductions for FY21 of \$162 million to offset a portion of CARES funds for public and higher education and Medicaid.

Recurring general fund appropriations for FY21 adjusted by HB1-SS total \$7.206 billion, an increase of 1.5 percent, down from the 7.5 percent increase in HB2.

HB1-SS reduces general fund special appropriations by \$56 million including \$5 million for LEDA, \$10 million for a water rights fund, and \$10 million for higher education endowment funds. Appropriations from the public school reform fund will decline \$40 million and the balances will be available for FY22. The general fund transfer for the new early childhood trust fund declines \$20 million to \$300 million. The 2020 general fund appropriations for road maintenance decline \$45 million to \$135 million.

HB1-SS also authorizes \$165 million from the coronavirus stimulus fund to cities and counties and \$23 million to tribal governments.

In the event of a revenue shortfall, HB1-SS authorizes general fund allotment reductions up to two percent across the board.

Solvency Measures. SB5-SS voids 71 inactive capital projects funded in 2019 from the general fund for \$13.9 million. LFC and DFA staff analysis determined the projects had no activity. An amendment provided that if the grantee is able to secure an encumbrance of 5 percent within 90 days of the effective date, the void is “unvoided.”

SB5-SS authorizes transfer of \$33 million of surplus balances to the general fund, including water project fund, public liability fund, corrective action fund, primary care capital fund, and rural infrastructure fund.

SB5-SS also authorizes a “supersweep” of severance tax bonding fund revenue that would otherwise transfer to the severance tax permanent fund on June 30. This boosts severance tax bond capacity \$140 million. Still, with the collapse of severance tax revenue, approximately \$100 million of severance tax bond projects authorized by the 2020 Legislature will remain unissued.

SB5-SS swaps \$75 million general fund appropriations for roads in 2019 for transportation bonds to be issued in FY23. Most of the \$250 million general fund appropriation for major investment projects in 2019 is unspent.

SB5-SS repeals on expansion of the SB9 property tax match for school improvements enacted at the 2020 session. The funding increase was not viable due to a decline in revenue to the public school capital outlay fund.

Temporary Tax Waivers. HB6-SS waives penalty and interest fees for income taxes due from April 15 to July 15, 2020. This is approximately revenue neutral for FY20 and FY21. The bill doubles an FY21 temporary distribution to cities and counties for internet taxes collected by the state, which reduces FY21 general fund revenue by \$24 million. A House Floor amendment exempts certain CARES payments to health care providers from the gross receipts tax and will reduce FY20 general fund revenue by \$4 million.

General Fund Financial Summary. With new estimated revenue and appropriation reductions and revenue losses, estimated general fund reserves are \$1.5 billion, or 21.3 percent ending FY20 and \$850 million, or 11.8 percent, ending FY21.

The estimated new money for FY22, projected FY22 recurring revenue less FY21 recurring appropriations, is \$986 million.

Executive and legislative analysts and policy makers face a greater challenge developing a responsible budget for FY22. This includes great focus on revenue estimates, identifying significant nonrecurring and recurring revenue options and restructuring agency operations to achieve expenditure reductions.

		0% Pay	0% Pay	Reflects LFC Solvency Framework - w/Amendment	
		FY20	FY21	Notes	
1	<b>LFC Estimate: Revenue Decline</b>	\$ 374	\$ 1,979		1
				Move Stimulus Funding into Appropriations Account for COVID-19 Allotments in Schools/Higher Education/Public Health and Public Safety	
2	<b>Federal Stimulus Fund</b>		\$ (750)		2
3	<b>Adjusted Revenue Decline</b>	\$ 374	\$ 1,229		3
4	<b>General Fund (Reductions) Increase</b>				4
5	Section 4 Sanding		\$ (193)	-.1% SEG, 2%DOH, -3% Medicaid, -4% All Other; -6% PS/HE categorical/below the line.	5
6	Section 4, 8 - Pay		\$ (157)	0% in required compensation. Schools to provide 1 percent to non-supervisory employees in SEG. DFA/Agencies offset costs for 1 percent for lower salary employees through vacancy savings and special approp.	6
7	Section 4 Swap/Other Reductions		\$ (96)	Tobacco/Other various cuts and sanding/Eliminate Opp. Scholarship/Roll back other ed initiatives	7
8	Section 4 Replace Impact Aid		\$ 31		8
9	<b>Section 4-Recurring Reductions Total</b>		\$ (415)		9
10	Section 4 Federal Funds Swap		\$ (162)	Recognize increased discretionary federal grants	10
11	<b>Section 4-One Time Swap</b>		\$ (162)	Assume replacement of amount in FY22 with GF	11
12	<b>Section 4 - Grand Total</b>		\$ (576)		12
13	Sections 5, 6, 7 Reductions	\$ (57)		See Detail. Includes \$7 M DD Waiver reversion.	13
14	Swap/Sweeps	\$ (26)		Assume \$8M Swap Disaster EO with federal funds in GFFS	14
15	Section 9 - Roads Swap	\$ (120)		Swap GF Road funding with debenture/Cancel \$45 M	15
16	Section 10 - PERA			DFA already transferred \$55 M to PERA.	16
17	Section 10 - Other		\$ (20)	Early Childhood	17
18	New-Impact Aid FY20			LFC - Contingency to direct SEG reversions to State Support Reserve to preserve unit value, w/BOF approval of certificant that all appeals of impact aid ruling exhausted.	18
19	<b>Sections 5,6,7, 9, 10</b>	\$ (203)	\$ (20)		19
20	<b>Other Items</b>				20
21	Capital Voids	\$ (14)		See Capital Framework	21
22	STB Sweep/Swap	\$ -		Use 100% STB Revenue (Super Sweep)	22
23	Other Revenue/Swap	\$ (10)		NMFA Transfers (\$9.8M)	23
24	<b>Sub-Total Other Bills</b>	\$ (24)			24
25	<b>Total Solvency Actions (Scenario)</b>	\$ (226)	\$ (596)		25
26	New Total From (To) Reserves to Appropriation Account	\$ 148	\$ 633		26
27	Ending Reserve Balance	\$ 1,562	\$ 878		27
28	Reserves Percent of Recurring	22.0%	12.2%	Provide Gov authority to sand all GF appropriations up to 2% if revenues are short. Authorize TSR transfer to appropriation account if line 2 not allowed by federal government w/BOF certification.	28
29	FY22 New Money Post Solvency		\$ (986)		29
30	FY22 New Money Current Law		\$ (1,401)		30
51	<b>CARES Act State/Local Relief Fund</b>				51
52		FY20	FY21	Notes	52
53	CARES Act Funding		\$1,250		53
54	ABQ		(\$150)	Already drawn down this amount.	54
55	BernCo.		(\$32)	Already drawn down this amount.	55
56	Other County/Muni		(\$165)	\$150M by formula determined by DFA (Pop/%GRT); \$15 for locals in Cibola, McKinley, San Juan	56
57	State Emergency Cost		(\$130)		57
58	Other (Tribal/Business)		(\$23)		58
59	Transfer for Solvency		(\$750)		59
60	Balance		(\$0)		60

**Adjusted FY21 General Fund Appropriations - Agency High Level**

1	(in millions)	FY20 OpBud	SFC/ Final Total	% Change from FY20	Pay	1/2/3% Sanding	4% Sanding	6% Sanding	Swaps/ Other	Total Recurring Adj.	SS Change from FY20	SS FY21 Total	SS % Changes from FY20	NR Federal Grant Swap	Total Net GF	Federal/OSF	Effective Total (AM+AP)	Effective Change from FY20	% Changes from FY20	1
8	<b>Appropriations</b>																			8
9	<b>Public School Support</b>																			9
10	SEG	\$ 3,068.8	\$ 3,237.3	5.5%	\$ (92.6)	\$ (32.4)			\$ (21.2)	\$ (146.2)	\$ 22.3	\$ 3,091.1	0.7%	\$ (44.6)	\$ 3,046.5	\$ 108.0	\$ 3,154.5	\$ 85.7	2.8%	10
11	Categorical	\$ 102.9	\$ 133.8	30.0%	\$ (1.6)			\$ (8.0)		\$ (9.6)	\$ 21.2	\$ 124.2	20.6%		\$ 124.2		124.2	\$ 21.2	20.6%	11
12	Related	\$ 26.8	\$ 32.3	20.3%				\$ (1.9)	\$ (3.4)	\$ (5.3)	\$ 0.1	\$ 27.0	0.5%	\$ (10.0)	\$ 17.0	\$ 22.2	\$ 39.2	\$ 12.3	45.9%	12
13	924 Public Education Dept.	\$ 13.6	\$ 14.9	9.5%			\$ (0.6)			\$ (0.6)	\$ 0.7	\$ 14.3	5.2%		\$ 14.3	\$ 0.5	\$ 14.8	\$ 1.2	8.8%	13
14	<b>Total Public Education</b>	<b>\$ 3,212.2</b>	<b>\$ 3,418.3</b>	<b>6.4%</b>	<b>\$ (94.2)</b>	<b>\$ (32.4)</b>	<b>\$ (0.6)</b>	<b>\$ (10.0)</b>	<b>\$ (24.6)</b>	<b>\$ (161.8)</b>	<b>\$ 44.3</b>	<b>\$ 3,256.5</b>	<b>1.4%</b>	<b>\$ (54.6)</b>	<b>\$ 3,201.9</b>	<b>\$ 130.7</b>	<b>\$ 3,332.6</b>	<b>\$ 120.4</b>	<b>3.7%</b>	14
15	<b>Higher Education</b>																			15
16	I&G	\$ 685.6	\$ 703.6	2.6%			\$ (28.1)			\$ (28.1)	\$ (10.1)	\$ 675.4	-1.5%	\$ (20.0)	\$ 655.4	\$ 36.3	\$ 691.7	\$ 6.2	0.9%	16
17	Other Categorical	\$ 141.8	\$ 153.4	8.2%				\$ (8.3)		\$ (8.3)	\$ 3.3	\$ 145.1	2.3%		\$ 145.1		\$ 145.1	\$ 3.3	2.3%	17
18	Higher Education Department	\$ 39.7	\$ 48.5	22.3%			\$ (1.5)		\$ (7.0)	\$ (8.5)	\$ 0.4	\$ 40.1	1%		\$ 40.1		\$ 40.1	\$ 0.4	1%	18
19	<b>Total Higher Ed.</b>	<b>\$ 867.0</b>	<b>\$ 905.5</b>	<b>4.4%</b>	<b>\$ 0.0</b>	<b>\$ -</b>	<b>\$ (29.6)</b>	<b>\$ (8.3)</b>	<b>\$ (7.0)</b>	<b>\$ (44.9)</b>	<b>\$ (6.4)</b>	<b>\$ 860.6</b>	<b>-0.7%</b>	<b>\$ (20.0)</b>	<b>\$ 840.6</b>	<b>\$ 36.3</b>	<b>\$ 876.9</b>	<b>\$ 9.9</b>	<b>1.1%</b>	19
20	200 Courts	\$ 183.9	\$ 191.5	4.2%			\$ (7.7)			\$ (7.7)	\$ 0.0	\$ 183.9	0.0%		\$ 183.9		\$ 183.9	\$ 0.0	0.0%	20
21	250 District Attorneys	\$ 79.5	\$ 83.0	4.5%			\$ (3.3)			\$ (3.3)	\$ 0.2	\$ 79.7	0.3%		\$ 79.7		\$ 79.7	\$ 0.2	0.3%	21
22	280 Public Defender	\$ 55.5	\$ 58.4	5.2%			\$ (2.3)			\$ (2.3)	\$ 0.5	\$ 56.0	1.0%		\$ 56.0		\$ 56.0	\$ 0.5	1.0%	22
23	333 TRD	\$ 63.6	\$ 66.5	4.5%			\$ (2.7)			\$ (2.7)	\$ 0.2	\$ 63.8	0.3%		\$ 63.8		\$ 63.8	\$ 0.2	0.3%	23
24	341 Department of Finance & Admin	\$ 16.0	\$ 17.0	6.0%			\$ (0.7)			\$ (0.7)	\$ 0.3	\$ 16.3	1.7%		\$ 16.3		\$ 16.3	\$ 0.3	1.7%	24
25	344 DFA (Special Approps)	\$ 5.2	\$ 5.6	7.1%				\$ (0.3)		\$ (0.3)	\$ 0.0	\$ 5.3	0.7%		\$ 5.3		\$ 5.3	\$ 0.0	0.7%	25
26	350 General Services Department	\$ 15.7	\$ 17.9	13.9%			\$ (0.7)		\$ (0.6)	\$ (1.3)	\$ 0.9	\$ 16.6	5.5%		\$ 16.6		\$ 16.6	\$ 0.9	5.5%	26
27	418 Tourism	\$ 16.8	\$ 18.5	10.1%			\$ (0.7)		\$ (0.6)	\$ (1.3)	\$ 0.4	\$ 17.1	2.1%		\$ 17.1		\$ 17.1	\$ 0.4	2.1%	27
28	419 Economic Development Dept	\$ 14.3	\$ 14.9	3.8%			\$ (0.6)		\$ (0.5)	\$ (1.1)	\$ (0.5)	\$ 13.8	-3.8%		\$ 13.8		\$ 13.8	\$ (0.5)	-3.8%	28
29	505 Cultural Affairs Department	\$ 32.9	\$ 34.4	4.7%			\$ (1.4)			\$ (1.4)	\$ 0.2	\$ 33.0	0.5%		\$ 33.0		\$ 33.0	\$ 0.2	0.5%	29
30	521 Energy, Minerals & Natural Res Dept	\$ 22.8	\$ 24.0	5.3%			\$ (1.0)			\$ (1.0)	\$ 0.3	\$ 23.1	1.1%		\$ 23.1		\$ 23.1	\$ 0.3	1.1%	30
31	550 State Engineer	\$ 19.2	\$ 21.0	9.4%			\$ (0.8)		\$ (0.4)	\$ (1.2)	\$ 0.6	\$ 19.8	2.9%		\$ 19.8		\$ 19.8	\$ 0.6	2.9%	31
32	611 Early Childhood Education & Care Dept.	\$ 168.4	\$ 206.6	22.7%			\$ (8.3)		\$ (5.0)	\$ (13.3)	\$ 24.9	\$ 193.3	14.8%	\$ (5.0)	\$ 188.3	\$ 29.9	\$ 218.2	\$ 49.8	29.6%	32
33	624 Aging & Long-Term Care Dept.	\$ 47.2	\$ 50.6	7.2%			\$ (2.0)			\$ (2.0)	\$ 1.4	\$ 48.6	2.9%		\$ 48.6		\$ 48.6	\$ 1.4	2.9%	33
34	630 Medicaid & Medicaid BH	\$ 1,019.7	\$ 1,093.7	7.3%		\$ (32.8)			\$ (17.0)	\$ (49.8)	\$ 24.2	\$ 1,043.9	2.4%	\$ (75.0)	\$ 968.9	\$ 149.0	\$ 1,117.9	\$ 98.2	9.6%	34
35	630 Other Human Services	\$ 125.6	\$ 130.8	4.2%			\$ (5.2)		\$ (2.2)	\$ (7.4)	\$ (2.2)	\$ 123.4	-1.7%		\$ 123.4		\$ 123.4	\$ (2.2)	-1.7%	35
36	631 Workforce Solutions Dept	\$ 10.1	\$ 10.3	1.5%			\$ (0.4)			\$ (0.4)	\$ (0.3)	\$ 9.9	-2.5%		\$ 9.9		\$ 9.9	\$ (0.3)	-2.5%	36
37	665 Department of Health	\$ 293.4	\$ 318.2	8.4%		\$ (6.4)			\$ (3.0)	\$ (9.4)	\$ 15.4	\$ 308.8	5.2%	\$ (7.0)	\$ 301.8	\$ 14.0	\$ 315.8	\$ 22.4	7.6%	37
38	667 Environment Department	\$ 12.3	\$ 14.1	14.6%			\$ (0.6)		\$ (0.4)	\$ (1.0)	\$ 0.8	\$ 13.1	6.7%		\$ 13.1		\$ 13.1	\$ 0.8	6.7%	38
39	690 Children, Youth & Families Dept	\$ 210.6	\$ 223.6	6.2%			\$ (8.9)		\$ (1.5)	\$ (10.4)	\$ 2.5	\$ 213.2	1.2%		\$ 213.2		\$ 213.2	\$ 2.5	1.2%	39
40	770 Department of Corrections	\$ 324.2	\$ 343.0	5.8%			\$ (13.7)		\$ -	\$ (13.7)	\$ 5.1	\$ 329.3	1.6%		\$ 329.3		\$ 329.3	\$ 5.1	1.6%	40
41	790 Department of Public Safety	\$ 127.4	\$ 135.0	6.0%			\$ (5.4)		\$ (1.0)	\$ (6.4)	\$ 1.2	\$ 128.6	1.0%		\$ 128.6		\$ 128.6	\$ 1.2	1.0%	41
42	All Other Agencies^	\$ 141.4	\$ 153.1	8.3%			\$ (6.1)		\$ (1.1)	\$ (7.2)	\$ 4.6	\$ 146.0	3.3%		\$ 146.0		\$ 146.0	\$ 4.6	3.3%	42
46	<b>Subtotal Section 4</b>	<b>\$ 7,084.9</b>	<b>\$ 7,555.5</b>	<b>6.6%</b>	<b>\$ (94.2)</b>	<b>\$ (71.5)</b>	<b>\$ (102.8)</b>	<b>\$ (18.6)</b>	<b>\$ (64.8)</b>	<b>\$ (352.0)</b>	<b>\$ 118.6</b>	<b>\$ 7,203.5</b>	<b>1.7%</b>	<b>\$ (161.6)</b>	<b>\$ 7,041.9</b>	<b>\$ 359.9</b>	<b>\$ 7,401.8</b>	<b>\$ 316.9</b>	<b>4.5%</b>	46
48	Comp All Other Public Employees - 3%,HAFC-3%, SFC-4%,SS 0%*		\$ 66.0		\$ (62.6)					\$ (62.6)	\$ 3.4	\$ 3.4			\$ 3.4		\$ 3.4			48
49	<b>Grand Total</b>	<b>\$ 7,085.3</b>	<b>\$ 7,621.4</b>	<b>7.6%</b>	<b>\$ (156.8)</b>	<b>\$ (71.5)</b>	<b>\$ (102.8)</b>	<b>\$ (18.6)</b>	<b>\$ (64.8)</b>	<b>\$ (414.6)</b>	<b>\$ 122.0</b>	<b>\$ 7,206.9</b>	<b>1.7%</b>	<b>\$ (161.6)</b>	<b>\$ 7,045.3</b>	<b>\$ 359.9</b>	<b>\$ 7,405.2</b>	<b>\$ 319.9</b>	<b>4.5%</b>	49

-2% -3% \*Sufficient funds in base budgets for 1% non-supervisory school employees and state employees with salaries less than \$50k

**Proposed Solvency Framework for June 2020 Special Session**

**Reduction of Expansions and Other Changes to Section 4 of General Appropriations Act of 2020**

	Sec.	#	Agency Name	GF (in millions)	OSF	INT	FED	Description	Program/ Amount (detail in thousands)
1	4	350	GSD	\$ (0.6)				Roll back new FTEs	Facilities Management
2	4	370	SOS	\$ (0.5)				Federal funds offset	Elections
3	4	418	Tourism	\$ (0.6)				Roll back expanded marketing	Marketing and Promotion
4	4	419	Econ Dev	\$ (0.5)				Econ Partnership	Economic Development
6	4	495	Spaceport	\$ (0.6)				Roll back FTE increases	Agency has one program
7	4	550	OSE	\$ (0.4)				Roll back FTE increases	Program Support
8	4	611	ECED	\$ (5.0)				Reduce increases for child care, wage supplements, mixed age 3YO PreK, office leases	Program Support: (\$671.4), early childhood ed. & care:(\$3,300), Prek (\$1,000)
9	4	630	HSD	\$ (17.0)	\$ 17.0			Swap with Tobacco Revenue	Medical Assistance
10	4	630	HSD	\$ (2.2)				Pull back increases in program support, jail and ABWD expansion, ASPEN IT	Program Support: (\$572.6), Income Support: (\$1,127.4), BHSD: (\$500)
11	4	665	DOH	\$ (3.0)				Reduce increases to program support/DD program	Program Support:(\$600), DD Support: (\$2,400)
12		667	NMED	\$ (0.4)				Roll back new FTEs	Water Protection
13	4	690	CYFD	\$ (1.5)				Reduce increases to program support/staff expansion	Program Support: (\$500), Child Protective Services: (\$1,000)
14	4	770	NMCD	\$ -				Amendment Removed	
15	4	790	DPS	\$ (1.0)				Vacancy rate/Other	Law Enforcement
16	4	950	HED	\$ (7.0)				Reduce Opportunity Scholarship to reflect current program (Only 2-year students)	
17	4	993	PSS	\$ (6.0)				Eliminate PE Expansion	
18	4	993	PSS	\$ (4.2)				Reverse Mentor stipends	
19	4	993	PSS	\$ (3.4)				Additional sanding of below the line	
20	4	993	PSS	\$ (2.0)				Roll back new literacy initiative/Assume PED uses some FF	
21	4	993	PSS	\$ (40.0)				Roll back K5 Plus	
22	Total			\$ (95.8)	\$ 17.0	\$ -	\$ -		
28	<b>Spending Increases</b>								
29	4	993	PSS	\$ 31.0				GF to SEG for lower Impact Aid credit	
30	<b>Other Federal Grants Swap</b>								
31	4	611	ECED	\$ (5.0)			\$ 29.9	Assume carry forward FF savings due to COVID CCDF supplanting FY20 spending	
32	4	665	DOH	\$ (7.0)			\$ 14.0	Enhanced FMAP	
33	4	630	HSD	\$ (75.0)			\$ 132.0	Enhanced FMAP	
34	4	924	PED	\$ (10.0)			\$ 22.7	Assume federal funds used to cover below the line programs at PED discretion	
35	4	950	HED	\$ (20.0)			\$ 36.3	Assume use of Ed Stabilization. Institutional aid, excluding funding for minority student serving institutional aid. Excludes entirely another \$30M student portion. Only \$1.2 of \$4 for UNM HSC I&G	
36	4	993	PSS	\$ (44.6)			\$ 107.4	Assume use of Ed Stabilization	
37				\$ (161.6)			\$ 342.3		

# PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS FOR FY21

(In thousands of dollars)

School Year 2020-2021 Preliminary Unit Value = \$4,758.10  
School Year 2019-2020 Final Unit Value = \$4,602.27

	FY20 OpBud	FY21 OpBud	Legis. Staff Scenario
<b>PROGRAM COST</b>	\$2,646,377.6	\$3,137,303.4	\$3,137,303.4
<b>UNIT CHANGES</b>			
Increase At-Risk Index (FY20: 0.25, FY21: 0.30, LSS: 0.30)	\$113,177.9	\$50,152.1 <sup>1</sup>	\$50,152.1
Other Projected Net Unit Changes	(\$11,173.3)	(\$10,287.0) <sup>2</sup>	(\$10,287.0) <sup>2</sup>
Elementary P.E. Units		\$6,000.0	
Bilingual Multicultural Education Programs	\$6,954.5		
Set School Age Limit at 22	(\$6,129.0)		
Phase-out School Size Adjustment within Large Districts (>2,000 MEM)	(\$9,041.6)		
Phase-in Rural Population Units	\$5,204.5		
Extended Learning Time Factor	\$62,497.5	\$8,896.6 <sup>3</sup>	\$8,896.6 <sup>3</sup>
K-5 PLUS Formula Factor	\$119,895.9	<sup>3</sup>	(\$40,000.0) <sup>3</sup>
<b>UNIT VALUE CHANGES</b>			
Insurance	\$9,014.0	\$11,567.6	\$11,567.6
Minimum Wage Increase (FY20: \$9.00/hr, LFC: \$10.50/hr)	\$169.6	\$1,100.0	\$1,100.0
Fixed Costs	\$4,000.0	\$4,764.9	\$4,764.9
Instructional Materials	\$30,000.0		
Mentorship and Professional Development		\$11,000.0	\$11,000.0
Mentorship Stipends		\$4,198.1	
Early Literacy		\$10,000.0	\$8,000.0
Raise Compensation for Teachers (FY20: 6%, FY21: 4%)	\$77,753.0	\$59,180.2	<sup>4</sup>
Raise Compensation for Other School Personnel (FY20: 6%, FY21: 4%)	\$43,919.8	\$33,447.4	<sup>4</sup>
Remove Impact Aid Credit			(\$67,000.0)
Impact Aid Hold Harmless			\$31,000.0
SEG Scheduling (LSS: 1%)			(\$32,373.2)
Nonrecurring Education Stimulus Swap (LSS: 41% Credit)			(\$44,661.0) <sup>12</sup>
Increase Minimum Salary Levels	\$40,433.0		
Increase Employer Retirement Contributions	\$4,250.0		
<b>SUBTOTAL PROGRAM COST</b>	<b>\$3,137,303.4</b>	<b>\$3,327,323.3</b>	<b>\$3,069,463.4</b>
Dollar Change Over Prior Year Appropriation	\$490,925.8	\$190,019.9	(\$67,840.0)
Percent Change	18.6%	6.1%	-2.2%
<b>LESS PROJECTED CREDITS (FY18 Actual: \$77 million, FY19 Actual: \$85 million)</b>	<b>(\$63,500.0)</b>	<b>(\$83,000.0)</b>	<b>(\$16,000.0)</b>
<b>LESS OTHER STATE FUNDS (From Driver's License Fees)</b>	<b>(\$5,000.0)</b>	<b>(\$7,000.0)</b>	<b>(\$7,000.0)</b>
<b>STATE EQUALIZATION GUARANTEE</b>	<b>\$3,068,803.4</b>	<b>\$3,237,323.3</b>	<b>\$3,046,463.4</b>
Dollar Change Over Prior Year Appropriation	\$486,425.8	\$168,519.9	(\$22,340.0)
Percent Change	18.8%	5.5%	-0.7%
Plus: Nonrecurring CARES Act Elementary and Secondary School Emergency Relief Fund (FF)			\$108,032.0 <sup>12</sup>
<b>TOTAL STATE EQUALIZATION GUARANTEE</b>	<b>\$3,068,803.4</b>	<b>\$3,237,323.3</b>	<b>\$3,154,495.4</b>
Dollar Change Over Prior Year Appropriation	\$486,425.8	\$168,519.9	\$85,692.0
Percent Change	18.8%	5.5%	2.8%
<b>CATEGORICAL PUBLIC SCHOOL SUPPORT</b>			
<b>TRANSPORTATION</b>			
Maintenance and Operations	\$56,397.9 <sup>5</sup>	\$86,664.8	\$86,664.8
Fuel	\$12,979.0	\$13,108.8	\$13,108.8
Rental Fees (Contractor-Owned Buses)	\$9,194.4	\$7,119.7	\$7,119.7
Transportation for Extended Learning Time	\$2,745.6	\$3,707.3	\$3,707.3
Transportation for K-5 Plus	\$3,744.0	\$3,818.9	\$3,818.9
Raise Compensation for Transportation Personnel (FY20: 6%, FY21: 4%)	\$3,567.6	\$1,594.0	
Transportation Reductions			(\$4,013.9) <sup>13</sup>
<b>SUBTOTAL TRANSPORTATION</b>	<b>\$88,628.5</b>	<b>\$116,013.5</b>	<b>\$110,405.6</b>
<b>SUPPLEMENTAL DISTRIBUTIONS</b>			
Out-of-State Tuition	\$300.0	\$285.0	\$285.0
Emergency Supplemental	\$1,000.0	\$2,000.0	\$2,000.0
<b>DUAL CREDIT INSTRUCTIONAL MATERIALS</b>	<b>\$1,000.0</b>	<b>\$1,500.0</b>	<b>\$1,500.0</b>
<b>STANDARDS-BASED ASSESSMENTS</b>	<b>\$6,000.0</b>	<b>\$6,000.0</b>	<b>\$6,000.0</b>
<b>INDIAN EDUCATION FUND</b>	<b>\$6,000.0</b>	<b>\$6,000.0</b>	<b>\$6,000.0</b>
Other Categorical Reductions			(\$4,014.0) <sup>15</sup>
<b>TOTAL CATEGORICAL</b>	<b>\$102,928.5</b>	<b>\$133,798.5</b>	<b>\$124,176.6</b>
<b>TOTAL PUBLIC SCHOOL SUPPORT</b>	<b>\$3,171,731.9</b>	<b>\$3,371,121.8</b>	<b>\$3,278,672.0</b>
Dollar Change Over Prior Year Appropriation	\$472,725.5	\$199,389.9	\$106,940.1
Percent Change	17.5%	6.3%	3.4%
<b>RELATED REQUESTS: RECURRING</b>			
Regional Education Cooperatives	\$1,039.0	\$1,100.0	\$1,034.0
Accountability and Regional Support Systems		<sup>10</sup>	<sup>10</sup>
Indigenous, Multilingual, Multicultural, and Special Education Initiatives	\$1,000.0	\$5,500.0 <sup>11</sup>	\$2,805.0 <sup>11,12</sup>
English Learners and Bilingual Program Evaluation and Support	\$2,500.0		
Early Literacy and Reading Support		\$2,000.0	\$1,020.0 <sup>12</sup>
Principal Professional Development	\$2,500.0	\$3,000.0	\$1,530.0 <sup>12</sup>
Teacher Recruitment, Mentorship, Professional Development, Evaluation, and Retention	\$2,500.0	\$3,455.0	\$1,762.1 <sup>12</sup>

School Year 2020-2021 Preliminary Unit Value = \$4,758.10  
 School Year 2019-2020 Final Unit Value = \$4,602.27

	FY20 OpBud	FY21 OpBud	Legis. Staff Scenario
69 Teacher and Administrator Evaluation System	\$1,000.0 <sup>6</sup>		
70 Community School Initiatives	\$2,000.0	\$4,000.0	\$2,040.0 <sup>12</sup>
71 Breakfast for Elementary Students	\$1,600.0	\$1,600.0	\$816.0 <sup>12</sup>
72 New Mexico Grown Fruits and Vegetables	\$450.0 <sup>7</sup>	\$400.0	\$204.0 <sup>12</sup>
73 GRADS – Teen Parent Interventions	\$200.0 <sup>8</sup>	\$500.0 <sup>8</sup>	\$255.0 <sup>8,12</sup>
74 School-Based Health Centers	\$1,350.0		
75 STEAM (Science, Technology, Engineering, Arts, and Math) Initiatives	\$5,000.0	\$5,000.0	\$2,550.0 <sup>12</sup>
76 Advanced Placement Test Fee Waivers and Training	\$1,500.0	\$1,500.0	\$765.0 <sup>12</sup>
77 Career Technical Education	\$3,000.0	\$3,000.0	\$1,530.0 <sup>12</sup>
78 Feminine Hygiene Products	\$170.0	\$170.0	\$86.7 <sup>12</sup>
79 Teaching Pathways Coordinator	\$50.0	\$50.0	\$25.5 <sup>12</sup>
80 Computer Science Professional Development	\$200.0	\$200.0	\$102.0 <sup>12</sup>
81 Mathematics, Engineering, Science Achievement (MESA) Program	\$75.0	\$75.0	\$38.3 <sup>12</sup>
82 Dyslexia Screening and Professional Development	\$357.0		
83 Media Literacy Programs	\$350.0		
84 School Lunch Copayments		\$650.0	\$331.5 <sup>12</sup>
85 College and Career Readiness		\$100.0	\$51.0 <sup>12</sup>
<b>TOTAL RELATED APPROPRIATIONS: RECURRING</b>	<b>\$26,841.0</b>	<b>\$32,300.0</b>	<b>\$16,946.1</b>
Dollar Change Over Prior Year Appropriation	(\$35,059.0)	\$5,459.0	(\$9,894.9)
Percent Change	-56.6%	20.3%	-36.9%
<b>SUBTOTAL PUBLIC EDUCATION FUNDING (General Fund Only)</b>	<b>\$3,198,572.9</b>	<b>\$3,403,421.8</b>	<b>\$3,187,586.1</b>
Dollar Change Over Prior Year Appropriation	\$408,666.5	\$204,848.9	(\$10,986.8)
Percent Change	14.6%	6.4%	-0.3%
<b>PUBLIC EDUCATION DEPARTMENT</b>	<b>\$13,618.8</b>	<b>\$14,919.0 <sup>9</sup></b>	<b>\$14,322.2 <sup>9</sup></b>
Dollar Change Over Prior Year Appropriation	\$2,372.2	\$1,300.2	\$703.4
Percent Change	21.1%	9.5%	5.2%
<b>GRAND TOTAL - SECTION 4 GENERAL FUND ONLY</b>	<b>\$3,212,191.7</b>	<b>\$3,418,340.8</b>	<b>\$3,201,908.3</b>
Dollar Change Over Prior Year Appropriation	\$411,038.7	\$206,149.1	(\$10,283.4)
Percent Change	14.7%	6.4%	-0.3%
<b>GRAND TOTAL - SECTION 4 w/CARES Act ESSER Funds</b>	<b>\$3,212,191.7</b>	<b>\$3,418,340.8</b>	<b>\$3,309,940.3 <sup>12</sup></b>
Dollar Change Over Prior Year Appropriation	\$411,038.7	\$206,149.1	\$97,748.6
Percent Change	14.7%	6.4%	3.0%

Detail on Other State and Federal Fund Appropriations

	FY20 OpBud	FY21 OpBud	Legis. Staff Scenario
49 SUBTOTAL TRANSPORTATION	\$88,628.5	\$116,013.5	\$114,419.5
49(a) Plus: Public School Capital Outlay Fund (OSF)	\$25,000.0 <sup>5</sup>		
49(b) Less Categorical Slicing: 6%			(\$4,013.9)
49(c) <b>TOTAL TRANSPORTATION</b>	<b>\$113,628.5</b>	<b>\$116,013.5</b>	<b>\$110,405.6</b>
63 Accountability and Regional Support Systems			
63(a) Plus: Public Education Reform Fund (OSF)		\$1,000.0 <sup>10</sup>	\$1,000.0 <sup>10</sup>
63(b) <b>SUBTOTAL</b>	<b>\$0.0</b>	<b>\$1,000.0</b>	<b>\$1,000.0</b>
69 Teacher and Administrator Evaluation System	\$1,000.0		
69(a) Plus: Educator Licensure Fund (OSF)	\$1,000.0 <sup>6</sup>		
69(b) <b>SUBTOTAL</b>	<b>\$2,000.0</b>	<b>\$0.0</b>	<b>\$0.0</b>
<b>TOTAL RELATED APPROPRIATIONS: RECURRING</b>	<b>\$26,841.0</b>	<b>\$32,300.0</b>	<b>\$16,946.1</b>
86(a) Plus: CARES Act Governor's Emergency Education Relief Fund (FF)			\$10,000.0 <sup>12</sup>
86(b) <b>TOTAL RELATED APPROPRIATION: RECURRING</b>	<b>\$26,841.0</b>	<b>\$32,300.0</b>	<b>\$26,946.1</b>
86(c) Dollar Change Over Prior Year Appropriation	(\$35,059.0)	\$5,459.0	\$105.1
86(d) Percent Change	-56.6%	20.3%	0.4%

Detail on Sections 5, 6, and 7 Appropriations

	FY20 OpBud	FY21 OpBud	Legis. Staff Scenario
102 Statewide Special Education Convening		\$750.0 <sup>10</sup>	
103 Career Technical Education Fund	\$2,000.0	\$2,000.0 <sup>10</sup>	\$2,000.0 <sup>10</sup>
104 Educator Evaluation System	\$1,000.0	\$1,000.0 <sup>10</sup>	\$1,000.0 <sup>10</sup>
105 Standards Based Assessment Research and Development	\$2,000.0		
106 Sufficiency Lawsuit Fees (Exec: Legal Fees)	\$1,250.0	\$750.0	\$750.0
107 Emergency Supplemental Funding for School Districts	\$1,000.0		
108 Dual-Credit Instructional Materials	\$500.0		
110 Cyber Security and Data Systems Upgrade		\$500.0 <sup>10</sup>	\$500.0 <sup>10</sup>
111 Instructional Materials	\$26,500.0	\$4,500.0 <sup>10</sup>	
112 Teacher Residency Pilot (Exec: HED)	\$1,000.0	\$2,000.0 <sup>1,10</sup>	\$1,000.0 <sup>10</sup>
113 Statewide Real-Time Data Management System		\$1,144.6 <sup>10</sup>	\$1,144.6 <sup>10</sup>
114 Grants Management System		\$1,558.4 <sup>10</sup>	\$1,558.4 <sup>10</sup>
115 Educator Preparation Program Integrated Data Exchange System		\$254.3 <sup>10</sup>	\$254.3 <sup>10</sup>
116 Culturally and Linguistically Diverse Instructional Material and Curriculum Development		\$9,000.0 <sup>10</sup>	\$1,000.0 <sup>10</sup>
117 Early Literacy Summer Professional Development		\$875.0 <sup>1,10</sup>	\$875.0 <sup>10</sup>
118 Teacher Placement and Support in Hard-to-Staff Areas		\$1,000.0 <sup>10</sup>	
119 Summer Extended Learning for Native American Students and Small Schools		\$5,000.0 <sup>10</sup>	
120 K-12 Plus Pilot and K-5 Plus Transition Programs		\$30,000.0 <sup>3,10</sup>	
121 School Improvement Grants		\$2,933.1 <sup>10</sup>	
122 National Board Certification Grants		\$500.0 <sup>1,10</sup>	\$500.0 <sup>10</sup>

School Year 2020-2021 Preliminary Unit Value = \$4,758.10				
School Year 2019-2020 Final Unit Value = \$4,602.27				
		FY20 OpBud	FY21 OpBud	Legis. Staff Scenario
123	School Panic Buttons		\$1,595.0 <sup>10</sup>	\$1,595.0 <sup>10</sup> 123
124	Billiteracy Framework Study		\$100.0	\$100.0 124
125	Grow Your Own Teachers Act		\$500.0 <sup>10</sup>	\$500.0 <sup>10</sup> 125
126	School Budget Transparency Website		\$6,000.0 <sup>1,10</sup>	\$3,000.0 <sup>10</sup> 126
127	Facilities and Maintenance (PSCOF)		\$18,867.0 <sup>5</sup>	\$18,867.0 <sup>5</sup> 127
128	TOTAL SECTIONS 5, 6, & 7	\$35,250.0	\$90,827.4	\$34,644.3 128
	PUBLIC EDUCATION REFORM FUND (Sections 4-7)	\$0.0	\$70,515.4 <sup>10</sup>	\$14,332.3 <sup>10</sup>

#### Footnotes

- 1 Contingent on enactment of legislation.
- 2 Includes \$3.8 million in unit losses from Laws 2019, Chapters 206 and 207 (SB1 and HB5) and \$6.4 million from 45% of projected unit losses from declining membership.
- 3 Language authorizing K-5 Plus funds for ELTP and providing flexibility for programs in FY21.
- 4 Language requiring noting sufficient funds for an average 1% increase for non-supervisory employees.
- 5 Includes appropriations from the public school capital outlay fund (PSCOF).
- 6 Includes appropriations from the educator licensure fund.
- 7 Includes \$50 thousand from Laws 2019, Chapter 278 (SB 536), and \$200 thousand from Laws 2019, Chapter 279 (HB 548).
- 8 Includes \$200 thousand for GRADS and \$3.5 million for prekindergarten from TANF.
- 9 Does not include the Section 8 appropriation for a salary increase for PED personnel or federal CARES Act ESSER set-aside.
- 10 Includes appropriations from the public education reform fund (PERF).
- 11 Includes language transferring \$1 million to the Indian Affairs Department for bilingual education and curriculum development for Native American English language learners.

	FY20 OPBUD	House Bill 2 Final	Special Session Prelim
1 <b>INSTRUCTION and GENERAL</b>			
2 <b>INSTITUTIONAL I&amp;G FUNDING</b>			
3 <i>Total Percent of I&amp;G Formula Based on Outcomes</i>	5.3%	2.1%	6.1%
4 <i>Percent of "New Money"</i>	3.3%	2.1%	2.1%
5 <i>Amount of "New Money" over FY20 Formula Funding</i>	\$19,396.1	\$13,126.4	\$13,126.4
6			
7 <b>FY20 I&amp;G Base Year</b>			
8 Base Year I&G	584,220.7	623,365.5	623,365.5
9 Base Year I&G - Health Sciences Center	584,220.7	0.0	0.0
10 Base Adjustment Rate	2.0%	0.0%	4.0%
11 Base Adjustment Amount	(11,684.4)	0.0	0.0
12 <b>FY20 Core Funding Level</b>	572,536.3	623,365.5	623,365.5
13			
14 <b>Outcomes Funding</b>			
15 <b>Workload Outcomes (Course Completion)</b>	6,444.1	2,260.5	2,260.5
16			
17 <b>Statewide Outcomes Measures</b>			
18 <i>Total Formula Certificates and Degrees</i>	9,224.2	4,743.7	4,743.7
19 <i>Total Workforce Certificates and Degrees</i>	4,273.0	1,922.1	1,922.1
20 <i>Total At-Risk Certificates and Degrees</i>	4,895.2	2,581.0	2,581.0
21 <b>Subtotal Statewide Outcomes Measures</b>	18,392.4	9,246.8	9,246.8
22			
23 <b>Mission-Differentiated Measures</b>			
24 <i>Research Universities</i>	3,836.6	1,451.4	1,451.4
25 <i>Comprehensive Institutions</i>	1,207.3	259.8	259.8
26 <i>Community Colleges</i>	3,677.5	914.1	914.1
27 <b>Subtotal Mission-Differentiated Measures</b>	8,721.4	2,625.3	2,625.3
28			
29 <b>Total Outcomes Funding</b>	33,557.9	14,132.5	14,132.5
30 <i>I&amp;G Base Adjustments - equity formula adjustments</i>	17,271.3	1,000.0	940.0
30 <i>I&amp;G Base Adjustments - Dual Credit and hold harmless</i>	0.0	2,000.0	1,880.0
31 <i>I&amp;G Base Adjustments - Special Session Sanding 4 percent</i>	0.0	0.0	(25,486.5)
32 <b>Total Formula Funding</b>	623,365.5	640,498.0	614,831.5
33			
34 <b>Medical School I&amp;G FUNDING</b>	62,207.2	40,000.0	40,000.0
35 <b>UNM Health Sciences Center Formula I&amp;G Funding</b>	0.0	23,148.0	23,148.0
36 <i>I&amp;G Base Adjustments - Special Session Sanding 4 percent</i>			(2,525.9)
37 <b>HIGHER EDUCATION Institution and UNM HSC I&amp;G TOTAL</b>	685,572.7	703,646.0	675,453.5
38 <i>Dollar Change from Prior Year Operating Budget</i>	43,091.2	18,073.3	(10,119.2)
39 <i>Percent Change from Prior Year Operating Budget</i>	6.7%	2.6%	-1.5%
40 <i>Federal Funds SWAP</i>			(20,000.0)
41 <b>I&amp;G with federal funds SWAP</b>			655,453.5
42 <b>Total I&amp;G Reduction for Colleges, UNMHSC and Special Schools</b>			(28,276.4)
43 <b>OTHER CATEGORICAL</b>			
44 <i>Special Schools (I&amp;G only)</i>	6,411.0	6,597.8	6,333.9
45 <i>Athletics</i>	16,580.4	17,230.4	16,196.6
46 <i>Public Television</i>	3,312.2	3,312.2	3,113.5
47 <i>Healthcare Workforce (incl. medical residencies, undergraduate &amp; graduate nursing education, dental programs)</i>	13,873.2	16,261.9	15,286.2
48 <i>Other Research and Public Service Projects</i>	101,604.9	110,010.9	104,224.8
49 <i>Senate Amendments</i>	0.0	0.0	0.0
50 <b>Total RPSP (Excl. Special Schools I&amp;G)</b>	135,370.7	146,815.4	138,821.0
51 <b>OTHER CATEGORICAL SUBTOTAL</b>	141,781.7	153,413.2	145,154.9
52 <i>Dollar Change from Prior Year Operating Budget</i>	13,316.4	11,631.5	3,373.2
53 <i>Percent Change from Prior Year Operating Budget</i>	10.4%	8.2%	2.4%
54			
55 <b>TOTAL GAA SECTION 4 INSTITUTIONS</b>	827,354.4	857,059.2	800,608.5
56			
57 <b>HIGHER EDUCATION DEPARTMENT</b>	FTE: 52	FTE: 46.0	FTE: 46.0
58 <i>Operating Budget and Flow-Through Programming</i>	17,496.0	16,151.0	15,505.0
59 <i>Student Financial Aid</i>	22,193.2	20,343.2	19,529.5
60 <i>NM Opportunity Scholarship</i>	0.0	12,000.0	5,000.0
61 <b>HIGHER EDUCATION DEPARTMENT TOTAL</b>	39,689.2	48,494.2	40,034.5
62 <i>Dollar Change from Prior Year Operating Budget</i>	1,150.6	8,805.0	345.3
63 <i>Percent Change from Prior Year Operating Budget</i>	3.0%	22.2%	0.9%
64			
65 <b>TOTAL HIGHER EDUCATION</b>	867,043.6	905,553.4	840,642.9
66 <i>Dollar Change from Prior Year Operating Budget</i>	57,558.2	38,509.8	(26,400.7)
67 <i>Percent Change from Prior Year Operating Budget</i>	7.1%	4.4%	-3.0%
68			

**General Fund Financial Summary:  
June 2020 Special Session with Passed Legislation**

(millions of dollars)

June 29, 2020	Estimate FY2019	Estimate FY2020	Estimate FY2021	Estimate FY2022
<b><u>APPROPRIATION ACCOUNT</u></b>				
<b>REVENUE</b>				
Recurring Revenue				
December 2019 Consensus Revenue Forecast, Legislation Adjusted	\$ 8,009.5	\$ 7,776.4	\$ 7,870.5	\$ 7,925.6
June 2020 Consensus Update	\$ -	\$ (439.0)	\$ (1,979.0)	\$ (1,705.0)
June 2020 Special Session Legislation	\$ -	\$ -	\$ -	\$ (4.2)
Total Recurring Revenue	\$ 8,009.5	\$ 7,337.5	\$ 5,891.5	\$ 6,216.3
Nonrecurring Revenue				
2019 Nonrecurring Revenue Legislation	\$ (100.0)	\$ -	\$ -	\$ -
December 2019 Consensus Revenue Forecast, Legislation Adjusted	\$ -	\$ 28.8	\$ 2.9	\$ -
June 2020 Consensus Update	\$ -	\$ 65.0	\$ -	\$ -
June 2020 Special Session Legislation		\$ (19.6)	\$ 25.0	
Federal Stimulus Funds	\$ -	\$ -	\$ 750.0	\$ -
Total Nonrecurring Revenue	\$ (100.0)	\$ 74.2	\$ 777.9	\$ -
<b>TOTAL REVENUE</b>	<b>\$ 7,909.5</b>	<b>\$ 7,411.7</b>	<b>\$ 6,669.4</b>	<b>\$ 6,216.3</b>
<b><u>APPROPRIATIONS</u></b>				
Recurring Appropriations				
2019 Session Legislation & Feed Bill	\$ 10.0	\$ 7,085.3	\$ -	FY22 New Money: (\$991) million or -14%
2020 Regular Session Legislation & Feed Bill	\$ -	\$ 6.8	\$ 7,621.4	
2020 Special Session Solvency Savings	\$ -	\$ -	\$ (414.5)	
Total Recurring Appropriations	\$ 6,339.8	\$ 7,092.1	\$ 7,206.9	
Nonrecurring Appropriations				
2019 Session Nonrecurring Appropriations <sup>1</sup>	\$ 1,178.3	\$ 431.9	\$ -	
2020 Session Nonrecurring Appropriations & Legislation	\$ -	\$ 506.3	\$ 320.0	
2020 Special Session Solvency Savings	\$ -	\$ (190.9)	\$ (20.0)	\$ -
2020 Special Session Federal Funds Swaps	\$ -	\$ -	\$ (161.6)	\$ -
Total Nonrecurring Appropriations	\$ 1,226.1	\$ 747.3	\$ 138.4	
FY2019 Ending Audit Adjustments	\$ (49.7)			
<b>TOTAL APPROPRIATIONS</b>	<b>\$ 7,516.3</b>	<b>\$ 7,839.4</b>	<b>\$ 7,345.3</b>	
Transfer to (from) Reserves	\$ 393.2	\$ (427.7)	\$ (675.9)	
<b>GENERAL FUND RESERVES</b>				
Beginning Balances	\$ 1,184.6	\$ 1,833.9	\$ 1,509.7	
Transfers from (to) Appropriations Account	\$ 393.2	\$ (427.7)	\$ (675.9)	
Revenue and Reversions	\$ 262.6	\$ 165.2	\$ 68.7	
Appropriations, Expenditures and Transfers Out	\$ (6.5)	\$ (61.7)	\$ (52.5)	
<b>Ending Balances</b>	<b>\$ 1,833.9</b>	<b>\$ 1,509.7</b>	<b>\$ 850.0</b>	
<i>Reserves as a Percent of Recurring Appropriations</i>	<i>28.9%</i>	<i>21.3%</i>	<i>11.8%</i>	

**Notes:**

1) Laws 2019, Chapter 271 (HB2) contained \$31 million in appropriations contingent on the consensus forecast amount presented in August 2019 for FY19 exceeding \$7.62 billion. Contingent appropriations include up to \$15 million to the Economic Development Department for LEDA projects, up to \$11 million to the Department of Transportation for road projects, and up to \$5 million to the Higher Education Department to replenish the college affordability endowment fund.

\* Note: totals may not foot due to rounding

Note: Scenario framework reflects compensation increases of 0% to .75%; this highlevel summary reflects the .75% scenario

**General Fund Financial Summary:**  
**June 2020 Special Session with Passed Legislation**  
**RESERVE DETAIL**  
(millions of dollars)

June 29, 2020	Audited FY2019	Estimate FY2020	Estimate FY2021	Estimate FY2022
<b>OPERATING RESERVE</b>				
Beginning Balance	\$ 485.9	\$ 486.3	\$ 78.4	\$ 73.5
BOF Emergency Appropriations/Reversions	\$ (2.0)	\$ (2.0)	\$ (2.5)	\$ (2.0)
Transfers from/to Appropriation Account	\$ 393.2	\$ (427.7)	\$ (675.9)	\$ -
Transfers to Tax Stabilization Reserve	\$ (378.7)	\$ -	\$ -	\$ -
Disaster Allotments <sup>1</sup>	\$ (12.1)	\$ (42.1)	\$ (6.0)	\$ (8.0)
Transfer from (to) ACF/Other Appropriations <sup>4</sup>	\$ -	\$ 11.0	\$ -	\$ -
Transfers from tax stabilization reserve <sup>3</sup>	\$ -	\$ 52.9	\$ 679.5	\$ 10.0
Ending Balance	\$ 486.3	\$ 78.4	\$ 73.5	\$ 73.5
<b>APPROPRIATION CONTINGENCY FUND</b>				
Beginning Balance	\$ 12.3	\$ 11.7	\$ 2.0	\$ (0.0)
Disaster Allotments	\$ (15.3)	\$ (11.7)	\$ (10.0)	\$ (8.0)
Other Appropriations	\$ -	\$ -	\$ -	\$ -
Transfers In	\$ -	\$ 2.0	\$ -	\$ -
Revenue and Reversions	\$ 14.7	\$ -	\$ 8.0	\$ 8.0
Ending Balance	\$ 11.7	\$ 2.0	\$ (0.0)	\$ (0.0)
<b>STATE SUPPORT FUND</b>				
Beginning Balance	\$ 1.0	\$ 19.1	\$ 29.1	\$ 29.1
Revenues <sup>2</sup>	\$ 18.1	\$ 10.0	\$ -	\$ -
Appropriations	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ 19.1	\$ 29.1	\$ 29.1	\$ 29.1
<b>TOBACCO SETTLEMENT PERMANENT FUND (TSPF)</b>				
Beginning Balance	\$ 158.7	\$ 228.6	\$ 244.7	\$ 255.0
Transfers In	\$ 34.2	\$ 33.8	\$ 34.0	\$ 34.0
Appropriation to Tobacco Settlement Program Fund	\$ (17.0)	\$ (16.9)	\$ (34.0)	\$ (17.0)
Gains/Losses	\$ 12.7	\$ (0.7)	\$ 10.2	\$ 14.0
Additional Transfers to/from TSPF	\$ 40.0	\$ -	\$ -	\$ -
Ending Balance	\$ 228.6	\$ 244.7	\$ 255.0	\$ 286.0
<b>TAX STABILIZATION RESERVE (RAINY DAY FUND)</b>				
Beginning Balance	\$ 526.8	\$ 1,088.3	\$ 1,155.5	\$ 492.5
Revenues from Excess Oil and Gas Emergency School Tax	\$ 182.8	\$ 114.7	\$ -	\$ -
Gains/Losses	\$ -	\$ 5.4	\$ 16.5	\$ 8.5
Transfers In (From Operating Reserve)	\$ 378.7	\$ -	\$ -	\$ -
Transfer Out to Operating Reserve <sup>3</sup>	\$ -	\$ (52.9)	\$ (679.5)	\$ (10.0)
Ending Balance	\$ 1,088.3	\$ 1,155.5	\$ 492.5	\$ 490.9
Percent of Recurring Appropriations	17.2%	16.3%	6.8%	
<b>TOTAL GENERAL FUND ENDING BALANCES</b>	<b>\$ 1,833.9</b>	<b>\$ 1,509.7</b>	<b>\$ 850.0</b>	
Percent of Recurring Appropriations	28.9%	21.3%	11.8%	

**Notes:**

- 1) DFA using operating reserve to cover disaster allotments due to low balance in the appropriation contingency fund. Includes \$35.5 million for COVID-19 related responses.
- 2) Laws 2019, Chapter 271 (HB2) contained a \$10 million appropriation to the state support reserve fund
- 3) Laws 2020, Chapter 34 (House Bill 341) transfers from the tax stabilization reserve to the operating reserve if operating reserve balances are below one percent of appropriations, up to an amount necessary for the operating reserve to be at least one percent of total appropriations for the current year.
- 4) Assumes \$11 million of CARES Act funding in FY20 will offset disaster allotments/executive order funding for COVID-19 related responses.

\* Note: totals may not foot due to rounding

**Appropriation Account Detail: 2020 Special Session**  
(in millions of dollars)

			FY20		FY21		FY22		FY23		FY24	
			Recurring	Non-Recurring	Recurring	Non-Recurring	Recurring	Non-Recurring	Recurring	Non-Recurring	Recurring	Non-Recurring
<b>REVENUE</b>												
<u><b>2020 Regular Session:</b></u>												
<u>Bill No.</u>												
Ch. 14	HB 50	Electric Transmission Facilities IRB Eligible			\$ -		\$ -		\$ -		\$ -	
Ch. 3	HB 83	Early Childhood Education and Care Fund <sup>1</sup>			\$ -		\$ -		\$ -		\$ -	
Ch. 18	HB 109	Tax Deduction for Medical Equipment			\$ (0.7)		\$ (0.8)		\$ (0.8)		\$ (0.8)	
Ch. 20	HB 146	Expand Biomas Income Tax Credit			\$ (0.9)		\$ (0.9)		\$ (1.8)		\$ (1.8)	
Ch. 29	HB 170	Extend Small Business Saturday			\$ (0.0)		\$ (0.0)		\$ (0.0)		\$ (0.0)	
<i>vetoed HB 174 Custodial Memory Care Facility Gross Receipts</i>					\$ -		\$ -		\$ -		\$ -	
Ch. 67	HB 184/a	Law Enforcement Officers at Schools (LEPF Reversion)			\$ -		\$ -		\$ (7.5)		\$ (7.6)	
Ch. 30	HB 193/a	Permanent Tax Distribution to Aviation Fund			\$ -		\$ (1.4)		\$ (1.4)		\$ (1.4)	
Ch. 22	HB 255/a	Technology Readiness Gross Receipts Credit			\$ (1.5)		\$ (1.5)		\$ (1.5)		\$ -	
Ch. 80	HB 326/a	Tax Changes (2019 HB6 Follow-Up)			\$ (2.4)		\$ (3.5)		\$ (3.5)		\$ (3.5)	
Ch. 81	HB 349	Severance Tax Bond Projects (w/ General Fund Capital) <sup>2</sup>	\$ -		\$ -	\$ 2.9						
Ch. 13	SB 29	Solar Market Development Income Tax Credit			\$ (5.0)		\$ (5.0)		\$ (5.0)		\$ (5.0)	
Ch. 38	SB 122	Distributions to Judicial Retirement Funds			\$ (1.5)		\$ (1.5)		\$ (1.5)		\$ (1.5)	
<u><b>2020 Special Session:</b></u>												
<u>Bill No.</u>												
	HB 6	Temporary Tax Waivers and Distributions	\$	(53.2)		\$ 25.0						
	SB5	Solvency Measures (Fund Sweeps)	\$	33.6								
	SB3	Small Business Recovery Loan Act					\$ (4.2)		\$ (8.6)		\$ (13.2)	
<b>TOTAL REVENUE</b>			\$ -	\$ (19.6)	\$ (12.0)	\$ 27.9	\$ (18.7)	\$ -	\$ (31.5)	\$ -	\$ (34.7)	\$ -
<b>APPROPRIATIONS</b>												
<u><b>2020 Regular Session:</b></u>												
<u>Bill No.</u>												
Ch. 1	HB 1	Feed Bill & General Appropriation Act	\$ 6.8		\$ 17.5							
Ch. 83	HB2	General Appropriation Act of 2020										
		Section 4, General Appropriation			\$ 7,538.1							
		Section 5 & 6, Specials, Supplementals & Deficiencies	\$ 218.6		\$ -							
		Section 5 & 6, Vetoes	\$ (0.25)									
		Section 8, Compensation			\$ 65.9							
		Section 9, Roads & Capital Projects	\$ 180.0		\$ -							
		Section 10, Fund Transfers	\$ 57.0		\$ 320.0							
Ch. 2	SB 4	Complete Count In 2020 Census	\$ 8.0									
Ch. 81	HB 349	Severance Tax Bond Projects (w/ General Fund Capital)	\$ 42.9		\$ -							
<u><b>2020 Special Session:</b></u>												
<u>Bill No.</u>												
	HB 1	GAA Amendments										
		Section 4, Sinding			\$ (192.9)							
		Section 4 & 8, Compensation			\$ (156.8)							
		Section 4, Swaps and Other Reductions			\$ (95.8)							
		Section 4, Federal Funds Swaps			\$ -	\$ (161.6)						
		Section 4, Replace Impact Aid			\$ 31.0							
		Section 5 & 6, Specials and Supplementals (Reductions)	\$ (56.9)		\$ -							
		Section 9, Roads	\$ (45.0)									
		Section 10, Fund Transfers	\$ -		\$ (20.0)							
	SB 5	Solvency Measures										
		Road Swaps	\$ (75.0)		\$ -							
		Capital Project Voids	\$ (14.0)		\$ -							
<b>Subtotal Appropriations - 2020 Regular Session</b>			\$ 6.8	\$ 506.3	\$ 7,621.4	\$ 320.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal Appropriations - 2020 Special Session</b>			\$ -	\$ (190.9)	\$ (414.5)	\$ (181.6)						
<b>TOTAL APPROPRIATIONS</b>			\$ 6.8	\$ 315.4	\$ 7,206.9	\$ 138.4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Notes:

1) The GAA contained a \$320 million appropriation in Section 10 in FY21 for this purpose. HB1 of the 2020 special session reduced the appropriation by \$20 million.

6/29/2020