

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 (House Bill 1), and capital outlay voids and fund balance sweeps (Senate Bill 5). 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.

Vetoed. The governor vetoed \$26.9 million of general fund appropriation reductions in Chapter 5 (HB1): (a) \$900 thousand of recurring reductions for the Secretary of State and the State Engineer, (b) \$15 million of federal funds swapped with appropriations from the general fund for the Public Education Department and the Early Childhood Education and Care Department, and (c) \$11 million reduction to special appropriations for the Local Economic Development Act (LEDA) and Job Training Incentive (JTIP) programs, and the college-level opportunity scholarship initiative. Also, vetoed were \$8.75 million of special appropriation reductions from the public school reform fund and a \$4 million sweep of balances from the rural infrastructure revolving loan fund to the general fund.

After executive action, estimated general fund ending balances for FY21 are \$819 million, or 11.4 percent of planned spending.

The authorizations to use the coronavirus stimulus fund for local governments and tribes were vetoed.

General Appropriation Act Sanding. Chapter 5 authorizes the transfer of \$750 million from the coronavirus stimulus fund authorized by the federal CARES Act to the general fund. (Use of the federal funds is restricted but Chapter 5 includes two contingent options if “flexible” use of the stimulus is not enacted.) Chapter 5 “sands” general fund appropriations in the General Appropriation Act of 2020 for schools by 1 percent, Department of Health by 2 percent, the Medicaid program by 3 percent, and all other agencies by 4 percent to save \$193 million compared with the GAA, passed during the regular session.

Chapter 5 also mostly eliminates the GAA general fund appropriations for 4 percent compensation to save \$157 million. However, Chapter 5 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 1 percent increase.

In addition to sanding, Chapter 5 provides for additional reductions to new programs started or expanded by the GAA, including physical education, opportunity scholarship, and the K-5 Plus extended school year program, already canceled for 2020 by the Public Education Department. Chapter 5 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 Chapter 5 total \$7.206 billion, an increase of 1.5 percent, down from the 7.5 percent increase in the GAA.

Chapter 5 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 \$46 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.

Chapter 5 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, Chapter 5 authorizes general fund allotment reductions up to 2 percent across the board.

Solvency Measures. Chapter 3 (SB5) 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 in over a year. An amendment allows the proposed voids to proceed if a grantee certifies to the secretary of the Department of Finance and Administration that the grantee can incur a substantial binding obligation and expend at least five percent of the appropriation for the project within 90 days of the effective date of the bill.

Chapter 3 authorizes transfer of \$29.5 million of surplus balances to the general fund, including from the water project, public liability, corrective action, and primary care capital funds.

Chapter 3 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 during the regular 2020 legislative session will remain unissued.

Chapter 3 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.

Chapter 3 repeals an 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. Chapter 4 (HB6) 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 enacted 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 negative \$991 million.

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

	FY20	FY21	Notes	
1 LFC Estimate: Revenue Decline	\$ 374	\$ 1,979		1
2 Other Net Revenue Changes	\$ 53	\$ (25)	Chapter 4 Special Session	
3 Federal Stimulus Fund		\$ (750)	Move Stimulus Funding into Appropriations Account for COVID-19 Allotments in Schools/Higher Education/Public Health and Public Safety	2
4 Adjusted Revenue Decline	\$ 427	\$ 1,204		3
5 General Fund (Reductions) Increase				4
6 Section 4 Sanding		\$ (193)	-.1% SEG, -2%DOH, -3% Medicaid, -4% All Other; -6% PS/HE categorical/below the line.	5
7 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
8 Section 4 Swap/Other Reductions		\$ (95)	Tobacco/Other various cuts and sanding/Eliminate Opp. Scholarship/Roll back other ed initiatives	7
9 Section 4 Replace Impact Aid		\$ 31		8
10 Section 4-Recurring Reductions Total		\$ (414)		9
11 Section 4 Federal Funds Swap		\$ (147)	Recognize increased discretionary federal grants	10
12 Section 4-One Time Swap		\$ (147)	Assume replacement of amount in FY22 with GF	11
13 Section 4 - Grand Total		\$ (560)		12
14 Sections 5, 6, 7 Reductions	\$ (46)		See Detail. Includes \$7 M DD Waiver reversion. \$11 M vetoed	13
15 Swap/Sweeps	\$ (22)		Assume \$8M Swap Disaster EO with federal funds in GFFS	14
16 Section 9 - Roads Swap/Ch. 3 SS	\$ (120)		Swap GF Road funding with debenture/Cancel \$45 M	15
17 Section 10 - Other		\$ (20)	Early Childhood	16
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.	17
19 Sections 5,6,7, 9, 10	\$ (188)	\$ (20)		18
20 Other Items				19
21 Capital Voids- Ch. 3 SS	\$ (14)		See Capital Framework	20
22 STB Sweep/Swap	\$ -		Use 100% STB Revenue (Super Sweep)	21
23 Other Revenue/Swap	\$ (10)		NMFA Transfers (\$9.8M)	22
24 Sub-Total Other Bills	\$ (24)			23
25 Total Solvency Actions (Scenario)	\$ (212)	\$ (580)		24
26 New Total From (To) Reserves to Appropriation Account	\$ 216	\$ 624		25
27 Ending Reserve Balance	\$ 1,494	\$ 820		26
28 Reserves Percent of Recurring	21.1%	11.4%	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.	27
29 FY22 New Money Post Solvency		\$ (987)		28
30 FY22 New Money Current Law		\$ (1,401)		29
51 CARES Act State/Local Relief Fund				50
52	FY20	FY21	Notes	51
53 CARES Act Funding		\$1,250		52
54 ABQ		(\$150)	Already drawn down this amount.	53
55 BernCo.		(\$32)	Already drawn down this amount.	54
56 Other County/Muni-			\$150M by formula determined by DFA (Pop/%GRT); \$15 for locals in Cibola, McKinley, San Juan	55
57 State Emergency Cost-				56
58 Other (Tribal/Business)				57
59 Transfer for Solvency		(\$750)		58
60 Balance		\$318		59

Laws 2020, Chapter 5, special Session HB 1 - General Appropriation Act Vetoes

(thousands of dollars)

Item #	Page	Code	Agency	General Fund	OSF/ISIA/FF	Language Only	Veto Description
1	4	370	Secretary of State	\$ 500.0			Eliminates additional reduction in elections program.
2	4	550	State Engineer	\$ 400.0			Eliminates additional reduction in program support.
3			Section 3 Additional Reductions - Total	\$ 900.0	\$ -		
4	7	611	Early Childhood Education and Care	\$ 5,000.0			Eliminates federal fund swap.
5	7	924	Public Education Department	\$ 10,000.0			Eliminates federal fund swap for related recurring appropriations.
6			Section 5 Federal Funds Swap - Total	\$ 15,000.0	\$ -		
7	13	924	Public Education Department			X	Partial veto of language requiring final impact aid decision.
8			Section 6 - Education Total	\$ -	\$ -		
9	18	419	Economic Development Dept	\$ 5,000.0			Eliminates reduction for LEDA
10	18	419	Economic Development Dept	\$ 1,000.0			Eliminates reduction for JTIP
11	20	924	Public Education Department		\$ 8,000.0		Eliminates reduction for culturally and linguistically appropriate curriculum development from Public Education Reform Fund.
12	21	924	Public Education Department		\$ 750.0		Eliminates reduction for special education statewide convening from Public Education Reform Fund.
13	22	950	Higher Education Department	\$ 5,000.0			Eliminates reduction for Opportunity Scholarship.
14			Section 7 NR Specials - Total	\$ 11,000.0	\$ 750.0		
15	28		CARES State/Local Relief		\$(318,000.0)		Eliminates spending for public health emergency and local government aid for federal CARES State/Local Relief Fund
16			Section 11 & 12 Total	\$ -	\$(318,000.0)		
17							
18			Grand Total	\$ 26,900.0	\$(317,250.0)		

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	Appropriations																			8
9	Public School Support																			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%	\$ -	\$ 27.0	\$ 22.2	\$ 49.2	\$ 22.3	83.2%	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	Total Public Education	\$ 3,212.2	\$ 3,418.3	6.4%	\$ (94.2)	\$ (32.4)	\$ (0.6)	\$ (10.0)	\$ (24.6)	\$ (161.8)	\$ 44.3	\$ 3,256.5	1.4%	\$ (44.6)	\$ 3,211.9	\$ 130.7	\$ 3,342.6	\$ 130.4	4.1%	14
15	Higher Education																			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	Total Higher Ed.	\$ 867.0	\$ 905.5	4.4%	\$ 0.0	\$ -	\$ (29.6)	\$ (8.3)	\$ (7.0)	\$ (44.9)	\$ (6.4)	\$ 860.6	-0.7%	\$ (20.0)	\$ 840.6	\$ 36.3	\$ 876.9	\$ 9.9	1.1%	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)		\$ -	\$ (0.8)	\$ 1.0	\$ 20.2	5.0%		\$ 20.2		\$ 20.2	\$ 1.0	5.0%	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%	\$ -	\$ 193.3	\$ 29.9	\$ 223.2	\$ 54.8	32.6%	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)		\$ (0.6)	\$ (6.7)	\$ 5.1	\$ 146.5	3.6%		\$ 146.5		\$ 146.5	\$ 5.1	3.6%	42
46	Subtotal Section 4	\$ 7,084.9	\$ 7,555.5	6.6%	\$ (94.2)	\$ (71.5)	\$ (102.8)	\$ (18.6)	\$ (63.9)	\$ (351.1)	\$ 119.5	\$ 7,204.4	1.7%	\$ (146.6)	\$ 7,057.8	\$ 359.9	\$ 7,417.7	\$ 332.8	4.7%	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	Grand Total	\$ 7,085.3	\$ 7,621.4	7.6%	\$ (156.8)	\$ (71.5)	\$ (102.8)	\$ (18.6)	\$ (63.9)	\$ (413.7)	\$ 122.9	\$ 7,207.8	1.7%	\$ (146.6)	\$ 7,061.2	\$ 359.9	\$ 7,421.1	\$ 335.8	4.7%	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					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					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			\$ (94.9)	\$ 17.0	\$ -	\$ -		
28	Spending Increases								
29	4	993	PSS	\$ 31.0				GF to SEG for lower Impact Aid credit	
30	Other Federal Grants Swap								
31	4	611	ECED				\$ 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				\$ 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				\$ (146.6)			\$ 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	Laws 2020 S.S. Chapter 5 (HB1)
PROGRAM COST	\$2,646,377.6	\$3,137,303.4	\$3,137,303.4
UNIT CHANGES			
Increase At-Risk Index (FY20: 0.25, FY21: 0.30, HB1: 0.30)	\$113,177.9	\$50,152.1 ¹	\$50,152.1
Other Projected Net Unit Changes	(\$11,173.3)	(\$10,287.0) ²	(\$10,287.0) ²
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 ³	\$8,896.6 ³
K-5 PLUS Formula Factor	\$119,895.9	³	(\$40,000.0) ³
UNIT VALUE CHANGES			
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%, HB1: 0%)	\$77,753.0	\$59,180.2	⁴
Raise Compensation for Other School Personnel (FY20: 6%, FY21: 4%, HB1: 0%)	\$43,919.8	\$33,447.4	⁴
Remove Impact Aid Credit			(\$67,000.0)
Impact Aid Hold Harmless			\$31,000.0
SEG Sanding (HB1: 1%)			(\$32,373.2)
Nonrecurring Education Stimulus Swap (HB1: 41% Credit)			(\$44,661.0) ¹²
Increase Minimum Salary Levels	\$40,433.0		
Increase Employer Retirement Contributions	\$4,250.0		
SUBTOTAL PROGRAM COST	\$3,137,303.4	\$3,327,323.3	\$3,069,463.4
Dollar Change Over Prior Year Appropriation	\$490,925.8	\$190,019.9	(\$67,840.0)
Percent Change	18.6%	6.1%	-2.2%
LESS PROJECTED CREDITS (FY18 Actual: \$77 million, FY19 Actual: \$85 million)	(\$63,500.0)	(\$83,000.0)	(\$16,000.0)
LESS OTHER STATE FUNDS (From Driver's License Fees)	(\$5,000.0)	(\$7,000.0)	(\$7,000.0)
STATE EQUALIZATION GUARANTEE	\$3,068,803.4	\$3,237,323.3	\$3,046,463.4
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 ¹²
TOTAL STATE EQUALIZATION GUARANTEE	\$3,068,803.4	\$3,237,323.3	\$3,154,495.4
Dollar Change Over Prior Year Appropriation	\$486,425.8	\$168,519.9	\$85,692.0
Percent Change	18.8%	5.5%	2.8%
CATEGORICAL PUBLIC SCHOOL SUPPORT			
TRANSPORTATION			
Maintenance and Operations	\$56,397.9 ⁵	\$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%, HB1: 0%)	\$3,567.6	\$1,594.0	
Transportation Reductions			(\$4,013.9) ¹³
SUBTOTAL TRANSPORTATION	\$88,628.5	\$116,013.5	\$110,405.6
SUPPLEMENTAL DISTRIBUTIONS			
Out-of-State Tuition	\$300.0	\$285.0	\$285.0
Emergency Supplemental	\$1,000.0	\$2,000.0	\$2,000.0
DUAL CREDIT INSTRUCTIONAL MATERIALS	\$1,000.0	\$1,500.0	\$1,500.0
STANDARDS-BASED ASSESSMENTS	\$6,000.0	\$8,000.0	\$8,000.0
INDIAN EDUCATION FUND	\$6,000.0	\$6,000.0	\$6,000.0
Other Categorical Reductions			(\$4,014.0) ¹³
TOTAL CATEGORICAL	\$102,928.5	\$133,798.5	\$124,176.6
TOTAL PUBLIC SCHOOL SUPPORT	\$3,171,731.9	\$3,371,121.8	\$3,278,672.0
Dollar Change Over Prior Year Appropriation	\$472,725.5	\$199,389.9	\$106,940.1
Percent Change	17.5%	6.3%	3.4%
RELATED REQUESTS: RECURRING			
Regional Education Cooperatives	\$1,039.0	\$1,100.0	\$1,034.0
Accountability and Regional Support Systems		¹⁰	¹⁰
Indigenous, Multilingual, Multicultural, and Special Education Initiatives	\$1,000.0	\$5,500.0 ¹¹	\$4,567.9 ¹¹
English Learners and Bilingual Program Evaluation and Support	\$2,500.0		
Early Literacy and Reading Support		\$2,000.0	\$1,661.0
Principal Professional Development	\$2,500.0	\$3,000.0	\$2,491.5
Teacher Recruitment, Mentorship, Professional Development, Evaluation, and Retention	\$2,500.0	\$3,455.0	\$2,869.4

School Year 2020-2021 Preliminary Unit Value = \$4,758.10 School Year 2019-2020 Final Unit Value = \$4,602.27		FY20 OpBud	FY21 OpBud	Laws 2020 S.S. Chapter 5 (HB1)
69	Teacher and Administrator Evaluation System	\$1,000.0 ⁶		
70	Community School Initiatives	\$2,000.0	\$4,000.0	\$3,322.1
71	Breakfast for Elementary Students	\$1,600.0	\$1,600.0	\$1,328.8
72	New Mexico Grown Fruits and Vegetables	\$450.0 ⁷	\$400.0	\$332.2
73	GRADS – Teen Parent Interventions	\$200.0 ⁸	\$500.0 ⁸	\$415.3 ⁸
74	School-Based Health Centers	\$1,350.0		
75	STEAM (Science, Technology, Engineering, Arts, and Math) Initiatives	\$5,000.0	\$5,000.0	\$4,152.6
76	Advanced Placement Test Fee Waivers and Training	\$1,500.0	\$1,500.0	\$1,245.8
77	Career Technical Education	\$3,000.0	\$3,000.0	\$2,491.5
78	Feminine Hygiene Products	\$170.0	\$170.0	\$141.2
79	Teaching Pathways Coordinator	\$50.0	\$50.0	\$41.5
80	Computer Science Professional Development	\$200.0	\$200.0	\$166.1
81	Mathematics, Engineering, Science Achievement (MESA) Program	\$75.0	\$75.0	\$62.3
82	Dyslexia Screening and Professional Development	\$357.0		
83	Media Literacy Programs	\$350.0		
84	School Lunch Copayments		\$650.0	\$539.8
85	College and Career Readiness		\$100.0	\$83.1
86	TOTAL RELATED APPROPRIATIONS: RECURRING	\$26,841.0	\$32,300.0	\$26,946.1
87	Dollar Change Over Prior Year Appropriation	(\$35,059.0)	\$5,459.0	\$105.1
88	Percent Change	-56.6%	20.3%	0.4%
89	SUBTOTAL PUBLIC EDUCATION FUNDING (General Fund Only)	\$3,198,572.9	\$3,403,421.8	\$3,197,586.1
90	Dollar Change Over Prior Year Appropriation	\$408,666.5	\$204,848.9	(\$986.8)
91	Percent Change	14.6%	6.4%	0.0%
92	PUBLIC EDUCATION DEPARTMENT	\$13,618.8	\$14,919.0 ⁹	\$14,322.2 ⁹
93	Dollar Change Over Prior Year Appropriation	\$2,372.2	\$1,300.2	\$703.4
94	Percent Change	21.1%	9.5%	5.2%
95	GRAND TOTAL - SECTION 4 GENERAL FUND ONLY	\$3,212,191.7	\$3,418,340.8	\$3,211,908.3
96	Dollar Change Over Prior Year Appropriation	\$411,038.7	\$206,149.1	(\$283.4)
97	Percent Change	14.7%	6.4%	0.0%
98	GRAND TOTAL - SECTION 4 w/CARES Act ESSER Funds	\$3,212,191.7	\$3,418,340.8	\$3,319,940.3 ¹²
99	Dollar Change Over Prior Year Appropriation	\$411,038.7	\$206,149.1	\$107,748.6
100	Percent Change	14.7%	6.4%	3.4%

Detail on Other State and Federal Fund Appropriations		FY20 OpBud	FY21 OpBud	Laws 2020 S.S. Chapter 5 (HB1)
49	SUBTOTAL TRANSPORTATION	\$88,628.5	\$116,013.5	\$114,419.5
49(a)	Plus: Public School Capital Outlay Fund (OSF)	\$25,000.0 ⁵		
49(b)	Less Categorical Sanding: 6%			(\$4,013.9)
49(c)	TOTAL TRANSPORTATION	\$113,628.5	\$116,013.5	\$110,405.6
63	Accountability and Regional Support Systems			
63(a)	Plus: Public Education Reform Fund (OSF)		\$1,000.0 ¹⁰	\$1,000.0 ¹⁰
63(b)	SUBTOTAL	\$0.0	\$1,000.0	\$1,000.0
69	Teacher and Administrator Evaluation System	\$1,000.0		
69(a)	Plus: Educator Licensure Fund (OSF)	\$1,000.0 ⁶		
69(b)	SUBTOTAL	\$2,000.0	\$0.0	\$0.0
86	TOTAL RELATED APPROPRIATIONS: RECURRING	\$26,841.0	\$32,300.0	\$26,946.1
86(a)	Plus: CARES Act Governor's Emergency Education Relief Fund (FF)-			\$10,000.0
86(b)	TOTAL RELATED APPROPRIATION: RECURRING	\$26,841.0	\$32,300.0	\$26,946.1
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	Laws 2020 S.S. Chapter 5 (HB1)
102	Statewide Special Education Convening		\$750.0 ¹⁰	\$750.0 ¹⁰
103	Career Technical Education Fund	\$2,000.0	\$2,000.0 ¹⁰	\$2,000.0 ¹⁰
104	Educator Evaluation System	\$1,000.0	\$1,000.0 ¹⁰	\$1,000.0 ¹⁰
105	Standards Based Assessment Research and Development	\$2,000.0		
106	Sufficiency Lawsuit 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 ¹⁰	\$500.0 ¹⁰
111	Instructional Materials	\$26,500.0	\$4,500.0 ¹⁰	
112	Teacher Residency Pilot	\$1,000.0	\$2,000.0 ^{1,10}	\$1,000.0 ¹⁰
113	Statewide Real-Time Data Management System		\$1,144.6 ¹⁰	\$1,144.6 ¹⁰
114	Grants Management System		\$1,558.4 ¹⁰	\$1,558.4 ¹⁰
115	Educator Preparation Program Integrated Data Exchange System		\$254.3 ¹⁰	\$254.3 ¹⁰
116	Culturally and Linguistically Diverse Instructional Material and Curriculum Development		\$9,000.0 ¹⁰	\$9,000.0 ¹⁰
117	Early Literacy Summer Professional Development		\$875.0 ^{1,10}	\$875.0 ¹⁰
118	Teacher Placement and Support in Hard-to-Staff Areas		\$1,000.0 ¹⁰	
119	Summer Extended Learning for Native American Students and Small Schools		\$5,000.0 ¹⁰	
120	K-12 Plus Pilot and K-5 Plus Transition Programs		\$30,000.0 ^{3,10}	
121	School Improvement Grants		\$2,933.1 ¹⁰	
122	National Board Certification Grants		\$500.0 ^{1,10}	\$500.0 ¹⁰

School Year 2020-2021 Preliminary Unit Value = \$4,758.10 School Year 2019-2020 Final Unit Value = \$4,602.27		FY20 OpBud	FY21 OpBud	Laws 2020 S.S. Chapter 5 (HB1)
123	School Panic Buttons		\$1,595.0 ¹⁰	\$1,595.0 ¹⁰
124	Biliteracy Framework Study		\$100.0	\$100.0
125	Grow Your Own Teachers Act		\$500.0 ¹⁰	\$500.0 ¹⁰
126	School Budget Transparency Website		\$6,000.0 ^{1,10}	\$3,000.0 ¹⁰
127	Facilities and Maintenance (PSCOF)		\$18,867.0 ⁵	\$18,867.0 ⁵
128	TOTAL SECTIONS 5, 6, & 7	\$35,250.0	\$90,827.4	\$43,394.3
	PUBLIC EDUCATION REFORM FUND (Sections 4-7)	\$0.0	\$70,515.4 ¹⁰	\$23,082.3 ¹⁰

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.
- 12 Accounts for funding from the federal CARES Act.
- 13 Total transportation and other categorical reductions amount to 6% of the FY21 appropriation.

	FY20 OPBUD	House Bill 2 Final	Special Session Prelim
1 INSTRUCTION and GENERAL			
2 INSTITUTIONAL I&G FUNDING			
3 Total Percent of I&G Formula Based on Outcomes	5.3%	2.1%	6.1%
4 Percent of "New Money"	3.3%	2.1%	2.1%
5 Amount of "New Money" over FY20 Formula Funding	\$19,396.1	\$13,126.4	\$13,126.4
6			
7 FY20 I&G Base Year			
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 FY20 Core Funding Level	572,536.3	623,365.5	623,365.5
13			
14 Outcomes Funding			
15 Workload Outcomes (Course Completion)	6,444.1	2,260.5	2,260.5
16			
17 Statewide Outcomes Measures			
18 Total Formula Certificates and Degrees	9,224.2	4,743.7	4,743.7
19 Total Workforce Certificates and Degrees	4,273.0	1,922.1	1,922.1
20 Total At-Risk Certificates and Degrees	4,895.2	2,581.0	2,581.0
21 Subtotal Statewide Outcomes Measures	18,392.4	9,246.8	9,246.8
22			
23 Mission-Differentiated Measures			
24 Research Universities	3,836.6	1,451.4	1,451.4
25 Comprehensive Institutions	1,207.3	259.8	259.8
26 Community Colleges	3,677.5	914.1	914.1
27 Subtotal Mission-Differentiated Measures	8,721.4	2,625.3	2,625.3
28			
29 Total Outcomes Funding	33,557.9	14,132.5	14,132.5
30 I&G Base Adjustments - equity formula adjustments	17,271.3	1,000.0	940.0
31 I&G Base Adjustments - Dual Credit and hold harmless	0.0	2,000.0	1,880.0
32 I&G Base Adjustments - Special Session Scheduling 4 percent	0.0	0.0	(25,486.5)
33 Total Formula Funding	623,365.5	640,498.0	614,831.5
34			
35 Medical School I&G FUNDING	62,267.2	40,000.0	40,000.0
36 UNM Health Sciences Center Formula I&G Funding	0.0	23,148.0	23,148.0
37 I&G Base Adjustments - Special Session Scheduling 4 percent			(2,625.9)
38 HIGHER EDUCATION Institution and UNM HSC I&G TOTAL	685,572.7	703,646.0	675,453.5
39 Dollar Change from Prior Year Operating Budget	43,091.2	18,073.3	(10,119.2)
40 Percent Change from Prior Year Operating Budget	6.7%	2.6%	-1.5%
41			
42 I&G with federal funds SWAP			(20,000.0)
43 Total I&G Reduction for Colleges, UNMHSC and Special Schools			655,453.5
44			(28,276.4)
45 OTHER CATEGORICAL			
46 Special Schools (I&G only)	6,411.0	6,597.8	6,333.9
47 Athletics	16,580.4	17,230.4	16,196.6
48 Public Television	3,312.2	3,312.2	3,113.5
49 Healthcare Workforce (incl. medical residencies, undergraduate & graduate nursing education, dental programs)			
50 Other Research and Public Service Projects	13,873.2	16,261.9	15,286.2
51 Senate Amendments	101,604.9	110,010.9	104,224.8
52 Total RPSP (Excl. Special Schools I&G)	0.0	0.0	0.0
53			
54 OTHER CATEGORICAL SUBTOTAL	136,370.7	146,815.4	138,821.0
55 Dollar Change from Prior Year Operating Budget	141,781.7	153,413.2	145,154.9
56 Percent Change from Prior Year Operating Budget	13,316.4	11,631.5	3,373.2
57			
58 TOTAL GAA SECTION 4 INSTITUTIONS	827,354.4	857,059.2	800,608.5
59			
60 HIGHER EDUCATION DEPARTMENT	FTE: 52	FTE: 46.0	FTE: 46.0
61 Operating Budget and Flow-Through Programming	17,496.0	16,161.0	15,605.0
62 Student Financial Aid	22,193.2	20,343.2	19,529.5
63 NM Opportunity Scholarship	0.0	12,000.0	5,000.0
64 HIGHER EDUCATION DEPARTMENT TOTAL	39,689.2	48,494.2	40,034.5
65 Dollar Change from Prior Year Operating Budget	1,150.6	8,806.0	345.3
66 Percent Change from Prior Year Operating Budget	3.0%	22.2%	0.9%
67			
68 TOTAL HIGHER EDUCATION	867,043.6	905,553.4	840,642.9
Dollar Change from Prior Year Operating Budget	57,558.2	38,509.8	(26,400.7)
Percent Change from Prior Year Operating Budget	7.1%	4.4%	-3.0%

**Detail of Section 8 Fund Sweeps
(in thousands)**

Consumer Settlement Fund	\$1,000.00
Local DWI Grant Fund	\$1,000.00
Enhanced 911 Fund	\$2,000.00
Public Liability Fund	\$4,000.00
Public Property Reserve Fund	\$1,000.00
Youth Conservation Corps Fund	\$1,000.00
Medical Cannabis Fund	\$750.00
Corrective Action Fund	\$2,000.00
Rural Infrastructure Revolving Loan Fund	\$4,000.00
College Affordability Endowment Fund	\$2,000.00
Student Financial Aid Special Programs Fund	\$2,000.00
Local Government Planning Fund	\$2,000.00
Water Project Fund	\$5,300.00
Drinking Water State Revolving Loan Fund	\$2,500.00
Primary Care Capital Fund	\$3,000.00
Total Sweeps	\$29,550.00

General Fund Financial Summary:
June 2020 Special Session with Chaptered Legislation
(millions of dollars)

June 30, 2020	Actual FY2019	Estimate FY2020	Estimate FY2021	Estimate FY2022
<u>APPROPRIATION ACCOUNT</u>				
REVENUE				
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		\$ (23.6)	\$ 25.0	
Federal Stimulus Funds	\$ -	\$ -	\$ 750.0	\$ -
Total Nonrecurring Revenue	\$ (100.0)	\$ 70.2	\$ 777.9	\$ -
TOTAL REVENUE	\$ 7,909.5	\$ 7,407.7	\$ 6,669.4	\$ 6,216.3
<u>APPROPRIATIONS</u>				
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	\$ -	\$ -	\$ (413.6)	
Total Recurring Appropriations	\$ 6,339.8	\$ 7,092.1	\$ 7,207.8	
Nonrecurring Appropriations				
2019 Session Nonrecurring Appropriations ¹	\$ 1,178.3	\$ 431.9	\$ -	
2020 Session Nonrecurring Appropriations & Legislation	\$ -	\$ 506.3	\$ 320.0	
2020 Special Session Solvency Savings	\$ -	\$ (179.9)	\$ (20.0)	\$ -
2020 Special Session Federal Funds Swaps	\$ -	\$ -	\$ (146.6)	\$ -
Total Nonrecurring Appropriations	\$ 1,226.1	\$ 758.3	\$ 153.4	
FY2019 Ending Audit Adjustments	\$ (49.7)			
TOTAL APPROPRIATIONS	\$ 7,516.3	\$ 7,850.4	\$ 7,361.2	
Transfer to (from) Reserves	\$ 393.2	\$ (442.7)	\$ (691.8)	
GENERAL FUND RESERVES				
Beginning Balances	\$ 1,184.6	\$ 1,833.9	\$ 1,494.7	
Transfers from (to) Appropriations Account	\$ 393.2	\$ (442.7)	\$ (691.8)	
Revenue and Reversions	\$ 262.6	\$ 165.2	\$ 68.5	
Appropriations, Expenditures and Transfers Out	\$ (6.5)	\$ (61.7)	\$ (52.5)	
Ending Balances	\$ 1,833.9	\$ 1,494.7	\$ 818.8	
<i>Reserves as a Percent of Recurring Appropriations</i>	<i>28.9%</i>	<i>21.1%</i>	<i>11.4%</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 Chaptered Legislation
RESERVE DETAIL
(millions of dollars)

June 30, 2020	Audited FY2019	Estimate FY2020	Estimate FY2021	Estimate FY2022
OPERATING RESERVE				
Beginning Balance	\$ 485.9	\$ 486.3	\$ 78.5	\$ 73.6
BOF Emergency Appropriations/Reversions	\$ (2.0)	\$ (2.0)	\$ (2.5)	\$ (2.0)
Transfers from/to Appropriation Account	\$ 393.2	\$ (442.7)	\$ (691.8)	\$ -
Transfers to Tax Stabilization Reserve	\$ (378.7)	\$ -	\$ -	\$ -
Disaster Allotments ¹	\$ (12.1)	\$ (42.1)	\$ (6.0)	\$ (8.0)
Transfer from (to) ACF/Other Appropriations ⁴	\$ -	\$ 11.0	\$ -	\$ -
Transfers from tax stabilization reserve ³	\$ -	\$ 68.0	\$ 695.4	\$ 10.0
Ending Balance	\$ 486.3	\$ 78.5	\$ 73.6	\$ 73.6
APPROPRIATION CONTINGENCY FUND				
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)
STATE SUPPORT FUND				
Beginning Balance	\$ 1.0	\$ 19.1	\$ 29.1	\$ 29.1
Revenues ²	\$ 18.1	\$ 10.0	\$ -	\$ -
Appropriations	\$ -	\$ -	\$ -	\$ -
Ending Balance	\$ 19.1	\$ 29.1	\$ 29.1	\$ 29.1
TOBACCO SETTLEMENT PERMANENT FUND (TSPF)				
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
TAX STABILIZATION RESERVE (RAINY DAY FUND)				
Beginning Balance	\$ 526.8	\$ 1,088.3	\$ 1,140.4	\$ 461.2
Revenues from Excess Oil and Gas Emergency School Tax	\$ 182.8	\$ 114.7	\$ -	\$ -
Gains/Losses	\$ -	\$ 5.4	\$ 16.2	\$ 8.0
Transfers In (From Operating Reserve)	\$ 378.7	\$ -	\$ -	\$ -
Transfer Out to Operating Reserve ³	\$ -	\$ (68.0)	\$ (695.4)	\$ (10.0)
Ending Balance	\$ 1,088.3	\$ 1,140.4	\$ 461.2	\$ 459.2
Percent of Recurring Appropriations	17.2%	16.1%	6.4%	
TOTAL GENERAL FUND ENDING BALANCES	\$ 1,833.9	\$ 1,494.7	\$ 818.8	
Percent of Recurring Appropriations	28.9%	21.1%	11.4%	

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
REVENUE												
2020 Regular Session:												
Bill No.												
Ch. 14	HB 50	Electric Transmission Facilities IRB Eligible			\$ -		\$ -		\$ -		\$ -	
Ch. 3	HB 83	Early Childhood Education and Care Fund ¹			\$ -		\$ -		\$ -		\$ -	
Ch. 18	HB 109	Tax Deduction for Medical Equipment			\$ (0.7)		\$ (0.8)		\$ (0.8)		\$ (0.8)	
Ch. 20	HB 146	Expand Biomass 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</i>	<i>HB 174</i>	<i>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) ²	\$ -			\$ 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)	
2020 Special Session:												
Bill No.												
Ch. 4	HB 6	Temporary Tax Waivers and Distributions		\$ (53.2)		\$ 25.0						
Ch. 3	SB 5	Solvency Measures (Fund Sweeps)		\$ 33.6								
		SB5 Vetoes		\$ (4.0)								
	SB3	Small Business Recovery Loan Act					\$ (4.2)		\$ (8.6)		\$ (13.2)	
TOTAL REVENUE			\$ -	\$ (23.6)	\$ (12.0)	\$ 27.9	\$ (18.7)	\$ -	\$ (31.5)	\$ -	\$ (34.7)	\$ -
APPROPRIATIONS												
2020 Regular Session:												
Bill No.												
Ch. 1	HB 1	Feed Bill & General Appropriation Act	\$ 6.8		\$ 17.5							
Ch. 83	HB 2	General Appropriation Act of 2020			\$ 7,538.1							
		Section 4, General Appropriation										
		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		\$ -							
2020 Special Session:												
Bill No.												
Ch. 5	HB 1	GAA Amendments										
		Section 4, Scheduling			\$ (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 4, Governor Vetoes			\$ 0.9	\$ 15.0						
		Section 5 & 6, Specials and Supplementals (Reductions)	\$ (56.9)		\$ -							
		Section 5 & 6, Governor Vetoes	\$ 11.0									
		Section 9, Roads	\$ (45.0)									
		Section 10, Fund Transfers	\$ -		\$ (20.0)							
Ch. 3	SB 5	Solvency Measures										
		Road Swaps	\$ (75.0)		\$ -							
		Capital Project Voids	\$ (14.0)		\$ -							
Subtotal Appropriations - 2020 Regular Session			\$ 6.8	\$ 506.3	\$ 7,621.4	\$ 320.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Subtotal Appropriations - 2020 Special Session			\$ -	\$ (179.9)	\$ (413.6)	\$ (166.6)						
TOTAL APPROPRIATIONS			\$ 6.8	\$ 326.4	\$ 7,207.8	\$ 153.4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

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.

6/30/2020