

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

SPONSOR Robinson DATE TYPED 2/19/05 HB _____

SHORT TITLE Permanent School Fund Distribution, CA SB SJR 15

ANALYST Chabot

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			(See Narrative)		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Department of Finance and Administration (DFA)

Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Joint Resolution 15 amends Article 12, Section 7 of the state constitution to require a distribution from the permanent school fund, in fiscal years 2007 through 2012, directly to the Albuquerque Public School District for a pilot project at the Manzano and Highland high school clusters to ensure compliance with the federal No Child Left Behind (NCLB) Act of 2001 and to ensure children of Kirtland Air Force Base personnel are adequately educated to satisfy the education requirement of the federal base realignment and closure plans. The distribution is to be sufficient to double the number of teachers at each cluster above the level in the 2004-2005 school year. The distribution is to be in addition to any distribution received through the state equalization guarantee. The Secretary, PED is to certify the amount of the distribution no later than November 2006 and June 1 of the subsequent years.

Significant Issues

DFA assess the two clusters consist of a total of 26 schools with 1,105 teachers.

DFA states “the proposed amendment would alter long-established precedent in the distribution

Senate Joint Resolution 15 -- Page 2

of state funds for education guided by the State Equalization Guarantee (SEG)...the SEG represents an attempt to assure all public school students access to programs and services. Naming specific school clusters in a specific district in the state constitution would be in opposition to this precedent and would likely expose the state to lawsuits by other school districts.

PED points out that all schools must comply with NCLB requirements and there is the potential of disequalizing the funding formula for other districts.

FISCAL IMPLICATIONS

DFA estimates the cost of hiring new teachers at \$49 million and facilities would probably not be available to have new classrooms. In addition, the additional distribution would reduce growth in the Land Grant Permanent Fund.

CONFLICT

PED states the resolution may conflict with Article IV, Section 24 and Article XXI Section 1 of the New Mexico Constitution.

DFA legal counsel states the amendment would violate Article IV, Section 31 of the New Mexico Constitution.

POSSIBLE QUESTIONS

1. Not all military families reside on Kirtland AFB and are found throughout the surrounding area, should school clusters attended by those families be included?
2. Should this amendment be expanded to cover the other three military installations in New Mexico?

GAC/sb