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FISCAL IMPACT REPORT

ORIGINAL DATE 02/02/08

SPONSOR Garcia, T. LAST UPDATED _____ HB 561

SHORT TITLE Public School Security Infrastructure Fund SB _____

ANALYST Hanika-Ortiz

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Non-Rec	Fund Affected
FY08	FY09		
	\$500.0	Non-Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to Appropriation in the General Appropriation Act

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Non-Rec	Fund Affected
FY08	FY09	FY10		
	\$500.0		Recurring	Public school security infrastructure fund

(Parenthesis () Indicate Revenue Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Bill

House Bill 561 creates the public school security infrastructure fund; establishes a process for awarding funds for school security grants; and, appropriates \$500 thousand from the General Fund to the newly created fund in FY09 and subsequent fiscal years.

FISCAL IMPLICATIONS

HB 561 seeks to create the “Public School Security Infrastructure Fund,” to be administered by PED. The bill makes a non-recurring appropriation of \$500.0 from the General Fund for the Public School Security Infrastructure Fund for expenditure in FY09 and subsequent fiscal years for the purposes of that fund. Any unexpended or unencumbered balance remaining at the end of FY09 shall not revert to the General Fund.

This bill creates a new fund and provides for continuing appropriations. The LFC has concerns with including continuing appropriation language in the statutory provisions for newly created funds, as earmarking reduces the ability of the legislature to establish spending priorities.

Relates to Executive public school support recommendation for \$200.0 for School Safety Crime Stoppers program statewide.

PED will be permitted to budget up to \$50.0 each year to administer the fund.

HB 2 Jr. includes \$230.0 for School Safety Crime Stoppers program statewide.

SB 827 of the 2007 regular legislative session appropriated over \$4,000.0 for security improvements in New Mexico public schools. Over half of the money was a special appropriation to a specific school or district that requested security funding. The other \$2,000.0 was to be allocated using a funding program that took into account the most recent data from the PED Safe Schools (Violence & Vandalism) reports. SB 827 security requests were made for the following:

- New security camera systems
- Updated security camera systems or additional cameras
- New door locks and doors
- Security/perimeter fencing
- Phone/paging systems for outer buildings.

Title IV, Safe & Drug Free Schools and Communities Act of the federal *No Child Left Behind Act of 2001* is the current source for school violence prevention-related funding for most districts. There is a cap of 40% for each district to use towards purchases of security items such as cameras. New Mexico received approximately \$2,000.0 in Title IV funding for FY 08. Funding to each district is based on a formula that includes student population counts. Half of New Mexico school districts receive less than \$1,000 for Title IV funding annually.

SIGNIFICANT ISSUES

This program and fund will allow public schools and districts to apply for funding to increase the security of their campuses and school vehicles. Funding requirements include submission of a complete proposal by no later than June 30 each year. This bill requires PED to create eligibility criteria for proposals, develop the proposal form, review submitted proposals, make awards and disperse and monitor the funding.

The bill states eligible uses for the funds include the construction or installation of security improvements to prevent intruders from entering schools or student transport vehicles; including projects to remodel, renovate or otherwise add to existing public school structures; and/or to

reinforce or secure vehicles owned by the school district used to transport students. HB 561 requires PED to establish criteria for the form and content of the school security grant proposals; and identify the schools and school districts to which grants will be awarded and disburse money from the public school security infrastructure fund for school security grants no later than December 1st of each year.

The bill provides that no money from the fund shall be granted to operate programs or for routine maintenance of existing facilities.

PERFORMANCE IMPLICATIONS

Per 22-20-1 NMSA, any award of over \$200.0 will need approval from the Public School Facilities Authority.

HB 561 aligns with the PED's goal of "Ensuring that all students attend schools in a safe and healthy environment."

ADMINISTRATIVE IMPLICATIONS

The PED is the administrative agent for this bill and can accomplish this task with existing staff.

TECHNICAL ISSUES

DFA had the following comments:

- HB 561 does not allow for grants from the Public School Security Infrastructure Fund to be used for either operational costs of existing programs or for routine maintenance of facilities. It is not clear if these funds can be used for safety assessments and or planning as part of purchasing equipment or construction/installation of security improvements.
- HB 561 does not indicate either a minimum or maximum amount of funding per grant award and offers no guidelines for either establishing the need of applicants or the geographic distribution of grants.
- HB 561 does not include language that requires PED to implement specific grant compliance monitoring or the reporting on the status of the funded expenditures to the legislature. There are no requirements to measure the effectiveness or success of these expenditures.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

The Public School Security Infrastructure Fund will not be created and schools and districts will have to pay for new security equipment and the construction/installation of security improvements to improve school safety from other funds as available.