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FISCAL IMPACT REPORT

ORIGINAL DATE 2/9/18

SPONSOR SFC LAST UPDATED _____ HB _____

SHORT TITLE General Obligation Bond Projects SB 94/SFCS/ec

ANALYST Armstrong/Kehoe

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY18	FY19		
\$165,309.9		Nonrecurring	General Obligation Bond Capacity (See Fiscal Implications)

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

Senate Finance Committee Substitute for Senate Bill 94 authorizes the issuance of general obligation bonds (GOB) totaling \$165.3 million. The bill proposes four bond issues including capital expenditures for senior citizen facilities statewide (\$10.7 million); for library resource acquisitions (\$12.8 million); for higher education facilities, special school and tribal school capital improvements and acquisitions (\$135.9 million); and public school bus replacement (\$6 million). The bill contains an emergency clause. *A listing of the projects funded in this bill is attached.*

FISCAL IMPLICATIONS

According to revenue estimators, general obligation bond (GOB) capacity is approximately \$165.4 million, or approximately 0.28 percent of the net taxable value of property. Authorizing no more than the stated capacity maintains a flat mil levy. The authorization of approximately \$166 million contained in this bill, including approximately \$703.1 thousand for the cost of issuance of the bonds, is a non-recurring expense to GOB capacity.

Issuance and sale of general obligation bonds requires approval by the electorate in the November 2018 general election. General obligation bonds are payable from ad valorem (property) taxes levied on all property in the state subject to property taxation. The bonds are backed by the full faith and credit of the state.

General obligation bonds are approved for issuance by the State Board of Finance in spring of 2019 following the general election. If ratified by the voters, funds authorized in this bill will be available to the recipients in the spring of 2019.

The state agencies and higher education institutions to which money has been appropriated in this bill shall be responsible for monitoring the projects funded in the bill to ensure compliance with the laws and Constitution of New Mexico and shall cause to be reverted any unexpended or unencumbered balance remaining at the earlier of the third full fiscal year after issuance of the bonds or the termination or completion of the specific project. Reverted funds shall be deposited in the debt service fund established by the state treasurer for the purpose of paying the principal and interest on the state's general obligation bonds.

SIGNIFICANT ISSUES

The Aging and Long Term Services Department (ALTSD) received capital outlay requests totaling \$29.2 million from senior centers statewide. ALTSD and area agencies on aging rated 158 projects statewide by applying criteria and allocating points to prioritize projects in five categories: code compliance, meals and other equipment, vehicles, and construction and major additions. The senior center projects in this bill were recommended in their entirety by ALTSD and the Department of Finance and Administration.

The New Mexico Library Association requested \$17.5 million on behalf of public libraries, public school libraries, academic libraries, and tribal public libraries. Public and tribal libraries will continue to allocate the funding based on county populations and library service areas, as required by regulation. Public school libraries distribute bond funds with a base grant to each public and charter school building with an operating school library, with remaining funds distributed by per capita student count by building. About two-thirds of funding for New Mexico college and university libraries will be distributed based on full-time-equivalent student enrollment and the remaining one-third will be used to collaboratively purchase electronic resources (academic journals, electronic reference books, electronic books, educational films, etc.) for all students regardless of institution or course work, particularly in rural areas.

Institutions of higher education, special schools, and tribal schools requested nearly \$200 million for capital needs statewide. The bill proposes approximately \$135.9 million for infrastructure projects at higher education institutions. Approximately 82 percent of the total funding included in this bill is recommended for higher education institutions, special schools, and tribal schools. The largest projects include the Roosevelt Hall science building at Eastern New Mexico University, Brown Hall at New Mexico Institute of Mining and Technology, modernizing agricultural facilities at New Mexico State University, Clark Hall chemistry building and ROTC complex at the University of New Mexico, Harlan Hall science building at Western New Mexico University, and Ken Chappy Hall at Central New Mexico Community College.

The substitute bill reflects technical language changes as submitted by the staff of higher education institutions and tribal and special schools.

RELATIONSHIP

In addition to the \$6 million included in this bill for school bus replacement, the severance tax bond project bill includes \$8 million from revenues from New Mexico's share of the Volkswagen diesel settlement for the same purpose contingent on approval by the New Mexico Volkswagen settlement team.

OTHER SUBSTANTIVE ISSUES

The Higher Education Department held hearings in Las Vegas, Tucumcari, Alamogordo, Los Lunas, and Santa Fe. Post-secondary education institutions, the two special schools, and tribal schools (Dine College, the Institute of American Indian Arts, and Navajo Technical University) presented their capital requests at the hearings.

The proposed projects in the bill for consideration by the full Legislature were based on the following criteria:

- Student, faculty, and public safety
- Project completion
- Funding from other sources
- Project readiness
- Facility condition index
- Instructional & General (I&G) and space utilization
- Full-time student enrollment trends
- Programmatic use of building
- Energy-efficiency standards

JA/LMK/sb/jle

General Obligation Bond Projects

Legislative Council Service

Funded Projects by Question

53rd Legislature, 2nd Session, 2018

ID	Project Title	Track	Agency	County	Total Amount
1801	RIO BRAVO SENIOR CTR-IMPROVE CODE		ALTS	Bernalillo	138,000
1802	SOUTH VALLEY MLTPRPS SENIOR CTR-IMPROVE CODE		ALTS	Bernalillo	235,000
1803	WHISPERING PINES SENIOR CTR-IMPROVE CODE		ALTS	Bernalillo	123,000
1795	BARELAS SENIOR CTR-IMPROVE CODE		ALTS	Bernalillo	17,600
1796	BEAR CANYON SENIOR CTR-IMPROVE CODE		ALTS	Bernalillo	17,600
1797	HIGHLAND SENIOR CTR-IMPROVE CODE		ALTS	Bernalillo	21,100
1798	LOS VOLCANES SENIOR CTR-IMPROVE CODE		ALTS	Bernalillo	14,100
2132	LOS VOLCANES SENIOR CTR-VEHICLES		ALTS	Bernalillo	54,200
1799	NORTH VALLEY SENIOR CTR-IMPROVE CODE		ALTS	Bernalillo	19,200
3817	NORTH VALLEY SENIOR CTR-VEHICLES		ALTS	Bernalillo	54,200
1800	PALO DURO SENIOR CTR-IMPROVE CODE		ALTS	Bernalillo	17,900
2349	PALO DURO SENIOR FITNESS CTR-VEHICLES		ALTS	Bernalillo	28,000
1	PARADISE HILLS COMMUNITY CTR-IMPROVE CODE		ALTS	Bernalillo	20,100
2	GLENWOOD SENIOR CTR-IMPROVE CODE		ALTS	Catron	24,000
3	QUEMADO SENIOR CTR-IMPROVE CODE		ALTS	Catron	23,000
2203	RESERVE SENIOR CTR-VEHICLES		ALTS	Catron	80,000
1804	CIMARRON SENIOR CTR-IMPROVE CODE		ALTS	Colfax	90,000
1805	RATON SENIOR CTR-IMPROVE CODE		ALTS	Colfax	40,000
3815	CIMARRON SENIOR CTR-VEHICLES		ALTS	Colfax	30,000
1806	LA CASA DE BUENA SALUD SENIOR CTR-IMPROVE CODE		ALTS	Curry	157,028
3818	LA CASA DE BUENA SALUD SENIOR CTR-VEHICLES		ALTS	Curry	55,650
3819	ANTHONY COMMUNITY CTR-VEHICLES		ALTS	Dona Ana	138,700
59	ANTHONY SENIOR COMMUNITY CENTER-IMPROVE CODE		ALTS	Dona Ana	100,000
60	BETTY MCKNIGHT MLTPRPS CTR CHAPARRAL-IMPROVE CO		ALTS	Dona Ana	100,000
3821	MUNSON SENIOR CTR-VEHICLES		ALTS	Dona Ana	58,000
3820	MESILLA COMMUNITY CTR-VEHICLES		ALTS	Dona Ana	111,500
1808	SILVER CITY SENIOR CTR-IMPROVE CODE		ALTS	Grant	25,000
1807	GILA SENIOR CTR-IMPROVE CODE		ALTS	Grant	120,000
3842	LA LOMA SENIOR CTR-IMPROVE CODE		ALTS	Guadalupe	34,000
6	PUERTO DE LUNA SENIOR CTR SANTA ROSA-IMPROVE COD		ALTS	Guadalupe	29,000
8	RUIDOSO COMMUNITY CTR-IMPROVE CODE		ALTS	Lincoln	175,900
3822	BETTY EHART SENIOR CTR-VEHICLES		ALTS	Los Alamos	55,000
2190	DEMING SENIOR CTR-VEHICLES		ALTS	Luna	141,700
2158	THOREAU CHP SENIOR CTR-VEHICLES		ALTS	McKinley	75,000
2223	BAAHAALI CHP SENIOR CTR-VEHICLES		ALTS	McKinley	80,000
64	BACA CHP SENIOR CTR-CONSTRUCT		ALTS	McKinley	400,000
65	CHICHILTAH CHP SENIOR CTR-VEHICLES		ALTS	McKinley	76,000
1678	COYOTE CANYON CHP SENIOR CTR-VEHICLES		ALTS	McKinley	50,000
3823	CROWNPOINT CHP SENIOR CTR-VEHICLES		ALTS	McKinley	80,000
3813	IYANBITO CHP SENIOR CTR-IMPROVE CODE		ALTS	McKinley	180,000
3824	IYANBITO CHP SENIOR CTR-VEHICLES		ALTS	McKinley	80,000
3825	ROCK SPRINGS CHP SENIOR CTR-VEHICLES		ALTS	McKinley	50,000
3826	TOHATCHI CHP SENIOR CTR-VEHICLES		ALTS	McKinley	45,000
3830	TWIN LAKES CHP SENIOR CTR-CONSTRUCT		ALTS	McKinley	951,750
66	TWIN LAKES CHP SENIOR CTR-VEHICLES		ALTS	McKinley	50,000
2184	LOGAN SENIOR CTR-IMPROVE CODE		ALTS	Quay	150,000
3814	TUCUMCARI SENIOR CTR-IMPROVE CODE		ALTS	Quay	207,800
2176	ESPANOLA SENIOR CTR-IMPROVE CODE		ALTS	Rio Arriba	101,000
67	BEATRICE MARTINEZ SENIOR CTR ESPANOLA-IMPROVE CO		ALTS	Rio Arriba	150,000
1475	OHKAY OWINGEH SENIOR CTR-VEHICLES		ALTS	Rio Arriba	67,900
2139	SANTA CLARA PUEBLO ADULT DAY CARE CTR-VEHICLES		ALTS	Rio Arriba	100,150
2167	SANTA CLARA PUEBLO SENIOR CTR-MEALS EQUIP		ALTS	Rio Arriba	54,700
3827	LA CASA DE BUENA SALUD/LOS ABUELITOS-VEHICLES		ALTS	Roosevelt	55,650

General Obligation Bond Projects

Funded Projects by Question

ID	Project Title	Track	Agency	County	Total Amount
2181	BLANCO SENIOR CTR-IMPROVE CODE		ALTS	San Juan	115,000
2142	BLOOMFIELD SENIOR CTR-MEALS EQUIP		ALTS	San Juan	21,100
3831	GADII'AHI CHP SENIOR CTR-CONSTRUCT		ALTS	San Juan	955,000
1371	GADII'AHICHP SENIOR CTR-VEHICLES		ALTS	San Juan	45,000
3828	NAGEEZI CHP SENIOR CTR-VEHICLES		ALTS	San Juan	48,600
3829	NEWCOMB CHP SENIOR CTR-VEHICLES		ALTS	San Juan	50,000
2137	BERNALILLO SENIOR CTR-VEHICLES		ALTS	Sandoval	158,200
15	CORRALES SENIOR CTR-IMPROVE CODE		ALTS	Sandoval	95,000
2188	CORRALES SENIOR CTR-VEHICLES		ALTS	Sandoval	76,700
2135	MEADOWLARK SENIOR CTR-EQUIP		ALTS	Sandoval	42,850
2198	MEADOWLARK SENIOR CTR-IMPROVE CODE		ALTS	Sandoval	20,900
3812	SAN FELIPE PUEBLO SENIOR CTR-IMPROVE CODE		ALTS	Sandoval	200,000
3832	ABEDON LOPEZ SENIOR CTR SANTA CRUZ-CONSTRUCT		ALTS	Santa Fe	1,300,000
17	SJOA KEN JAMES SENIOR CTR T OR C-IMPROVE CODE		ALTS	Sierra	210,000
3816	SJOA KEN JAMES SENIOR CTR T OR C-VEHICLES		ALTS	Sierra	90,000
19	SOCORRO SENIOR CTR-IMPROVE CODE		ALTS	Socorro	73,700
20	VEGUITA SENIOR CTR-IMPROVE CODE		ALTS	Socorro	16,200
2138	PICURIS PUEBLO SENIOR CTR-CONSTRUCT		ALTS	Taos	910,000
3833	QUESTA SENIOR CTR-CONSTRUCT		ALTS	Taos	688,200
21	AMALIA SENIOR CTR-IMPROVE CODE		ALTS	Taos	195,000
Subtotal for question 1					10,664,878
2081	ACADEMIC LIBRARY RESOURCE ACQUISITIONS		HED	Statewide	4,000,000
2080	CAD PUBLIC LIBRARY RESOURCE ACQUISITIONS		CAD	Statewide	4,000,000
2082	CAD TRIBAL LIBRARY EQUIP & RESOURCE ACQUISITIONS		CAD	Statewide	750,000
2079	PED PUBLIC SCHOOL LIBRARY RESOURCE ACQUISITIONS		PED	Statewide	4,000,000
Subtotal for question 2					12,750,000
3834	PED SCHOOL BUSES STATEWIDE		PED	Statewide	6,000,000
Subtotal for question 3					6,000,000
4637	UNM ROTC COMPLEX REMODEL		UNM	Bernalillo	6,800,000
2103	CNMCC KEN CHAPPY HALL REN & INFRA UPGRADES		HED	Bernalillo	7,500,000
2116	SIPI INFRA IMPROVE		HED	Bernalillo	650,000
2091	UNM CLARK HALL CHEMISTRY BLDG REN PH 2		UNM	Bernalillo	16,000,000
2093	ENMU-ROSWELL AUTOMOTIVE WELDING BLDG REN		ENMU	Chaves	3,000,000
4639	NMMI BARRACKS SINK ROOMS RENOVATE		NMMI	Chaves	3,750,000
2110	NMMI JRT & VMV HALLS REN		NMMI	Chaves	4,500,000
2098	NMSU-GRANTS MARTINEZ HALL REN		NMSU	Cibola	1,500,000
2104	CCC ROOF AND PARKING LOT REPLACEMENT & REPAIRS		HED	Curry	1,500,000
2097	NMSU-DONA ANA BRANCH CC INFRA IMPROVE		NMSU	Dona Ana	1,700,000
1722	NMSU ACES AG MODERNIZATION & ED FCLTIES		NMSU	Dona Ana	25,000,000
2096	NMSU-CARLSBAD INFRASTRUCTURE & SITE IMPROVE		NMSU	Eddy	1,000,000
1751	NMSU-CARLSBAD LEARNING ASSISTANCE CTR		NMSU	Eddy	600,000
4638	NMJC INFRASTRUCTURE IMPROVEMENTS		HED	Lea	2,500,000
2107	NMJC MCLEAN HALL REN & INFRA IMPROVE		HED	Lea	2,250,000
2094	ENMU-RUIDOSO CAMPUS INFRA IMPROVE		ENMU	Lincoln	500,000
2100	UNM-LOS ALAMOS SUSTAINABILITY & INFRA IMPROVE		UNM	Los Alamos	750,000
2115	NAVAJO TECH UNIV ACADEMIC BLDG/SITE IMPROVE		HED	McKinley	3,700,000
2099	UNM-GALLUP CTE CONSTRUCT & IMPROVE		UNM	McKinley	5,000,000
2092	WNMU HARLAN HALL REN & INFRA IMPROVE		WNMU	Multiple Co	6,000,000
2095	NMSU-ALAMOGORDO TAYS CTR ROOF & CAMPUS INFRA		NMSU	Otero	1,400,000
2106	MCC BLDG A REN		HED	Quay	800,000

General Obligation Bond Projects

Legislative Council Service

Funded Projects by Question

53rd Legislature, 2nd Session, 2018

ID	Project Title	Track	Agency	County	Total Amount
2090	NNMSS JOSEPH M. MONTOYA BLDG REN PH 3		NNMSS	Rio Arriba	1,275,000
2085	ENMU ROOSEVELT SCIENCE HALL PH 1		ENMU	Roosevelt	8,000,000
2108	SJC INFRA IMPROVE		HED	San Juan	520,000
2113	DINE COLLEGE MATH SCIENCE BLDG PH 1		HED	San Juan	5,000,000
2105	LCC INFRA IMPROVE		HED	San Miguel	800,000
1313	NMHU INFRASTRUCTURE UPGRADES		NMHU	San Miguel	4,000,000
2114	IAIA ACADEMIC BLDG HVAC & ACCESSIBILITY IMPROVE		HED	Santa Fe	800,000
2112	NMSD LARS M. LARSON RAC CTR REN PH 1		NMSD	Santa Fe	1,800,000
2109	SFCC INFRA IMPROVE		HED	Santa Fe	2,000,000
320	SFCC TRADES & ADVANCED TECH CTR & INFRA IMPROVE		HED	Santa Fe	3,000,000
2117	SFIS ROAD & DRAINAGE IMPROVE		IAD	Santa Fe	900,000
2087	NMIMT BROWN HALL REN/PARKING & SAFETY LIGHTS		NMIMT	Socorro	7,100,000
2101	UNM-TAOS KLAUER CAMPUS CAREER CENTER		UNM	Taos	4,300,000
Subtotal for question 4					135,895,000
Grand Total					165,309,878