

Public School Support Request

Legislative Finance Committee

Senator John Arthur Smith, Chairman

Representative Jimmie Hall, Vice-Chairman

Presented By:

Hanna Skandera, Secretary of Education

Hipolito J. Aguilar, Deputy Secretary, Finance & Operations

Christopher N. Ruzkowski, Deputy Secretary, Policy & Program

Matthew Pahl, Policy Director

December 8, 2016

NM Public Education Department

OUR GOAL

**By 2020, New Mexico will be
the fastest growing state in the
nation when it comes to
student outcomes**

NM Public Education Department

OUR COMMITMENT

**We will close honesty gaps,
while meeting our 2020 goal**

***New Mexico recently ranked 4th in the
nation as a “top truth teller” state***

NM Public Education Department

RESULTS: College & Career Readiness - Advanced Placement

New Mexico ranks 2nd in the nation for year-over-year growth in the number of students taking an AP exam

New Mexico outpaced the national average (7.4%-point growth compared to 5.2%) in AP exams passed

31% more NM Hispanic students are passing AP exams compared to 2015

Students and parents have the potential to save \$3.55 million in college tuition

New Mexico ranks 4th in the nation in providing Advanced Placement access to students from low-income backgrounds

NM Public Education Department

RESULTS: Reading & Math Growth

New Mexico ranks 3rd out of PARCC member states for average growth on grade-level and subject assessments

The state ranked in the top half of PARCC member states in student growth in 10/12 elementary and middle school areas

Assessment	PARCC State Rank
ELA Grade 3	7
ELA Grade 4	3
ELA Grade 5	3
ELA Grade 6	2
ELA Grade 7	2
ELA Grade 8	3

Assessment	PARCC State Rank
Math Grade 3	3
Math Grade 4	2
Math Grade 5	2
Math Grade 6	4
Math Grade 7	3
Math Grade 8 ^r	2

NM Public Education Department

RESULTS: Reading & Math Growth

Since just last year:

- **5,000 more New Mexico students are reading at grade-level**
- **7,300 more New Mexico students are proficient in Math**
- **77 of 89 districts increased their Math proficiency rates**
- **The state increased in 19 of 21 state measures in reading, math and science**

New Mexico has raised the bar...and our students and educators have responded

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RESULTS: School Grades

**30,000 more New Mexico
students are attending A & B
schools than in 2012**

There are more A & B schools today than in 2012

NM Public Education Department

RESULTS:

Educator Quality – Equip. Empower. Champion.

New Mexico has been commended for having one of the most *honest/rigorous* teacher evaluation systems in the nation

New Mexico has decreased the percentage of habitually absent teachers from 47% in 2012 to about 12% in 2016

Minimally effective and ineffective teachers are leaving the profession at a higher rate than high-performers, a sign that districts are using the system to serve their students better

New Mexico teachers are rising to the challenge: For the 2nd year in a row, more teachers are earning “Highly-Effective” & “Exemplary”, up 22% since 2014

NM Public Education Department

RESULTS:

Teacher Supports – Equip. Empower. Champion.

New PED
Teacher Liaison

Teacher Blog –
teachreachnm.wordpress.com

Secretary's
Teacher
Advisory

New Mexico
Literacy Dream
Team

New Mexico
Policy Fellows

Teacher Leader
Network &
Annual Summit

Teacher Debit
Cards

Hard to Staff
Stipends

Increased
Starting Salary

Pay for
Performance

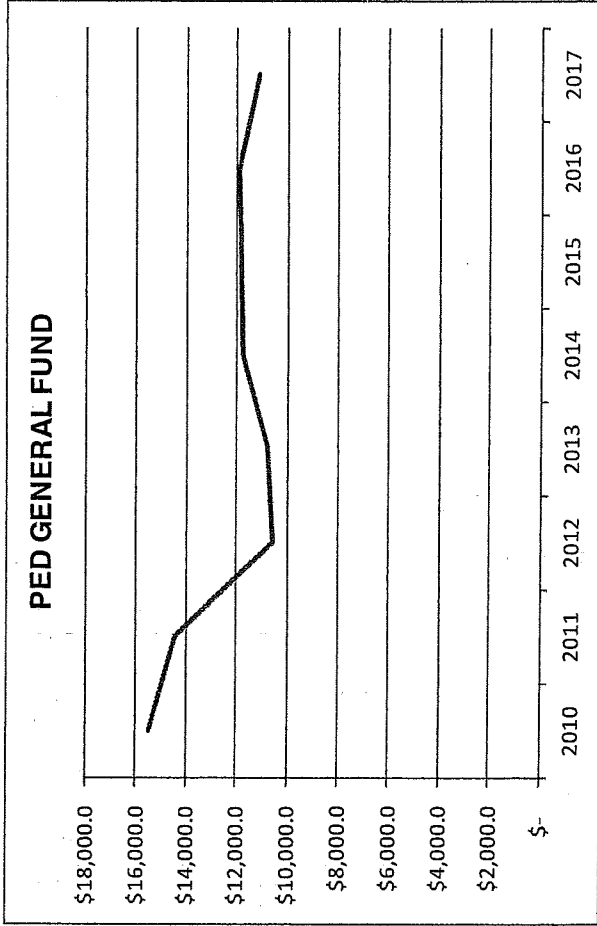
Teacher
Mentorship
(TPE)

Teacher
Preparation

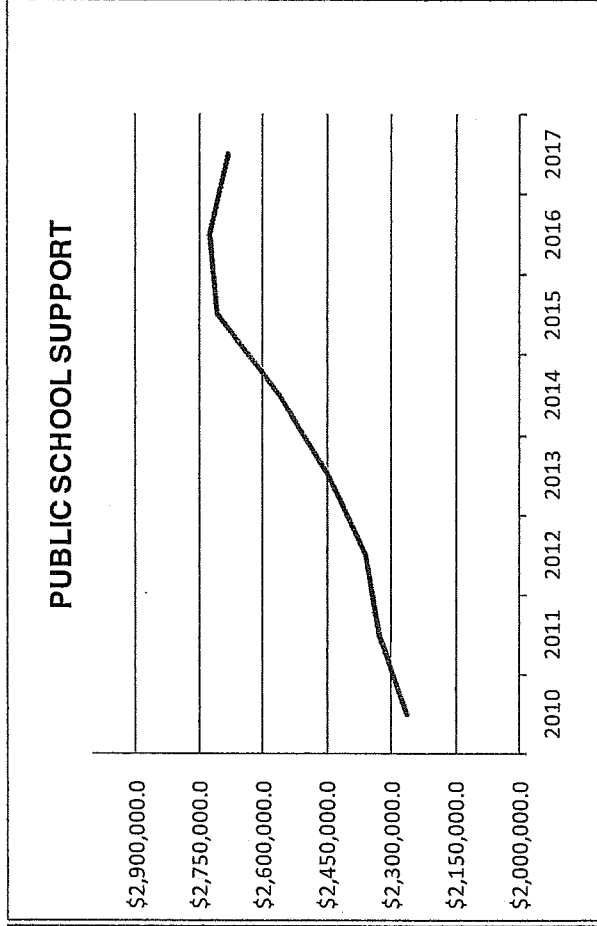
NM Public Education Department

PUBLIC SCHOOL SUPPORT REQUEST – FY18

General Fund Appropriations FY 2010 – FY 2017



Since FY11, the PED agency appropriation from the general fund has been reduced by nearly 30%.



Since FY11 appropriations to Public School Support has increased by \$351 million.

NM Public Education Department

PUBLIC SCHOOL SUPPORT REQUEST – FY18 Overview of FY18 Budget Request

	FY17 Operating Budget	FY18 Appropriation Request	FY18 Request +/- FY17 OpBud
General Fund	\$ 11,065.3	\$ 11,065.3	\$ 0.0
Other Transfers	\$ 36.0	\$ 36.0	\$ 0.0
Federal Funds	\$ 28,075.1	\$ 28,075.1	\$ 0.0
Other Revenue	\$ 4,100.1	\$ 4,100.1	\$ 0.0
Fund Balance	\$ 0.0	\$ 0.0	\$ 0.0
Total	\$ 43,276.5	\$ 43,276.5	\$ 0.0
Expenditures			
Personal Services/ Employee Benefits	\$ 19,126.6	\$ 18,676.6	\$ (450.0)
Contractual Services	\$ 20,197.7	\$ 20,197.7	\$ 0.0
Other	\$ 3,952.2	\$ 4,402.2	\$ 450.0
Other Financing Uses	\$ -	\$ -	\$ 0.0
Total	\$ 43,276.5	\$ 43,276.5	\$ 0.0

NM Public Education Department

LEGISLATIVE REQUESTS TO PED 2016						
Requester	Number of Requests	PED Staff Hours	Percent Time	YEAR	PERIOD	TOTAL REQUESTS
IFSC	341	1040.25	57.91%	2009	13 Months	223
LFC (analyst)	118	412.50	22.96%	2010	13 Months	313
LFC (evaluation)	26	108.50	6.04%	2011	8 Months	140
LCS	12	41.25	2.30%	2012	12 Months	642
Legislators	33	123.00	6.85%	2013	12 Months	724
Other	22	70.75	3.94%	2014	12 Months	630
TOTALS	552	1796.25	100.00%	2015	12 Months	489
				2016	11 Months	552

Legislative Requests

Year	Number of Requests
2009	223
2010	313
2011	140
2012	642
2013	724
2014	630
2015	489
2016	552

Legislative Bill Analyses are NOT included as Legislative Requests and Exceeded 100 Hours of PED Staff Time in 2016.

NM Public Education Department

PUBLIC SCHOOL SUPPORT REQUEST – FY18 Overview of FY18 Budget Request

- 1. The FY18 Public School Support request reflects a flat budget over the FY17 appropriation and accounts for legislative action from the special session**
- 2. Below-the-Line targeted investments have been reduced by \$4.5 million, nearly 12%**
- 3. The request keeps early childhood funding intact**

The Public Education Department is responding to the challenge of doing more with less

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PUBLIC SCHOOL SUPPORT REQUEST – FY18 Overview of FY18 Budget Request

Above the Line – 92.9%

- **General Fund**
- \$2,487,192.4 – Line 22

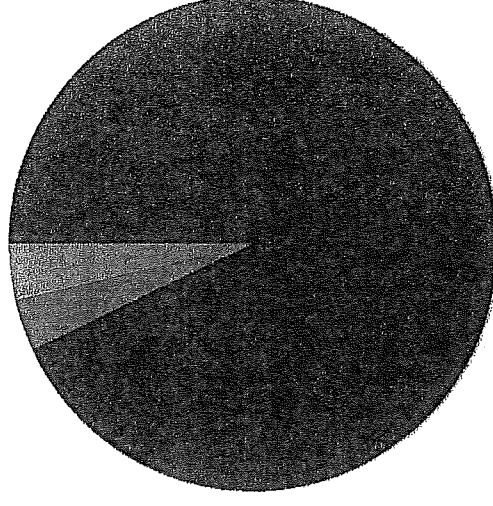
Middle of the Line – 3.4%

- **Categorical Public School Support**
- \$92,040.1 (GF) – Lines 26-41
- \$25,000.0 (PSCOF) – Lines 29, 37

Below the Line – 3.6%

- **Early Childhood** – 2.2%
- \$59,700.0 – Lines 48, 49, 50
- \$3,500.0 (TANF) Line 49
- **Targeted Investments** – 1.4%
- \$36,931.7 (GF) – Lines 47, 51-68

Budget Distribution



- Above the Line
- Middle of The Line
- Below the Line

MI Public Education Department

PUBLIC SCHOOL SUPPORT REQUEST – FY18

Above the Line – State Equalization Guarantee

92.9%

**State Equalization
Guarantee**

92.9% of funds are distributed directly to districts

NM Public Education Department

PUBLIC SCHOOL SUPPORT REQUEST – FY18

Middle of the Line – Categorical Public School Support

Middle of the Line – Categorical Public School Support (3.4%)

- \$92,040.1 (GF) – Lines 26-41
- \$25,000.0 (PSCOF) – Lines 29, 37

Funding includes:

- Transportation Distribution
- Out-of-state tuition
- Emergency Supplemental
- Instructional Material Fund
- Dual Credit Instructional Materials
- PARCC Assessment
- Indian Education Fund

NM Public Education Department

PUBLIC SCHOOL SUPPORT REQUEST – FY18

Below the Line

Early Childhood Programs (2.2%)

- \$59,700.0 – Lines 48, 49, 50
- \$3,500.0 (TANF) Line 49
 - K-3 Plus
 - Pre-Kindergarten
 - New Mexico Reads to Lead!

Targeted Investments (1.4%)

- \$36,931.7 (GF) – Lines 47, 51-68
- Teacher and School Leader Supports
- NMTEACH
- STEM
- NMLead & NMPrep
- IDEAL-NM
- NM Graduates Now
- Interventions and Supports for Struggling Schools
- Parent Portal and Parent Outreach
- Teachers Pursuing Excellence
- Hard to Staff Stipends
- Teacher Supplies

Budget Request

BELOW THE LINE PROGRAMS

NM Public Education Department

PUBLIC SCHOOL SUPPORT REQUEST – FY18

Below the Line

\$96,631.7 (GF) – Line 69

\$ 3,500.0 (TANF)

The below-the-line request includes:

- Reduction of \$4.5 million from FY17
- This represents an 11.4% reduction when holding early learning programs at their current levels (Pre-K, K-3 Plus and Reads to Lead)

Funding for existing programs is based on need. In most instances, PED received more requests than funding available.

MI Public Education Department

PUBLIC SCHOOL SUPPORT REQUEST – FY18

Below the Line - Early Learning Programs

\$59,700.0 (GF) – Lines 48, 49 & 50

\$ 3,500.0 (TANF)

K-3 plus and Pre K–Lines 48 &49 –

- \$44,700.0 (GF)
- \$3,500.0 (TANF)

K-3 Plus leverages research demonstrating that increased time in kindergarten and the early grades narrows the achievement gap between at-risk students and other students.

- For FY18, K-3 Plus funding will serve approximately 20,000 students across 52 LEAs.
- For FY17, Pre-K funds 5,223 students in 54 school districts and 6 state chartered charter schools.
 - 3,852 students are enrolled in half-day programs and 1,351 are enrolled in extended day programs.

NMPEd

Program Spotlight: New Mexico K-3 Plus (K-3+)

FY17 Allocation: \$23.7 million

School Partners: 257

District/Charter Partners: 58

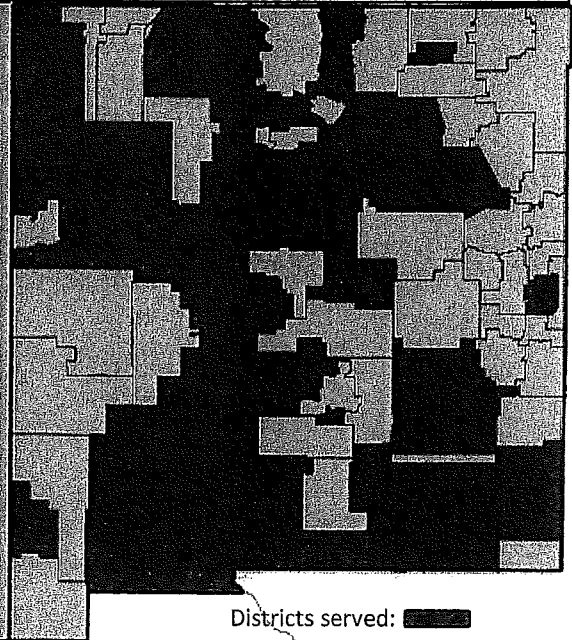
PROGRAM CONTEXT —

Increasing time in kindergarten and early grades to narrow the achievement gap for at-risk students and prepare all participants for sustained success

- New Mexico's K-3+ program uses 25 extra instructional days led by nearly 1,200 teachers to serve more than 20,000 students across the state
- A 2015 independent scientific review of New Mexico's K-3+ program found that participating students both outperformed their peers the following school year and retained that advantage four years later

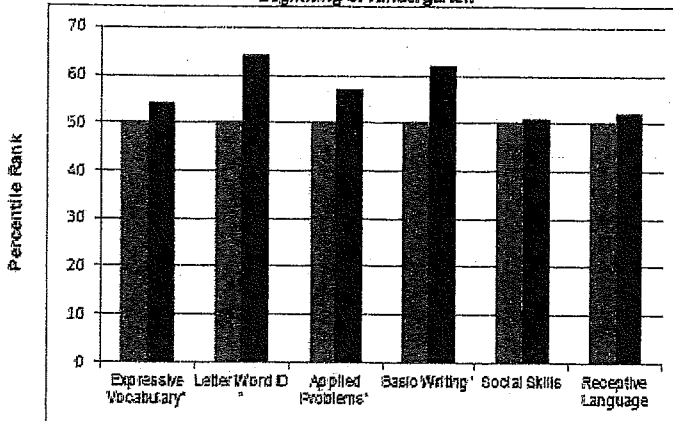
SCHOOL AND DISTRICT HIGHLIGHTS —

- The number of participating K-3+ districts has more than doubled from SY12 to SY16, from 22 to 52
- The number of students served by K-3+ has more than tripled from 6,683 in SY12 to 20,093 in SY16
- The rate of 3rd grade students in K-3+ schools meeting their benchmark reading scores improved from 44% in SY12 to 65% in SY16 in end of year DIBELS assessments
- The rate of K-3+ students of all grades scoring at benchmark in end of year DIBELS assessments improved from 47% in SY12 to 66% in SY16

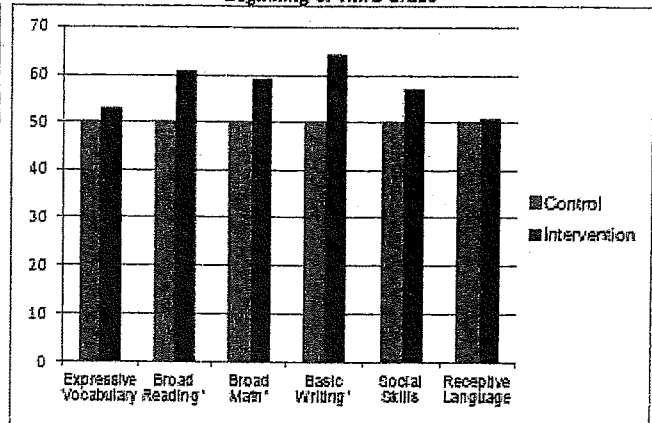


Effects of K-3 Plus

Beginning of Kindergarten



Beginning of Third Grade



Source: Utah State presentation to LE3C

Academic Achievement Measures

NM PED

PSSR Line #49

Program Spotlight: New Mexico Pre-Kindergarten Program (PRE-K)

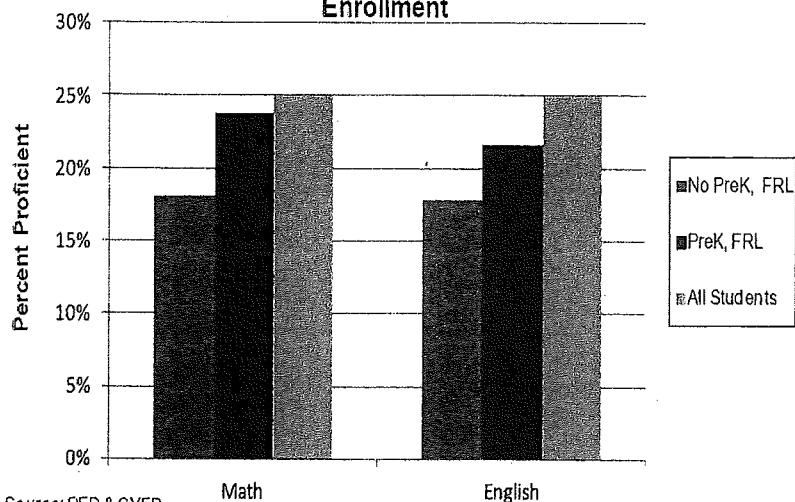
FY17 Appropriation: \$24.5 million School Partners: 144 District/Charter Partners: 60

PROGRAM CONTEXT —

Ensuring that every child in New Mexico has the opportunity to attend a high-quality early childhood education program before entering kindergarten

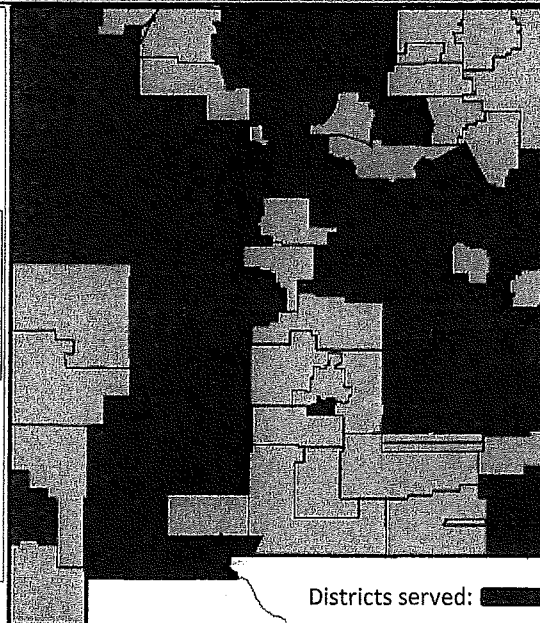
- More than 5,200 children enrolled in Pre-Kindergarten half day and extended day programming across 60 New Mexico districts and charters
- The LFC's 2016 Early Childhood Accountability Report found that "Pre-K participants perform significantly better on the 3rd grade PARCC than peers not participating"
- The same report found Pre-K children receiving free and reduced-price lunch achieved significantly higher proficiency rates compared to non-Pre-K children in that category

Student Third Grade Reading Proficiency by PreK Enrollment



Source: PED & CYFD

Source: LFC 2016 Early Childhood Accountability Report

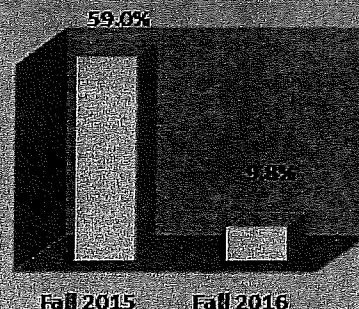


Districts served: [shaded box]

SCHOOL AND DISTRICT HIGHLIGHTS —

- In Fall 2015, only 10.9% of Pre-K enrolled 4-year-olds were exceeding age-level expectations in literacy, but by Spring 2016, 71.8% of these children were performing above age-level expectations, an increase of 2,789 children
- Jal Elementary's Pre-K program grew from 13 children in SY11 to 44 children in SY17 after teachers canvassed door-to-door to enroll 4-year-olds
- More than 48% of Pre-K children entered SY16 below age-level in numeracy skills, but by the end of the year only 5.1% were below age-level, a reduction of 1,968 children

Statewide PreK Below Age-Level Literacy



Fall 2015

Fall 2016

NM Public Education Department

PUBLIC SCHOOL SUPPORT REQUEST – FY18 Below the Line – Early Learning Programs

New Mexico Reads to Lead—Line 50 - \$15,000.0

- For FY17, the PED has incorporated a more targeted approach in supporting select LEAs through direct awards
- LEAs submit competitive applications for funding, with both academic track record and strength of proposal taken into consideration
- This request maintains current support for state and local reading coaches, interventionists and a common K-3 reading assessment
- New Mexico’s K-6 Literacy Dream Team is creating high quality statewide content for all New Mexico teachers, with new content areas slated for future years
- FY17 funding supports more than 167 FTE providing coaching and intervention support to students in 45 districts and 19 charter schools

MM Public Education Department

PUBLIC SCHOOL SUPPORT REQUEST – FY18 Below the Line – Targeted Investments

Teacher and School Leader Programs and Supports– Line 53 - \$5,250.0 (12.5% decrease from FY17)

The Teacher and School Leader Programs and Supports leverages the state’s teacher evaluation system to provide strategic pay increases to the state’s top performing teachers. Rather than providing a minimal increase for teacher and school leaders across the board, differentiated pay systems – designed by districts – reward teachers and principals based on their performance. Nearly 1,300 educators received awards based on effectiveness in the first full implementation cycle of the program

STEM– Line 56 - \$1,900.0 (21% decrease from FY17)

Funding will be used to expand support to STEM teachers, specifically those teaching math disciplines. Training and support will align with New Mexico’s higher math standards and support teachers

NM Public Education Department

PUBLIC SCHOOL SUPPORT REQUEST – FY18 Below the Line – Targeted Investments

NM Prep & NM Lead – Line 57 - \$3,196.5 (23% decrease from FY17)

- The Next Generation School Leader and Teacher Preparation funds will be used to continue NM Prep and NM Lead programming
- Funds were awarded to New Mexico Institutions of Higher Education (IHEs) to serve as a model for practice-based teacher preparation. They create teacher and administrator preparation programs that are innovative in their curriculum and raise standards for entry into the program

NM Prep Partners

New Mexico Highlands University
University of New Mexico
New Mexico State University

NM Lead Partners

University of New Mexico
New Mexico State University
Eastern New Mexico University

NM Turnaround Partner

New Mexico State University

Interventions – Line 61 - \$10,000.0 (5% decrease from FY17)

- Funds provide for intervention programs such as Principals Pursuing Excellence and the UVA School Turnaround program. Funding also supports continuation of the Truancy and Dropout Prevention Coaches program, currently in its second year.

NMPED

PSSR Line #61

Interventions and Support for Students, Struggling Schools, and Parents: Truancy and Dropout Prevention Coaches (TDPC)

FY17 Allocation: \$10.5 million

Truancy Coaches: 59

District/Charter Partners: 31

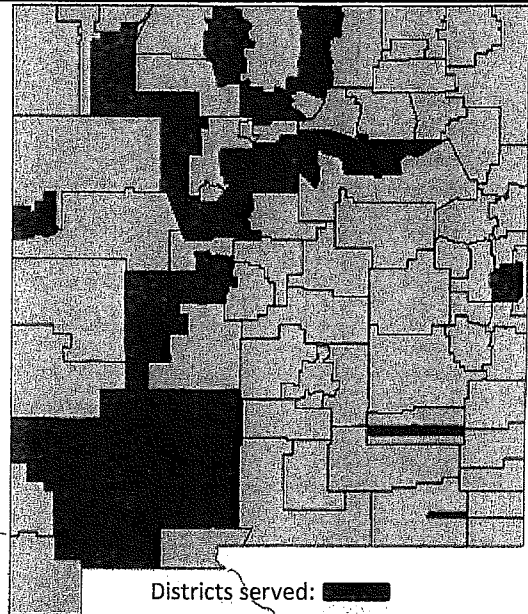
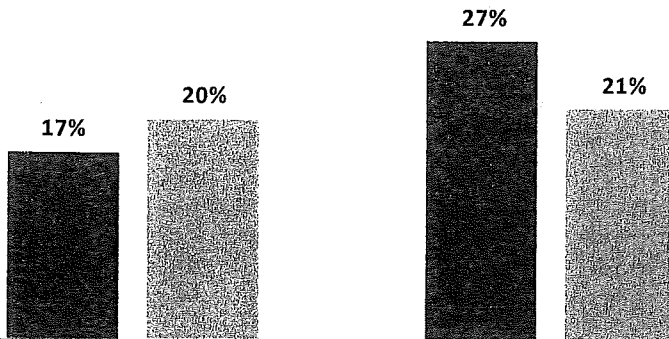
PROGRAM CONTEXT —

Collaborating to maximize resources and engage with community partners as part of a unified strategy to ensure students are in school

- In the top 75% of TDPC schools, 21,959 students attended a total of 40,479 more days in SY16 compared to SY15
- The top 75% of TDPC schools saw rates of habitual truancy decline by more than 6 percentage points, meaning 1,434 fewer students were habitually truant

Change in Habitual Truancy Rates

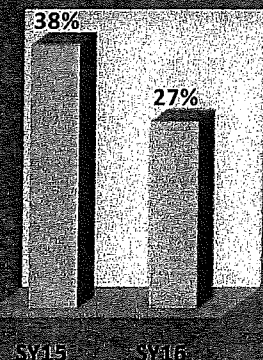
■ SY15 Truancy Rate ■ SY16 Truancy Rate



SCHOOL AND DISTRICT HIGHLIGHTS —

- Belen High School cut the number of habitually truant students by more than 50%
- The four participating Santa Fe schools (Capital High, Santa Fe High, De Vargas Middle, and Edward Ortiz Middle) saw their number of habitually truant students decline by 11 percentage points, representing more than 550 students
- Cuba reduced the number of habitually truant students by more than 23%
- Loving reduced the number of habitually truant students by 42%

■ Santa Fe TDPC Schools Habitual Truancy



NMPED

PSSR Line #61

Interventions and Support for Students, Struggling Schools, and Parents: Principals Pursuing Excellence (PPE)

FY17 Allocation: \$10.5 million

District/Charter Partners: 36

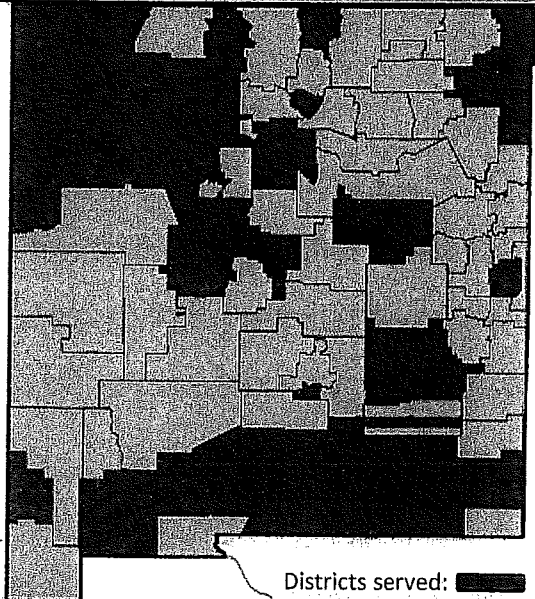
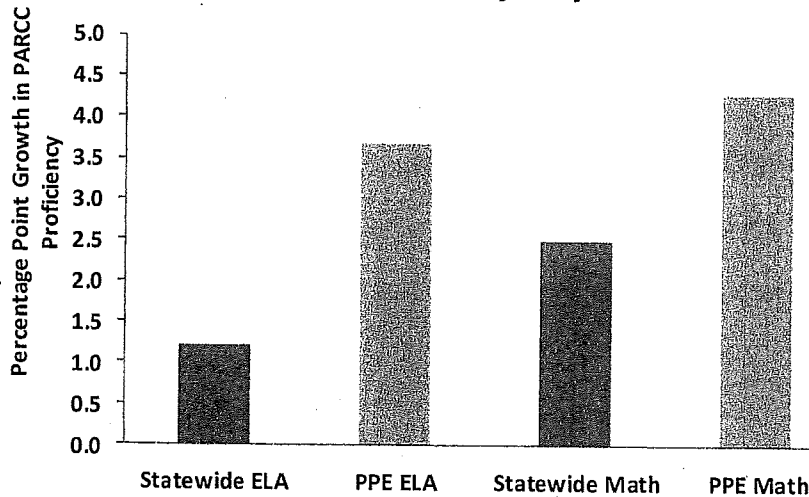
School Partners: 156

PROGRAM CONTEXT —

Leveraging the expertise of educational leaders to empower principals to dramatically improve student achievement in low-performing schools

- Schools completing the PPE program showed more than three times the state average improvement in PARCC ELA proficiency
- Schools completing the PPE program experienced improvement 1.7 times higher than the state average improvement in PARCC Math proficiency

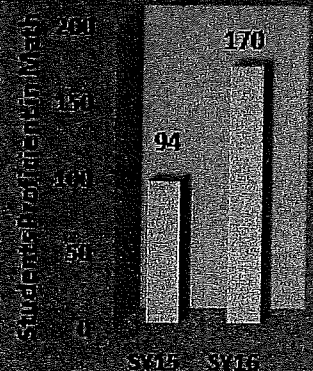
SY16 PARCC Proficiency Improvement



SCHOOL AND DISTRICT HIGHLIGHTS —

- GCMS PPE schools Indian Hills Elementary and Lincoln Elementary saw increases of more than 15 percentage points in PARCC Math proficiency
- 7 PPE schools in six districts went from at least 20% below the state average in Math in SY15 to above the state average in SY16
- Las Cruces' Jornada Elementary improved proficiency in PARCC ELA among economically disadvantaged students by 19 percentage points
- PPE schools saw ELA improvement among African-American students of 7.6 percentage points compared to a statewide average of no improvement

Heights MS (Farmington)



NMPED

PSSR Line #57

Next Generation School leader and Teacher Preparation: NMPrep, NMLead, NM School Turnaround

FY17 Allocation: \$4.15 million

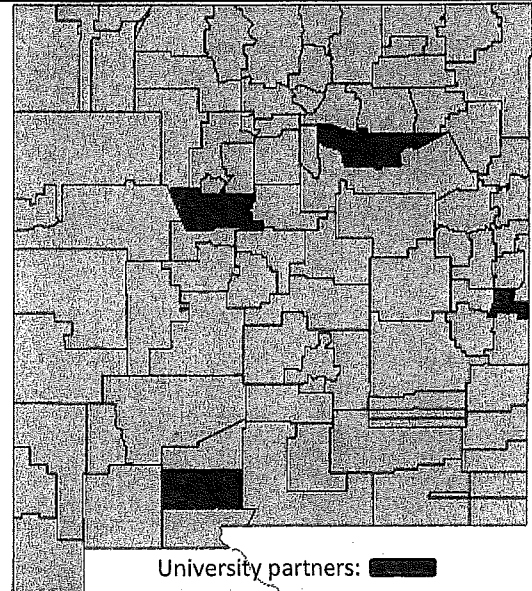
University Partnerships: 7

PROGRAM CONTEXT —

Partnering with New Mexico institutes of higher education to establish innovative teacher and school leader preparation and turnaround programs

- NMPrep establishes alternative teacher preparation programs at New Mexico institutions of higher education to incorporate best practices and training for new teachers seeking alternative licensure in hard-to-staff areas in partnership with New Mexico districts and schools
- NMLead creates alternative school leadership preparation programs at New Mexico institutions of higher education to develop and support proven leadership practices and training for participants nominated by New Mexico districts

*1st year NMPrep teachers have shown 10%
higher student achievement results than
other 1st year teachers in the same districts*



SCHOOL AND DISTRICT HIGHLIGHTS —

- The New Mexico School Turnaround Program builds rigorous school turnaround programs through New Mexico institutions of higher education to leverage turnaround practices with demonstrated success to empower school and district leaders to engage in school turnaround efforts
- In total, NMPrep programs have trained 107 new teachers in hard-to-staff subject areas and specialties for New Mexico schools, while NMLead programs have admitted more than 60 nominated school leaders for advanced training. The NM School Turnaround program has initiated school turnaround training efforts with 12 leaders from New Mexico school districts.

NM Public Education Department

PUBLIC SCHOOL SUPPORT REQUEST – FY18

Below the Line – Targeted Investments

New Mexico Graduates Now – Line 59 - \$2,450.0 (15% decrease from FY17)

- Funds are used to improve graduation rates and decrease the number of dropouts and to prepare students for success in college or career through programs such as Early College High Schools and the Early Warning System

Advanced Placement – Line 60 - \$875.0 (15% decrease from FY17)

- The funding will allow for continued expansion of AP programs across New Mexico, including teacher training, AP exam fee waivers, providing the PSAT to all 10th graders, and support to schools in identifying students who are AP ready.

Program Spotlight: New Mexico Graduates Now! (NMGN)

FY17 Allocation: \$ 2.9 million

Partnered Schools: 33

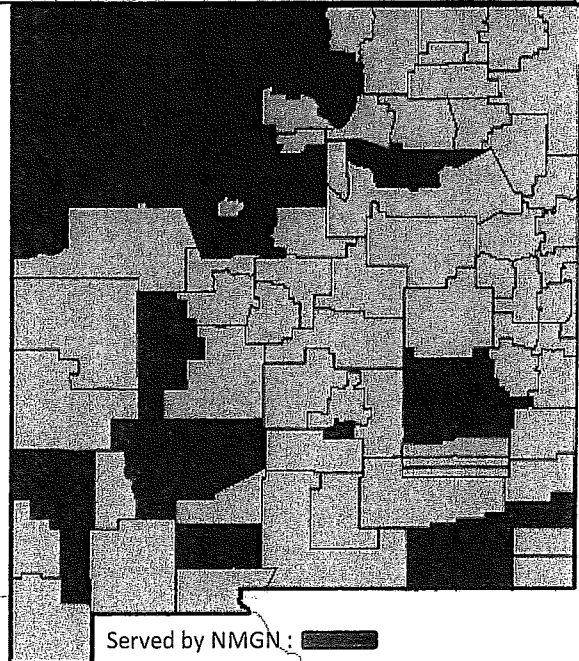
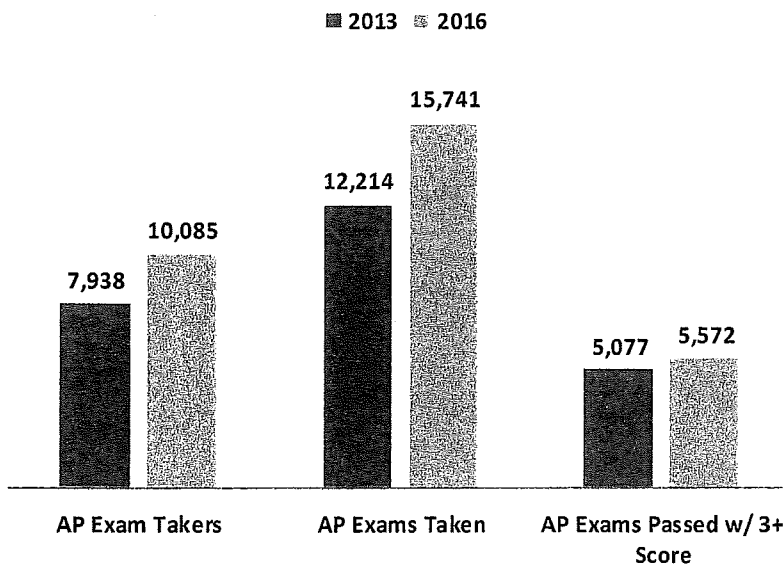
Districts Represented: 27

PROGRAM CONTEXT —

Supporting New Mexico's schools and districts in reinforcing the skills students need for success in post-secondary education or 21st century careers

- Ten Early College High Schools (ECHS) serve more than 2,200 low-income youth, first generation college-goers, and others underrepresented in higher education with a program of rigorous academic and career technical education
- Additional funding to provide improved access and support for AP courses and exams, fee waivers to reduce costs to \$3 per AP exam for low-income students, and AP Summer and Winter Institutes serving 47 districts in FY16 is provided from PED's College and Career Readiness Bureau from this allocation
- Workforce Ready Programs integrate the academic core with Career Technical Education (CTE) to make high school programs more responsive to the labor market and set a higher bar for career prep programs; more than 1,750 students earned workforce-recognized certifications in SY16
- New Mexico's Early Warning System (EWS) helped more than 30 districts and schools identify students at risk of missing key educational milestones, allowing schools to target interventions to keep students on a trajectory to graduate ready for success
- In SY16, over 8,000 students participated in Career and Technical Student Organizations (CTSOs), which help prepare graduates for success by connecting rigorous academic content to technical subject matter in specific areas of CTE education, including Educators Rising, Business Professionals of America, DECA, and SkillsUSA

Improving AP Access and Success



NMPED

PSSR Line #60

Program Spotlight: Advanced Placement (AP)

FY17 Appropriation: \$.875 million

FRL Fee Waivers Provided: 7,599

FY17 Total Program Cost: \$2.0 million

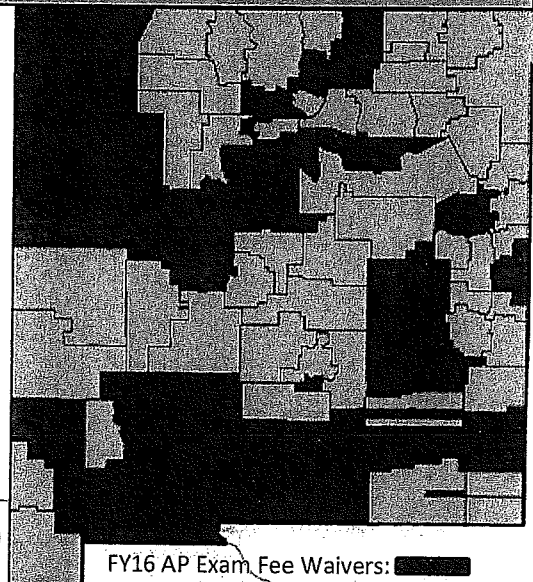
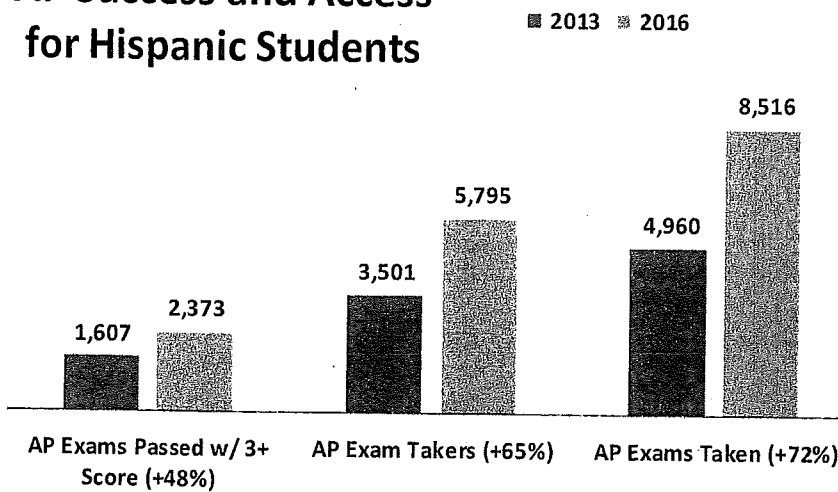
Exams Taken: 15,741

PROGRAM CONTEXT

Increasing access to college preparatory courses and assessments that allow for all New Mexico students to earn college credits in high school

- New Mexico ranks 2nd in the nation for year-to-year growth in both students taking AP exams and AP exams taken, and 4th in the nation in AP access for low-income students
- The number of students taking exams and the number of exams taken have both jumped by more than 20% since prioritizing increased access to AP courses and exams in 2013
- The number of students taking AP exams, AP exams taken, and AP exams passed hit all-time statewide highs in 2016, with the number of students taking AP exams growing at three times the national rate

AP Success and Access for Hispanic Students



STATE ADVANCED PLACEMENT HIGHLIGHTS

- The estimated tuition savings in SY16 to students and families was more than \$3.55 million as a result of credits earned due to the number of exams passed with a score of 3 or higher
- From 2013 to 2016, the number of AP exams with a score of 3 or higher taken by Hispanic students increased by 48%, meaning those students and families potentially saved more than \$1.5 million in tuition costs in 2016
- Access for American Indian students has improved as well, with the number of students taking an exam improving by 37% and the number of exams taken increasing by 54%

NM Public Education Department

PUBLIC SCHOOL SUPPORT REQUEST – FY18

Below the Line – Targeted Investments

Teacher’s Pursuing Excellence – Line 66 - \$1,000.0

- Currently, 302 teachers in six districts are receiving support
- The program is modeled after Principals Pursuing Excellence which has experienced student growth doubling and tripling the statewide average
- Funding will allow for expansion of the program to teachers in new districts

NMPED

PSSR Line #66

Program Spotlight: Teachers Pursuing Excellence (TPE)

FY17 Allocation: \$1.0 million

Districts/Charter Partners: 6

FY17 Total Program Costs: \$2.36 million

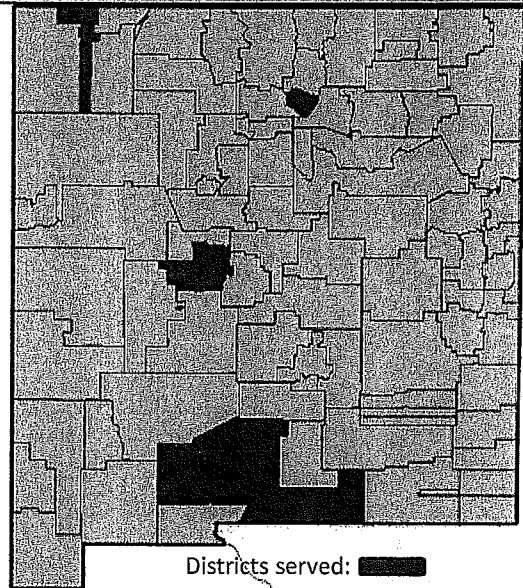
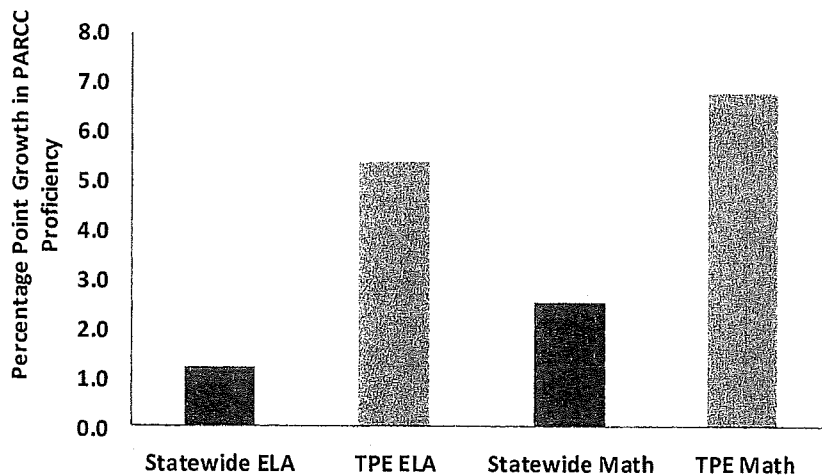
Teachers Participating: 302

PROGRAM CONTEXT —

Improving teacher effectiveness through targeted mentorship and support by Highly Effective/Exemplary teachers for Minimally Effective/Ineffective teachers

- The number of Highly Effective and Exemplary nearly doubled – from 22 to 41 — in TPE participating schools in the first year of the two-year program
- Teachers in TPE schools improved proficiency rates for their students in PARCC ELA by 4.5 times the rate of statewide growth
- The same TPE teachers also improved PARCC Math proficiency rates for their students by 2.7 times the statewide growth rate

SY16 TPE PARCC Proficiency Growth



SCHOOL AND DISTRICT HIGHLIGHTS —

- TPE participant Heights Middle School in Farmington increased their school grade from C to A in SY16 while improving their schoolwide PARCC ELA proficiency by 11.7 percentage points and their PARCC Math proficiency by 10.4 percentage points
- TPE participant Heights Elementary School in Alamogordo improved their PARCC Math proficiency by 18.5 percentage points and their PARCC ELA proficiency by 16.1 percentage points
- TPE participant Penasco Middle School improved their SY16 school grade to a B from a D the prior year, along with improving their PARCC Math proficiency by 7.4 percentage points

NM Public Education Department

PUBLIC SCHOOL SUPPORT REQUEST – FY18

Below the Line – Non-Recurring

Emergency Supplemental Funding for School Districts– Line 81 - \$4,000.0

- The Supplemental Emergency Request is used to assist districts with emergency funding for shortfall in revenue and emergency situations
- Additional requests from districts are expected as a result of the revenue downturn

Sufficiency Lawsuit Fees– Line 82 - \$2,500.0

- The special request is to support legal fees and costs associated with defending the two funding formula sufficiency lawsuits, the Impact Aid lawsuit and other legal costs
- Trial dates for the funding formula lawsuits are scheduled for the spring of 2017 and continue through early September 2017
- Expenses are expected to be significant leading up to these dates

Supplemental Legal Fees-Line 84 - \$1,300.0

- The supplemental request is to support legal fees and costs related to the funding formula lawsuits
- The FY17 Section 5 appropriation is not sufficient to meet the ongoing costs of defending these lawsuits and funding has been exhausted
- If left without funds for staging an effective defense, both PED and the State are vulnerable to the court dictating the level for funding for public schools in New Mexico and making changes to the funding formula which could potentially cost the State hundreds of million of dollars annually