

**PUBLIC SCHOOL  
CAPITAL OUTLAY  
OVERSIGHT TASK FORCE**

**RESOURCE BINDER**

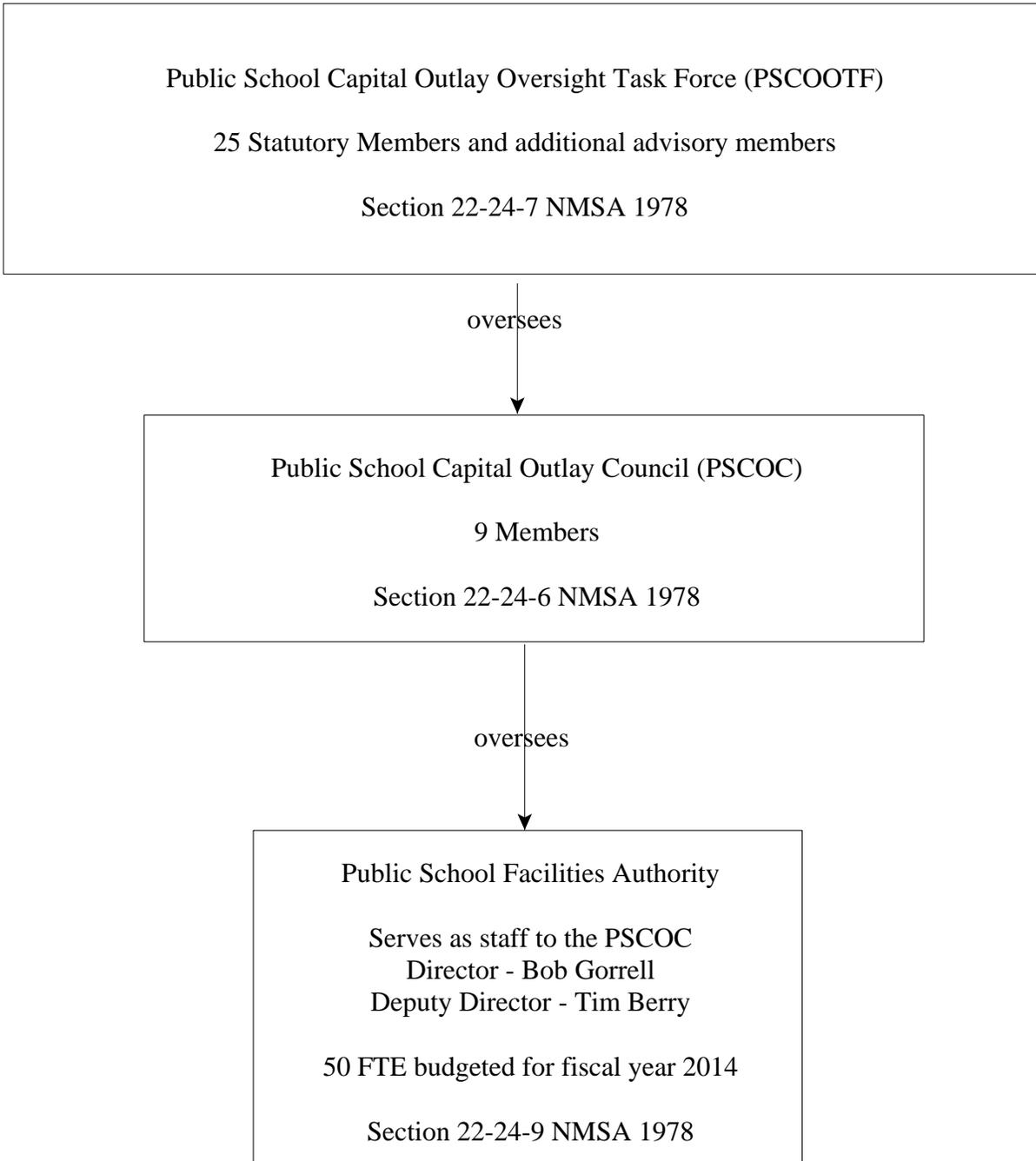
# PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE RESOURCE BINDER

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# Public School Capital Outlay Funding Standards-Based Process



## Public School Capital Outlay Oversight Task Force (PSCOOTF) Membership

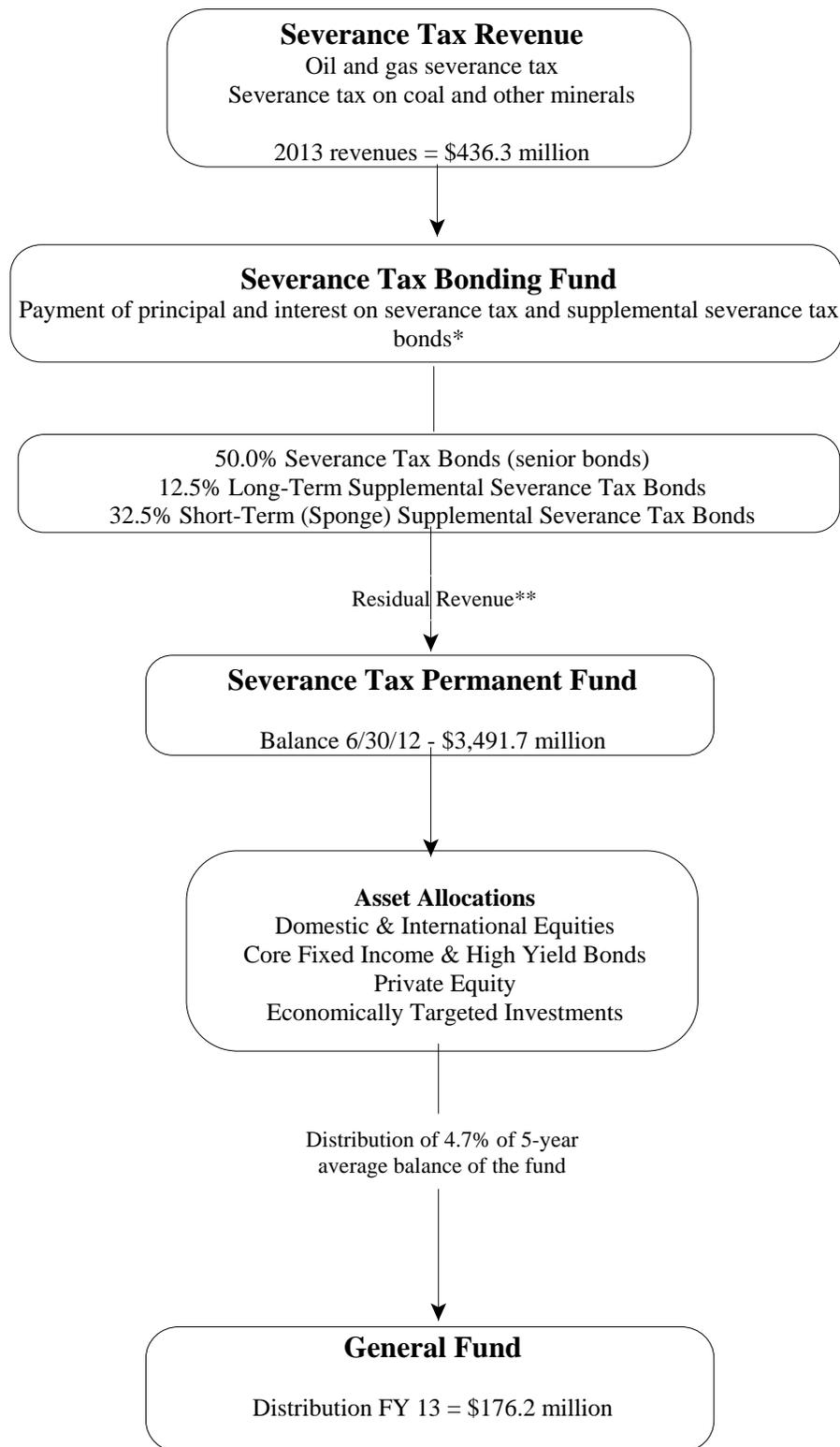
<b>Statutory Description</b>	<b>Appointing Authority</b>	<b>Member</b>
Senate President Pro Tem	Ex-officio	Senator Mary Kay Papen
Speaker of the House of Representatives	Ex-officio	Representative W. Ken Martinez
Senate Finance Committee Chair	Ex-officio	Senator John Arthur Smith
House Appropriations and Finance Committee Chair	Ex-officio	Representative Henry Kiki Saavedra
Senate Education Committee Chair	Ex-officio	John Sapien
House Education Committee Chair	Ex-officio	Mimi Stewart
Senate Minority Member	Legislative Council (LC)	Senator Cliff Pirtle
Senate Minority Member	LC	Senator Sander Rue
House Minority Member	LC	Representative Larry Larrañaga
House Minority Member	LC	Representative Jim Smith
Indian Affairs Committee Member	LC	Senator George K. Munoz
Impact Aid District Senator	LC	Senator Benny Shendo
Impact Aid District Representative	LC	Representative James Roger Madalena
Public member with expertise in school finance	Speaker	Cecelia Grimes
Public member with expertise in school finance	Speaker	Leonard Haskie
Public member with expertise in school finance	President Pro Tem	Robbie Heyman
Public member with expertise in school finance	President Pro Tem	Mike Phipps

<b>Statutory Description</b>	<b>Appointing Authority</b>	<b>Member</b>
Public Member Impact Aid District	Governor	Carl Foster
Public Member Impact Aid District	Governor	Judy Rabon
Public Member non-Impact Aid District	Governor	Dr. Lisa Grover
Superintendent of Impact Aid District	LC in consult w/ Governor	Allan Tapia
Superintendent of Impact Aid District	LC in consult w/ Governor	Kirk Hartom
Superintendent of non-Impact Aid District	LC in consult w/ Governor	TJ Parks
DFA Secretary	Ex-officio	Tom Clifford
Secretary of Education	Ex-officio	Paul Aguilar
Advisory - House	LC	Representative Eliseo Alcon
Advisory - House	LC	Representative Sharon Chahchischilliage
Advisory - House	LC	Representative Bobby Gonzales
Advisory - House	LC	Representative Sandra D. Jeff
Advisory - Senate	LC	Senator Howie C. Morales
Advisory - Senate	LC	Senator John C. Ryan
Advisory - Senate	LC	Senator William "Bill" E. Sharer
Advisory - Senate	LC	Senator William F. Soules
Advisory - Senate	LC	Senator Pat Woods

## Public School Capital Outlay Council (PSCOC) Members

<b>Statutory Description</b>	<b>Member</b>
Secretary of DFA or designee	Tom Clifford
State Superintendent or designee	Paul Aguilar
Governor or designee	Keith Gardner
President of New Mexico School Boards Association or designee	Joe Guillen
Director of Construction Industries Division or designee	J. Dee Dennis
President of State Board or designee	Gene Gant
Director of Legislative Education Study Committee or designee	Frances Maestas
Director of Legislative Finance Committee or designee	David Abbey
Director of Legislative Council Service or designee	Raúl E. Burciaga

# Severance Tax Permanent Fund Flow Chart



\* The amount of new bonding capacity is limited based on previous year revenues, as follows: 50% of revenues may be used for senior severance tax bonds; an additional 12.5% of revenues may be used for long-term supplemental bonds; and an additional 32.5% of revenues may be used for short-term supplemental tax bonds. The remaining 5% is intended to be transferred to the severance tax permanent fund.

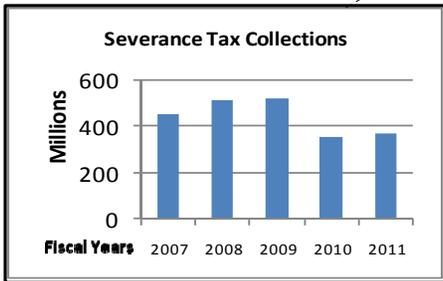
\*\* The residual revenue required to be transferred to the severance tax permanent fund is the lesser of 5% of the prior year revenues or, if current year revenues are less than prior year revenues, actual current year revenues not needed for the payment of bonds. The amount actually transferred may be greater than 5% of prior year revenues.

# New Mexico State Investment Council SEVERANCE TAX PERMANENT FUND

The Severance Tax Permanent Fund (STPF) was established by the legislature as a permanent endowment in 1973, to receive and invest severance taxes collected on natural resources extracted from New Mexico lands.



**INFLOWS**  
A severance tax is imposed on oil, natural gas, other liquid hydrocarbons, carbon dioxide and hard rock minerals severed from the land.  
**Collected by Tax & Revenue Department**



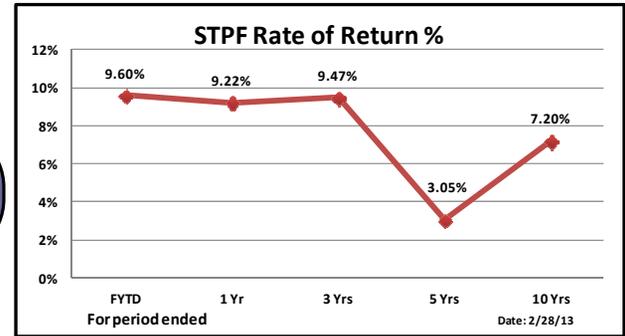
Taxes are transferred monthly to the **Severance Tax Bonding Fund** administered by the State Treasurer's Office for **Debt Service Requirements** on **Senior and Supplemental Bonds** issued under the **Severance Tax Bonding Act** for capital projects

Year(s)	% Split between bond fund & STPF deposits
1976-1999	50/50
1999	62.5/37.5
2000	87.5/12.5
2004 ⇨	95/5

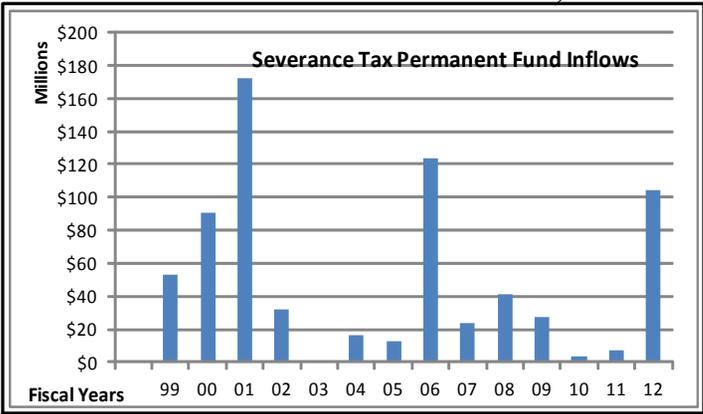
Amounts in the Bonding Fund in excess of the amounts necessary to service bond principal and interest payments are transferred twice a year to the

Most of the fluctuation in severance tax revenue is due to wide and frequent swings in the market price of oil and gas. States that rely on revenue from severance taxes face volatility in production, demand and price changes.

## SEVERANCE TAX PERMANENT FUND

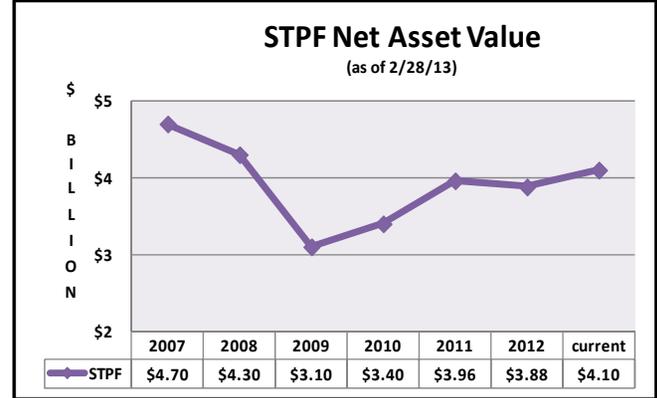


**Constitutional Distribution Formula** to the **State General Fund**  
4.7% of 5-year average market value



2007	\$170,972,508
2008	\$177,171,816
2009	\$191,292,480
2010	\$187,488,067
2011	\$184,570,728
2012	\$183,423,504

Averages 3% of General Fund  
\$1.78B over the past 10 years



2013-2014 wNMCI **PRELIMINARY** Ranking, Sorted by Rank

Rank	District	School Name	Gross Area (Sq. Ft.)	Weighted NMCI
06-07-18	West Las Vegas	Union Street ES	14,580	97.22%
06-07-24	Deming	Deming HS	180,000	92.48%
06-07-50	Gadsden	Gadsden HS	277,268	73.90%
07-08-25	West Las Vegas	West Las Vegas Family Partnership	6,318	76.60%
08-09-29	Clovis	James Bickley ES	39,383	75.53%
10-11-07	Gallup McKinley	Washington ES	43,512	74.84%
10-11-10	Roswell	Valley View ES	36,050	69.57%
10-11-11	Cobre	Bayard ES	55,240	68.50%
10-11-16	Gallup McKinley	Church Rock Academy ES	38,202	63.49%
10-11-20	Los Alamos	Aspen ES	49,559	59.71%
10-11-23	Gallup McKinley	Jefferson ES	39,299	58.10%
10-11-27	Las Cruces	Las Cruces HS	302,474	57.26%
10-11-32	Alamogordo	Yucca ES	55,212	56.05%
10-11-32	Alamogordo	New Elementary School		56.05%
10-11-33	Roswell	Berrendo ES	51,055	55.73%
10-11-37	Roswell	Military Heights ES	40,324	52.99%
10-11-48	Roswell	El Capitan ES	43,478	48.38%
11-12-10	Socorro	San Antonio ES	14,875	81.45%
11-12-22	Belen	Family Alternative School	4,450	70.26%
11-12-30	Bernalillo	Bernalillo HS	234,905	66.34%
11-12-34	Espanola	E. T. S Fairview ES	50,492	64.11%
11-12-36	T or C	Truth or Consequences ES	53,264	63.45%
11-12-37	Santa Rosa	Rita Marquez / Anton Chico	26,993	63.15%
11-12-48	Estancia	Estancia MS	35,986	59.50%
11-12-52	Albuquerque	Douglas MacArthur ES	44,441	57.77%
11-12-56	Albuquerque	Chaparral ES	89,125	56.91%
11-12-59	Albuquerque	McKinley MS	100,710	56.01%
11-12-60	Espanola	Velarde ES	25,206	55.94%
12-13-01	NMSD Santa Fe Campus	Site	262,052	134.00%
12-13-06	NMSBVI Alamogordo Campus	Site	180,521	76.58%
12-13-07	NMSBVI Alamogordo Campus	Health Services (1933)	3,220	71.92%
12-13-09	Capitan	Capitan HS	78,298	74.61%
12-13-16	Capitan	Capitan ES	38,844	61.32%
12-13-22	NMSD Santa Fe Campus	Bldg 12-Health Center	6,154	56.51%
12-13-33	Espanola	Los Ninos Kindergarten	23,388	55.76%
12-13-37	Gadsden	Desert View ES	52,854	43.42%
12-13-41	Zuni	Dowa Yalanne ES	63,189	33.31%
12-13-46	Zuni	A:Shiwi ES	57,489	42.82%
12-13-47	Bernalillo	Santo Domingo ES/MS	78,213	44.88%
12-13-52	Central Consolidated	Naschitti ES	33,665	42.92%
12-13-61	Farmington	Farmington HS	255,413	40.66%
12-13-91	Albuquerque	Sandia HS	331,463	34.97%
12-13-99	West Las Vegas	West Las Vegas MS	71,886	35.03%

2013-2014 wNMCI **PRELIMINARY** Ranking, Sorted by Rank

Schools with "XX-XX-XX" rankings are projects that received partial funding through a previous standards-based award. The rank is formatted by award year followed by the rank from that award cycle. These projects may be eligible for additional phase funding upon submission of an application in current or future award cycles.

1	Gallup McKinley	Juan de Onate ES	46,834	97.76%
2	Lordsburg	Central ES	32,594	90.81%
3	Deming	Deming Intermediate School	80,043	84.78%
4	Espanola-Charter	Carinos Charter School	55,924	80.72%
5	Taos	Chrysalis Alternative School	7,440	80.10%
6	Roswell	Del Norte ES	48,165	78.31%
7	Albuquerque-Charter	Mountain Mahogany Community	8,736	78.26%
8	NMSBVI Alamogordo Campus	Gymnasium (1952)	14,378	77.11%
9	Reserve	Glenwood ES	5,841	71.81%
10	Lordsburg	Lordsburg HS	89,920	71.33%
11	Alamogordo	Oregon ES	35,727	69.92%
12	Central Consolidated	Grace B. Wilson ES	53,816	67.53%
13	Albuquerque	Valle Vista ES	63,157	67.04%
14	Alamogordo	High Rolls Mountain Park ES	12,354	63.34%
15	Raton	Columbian ES	27,115	63.18%
16	Gallup McKinley	Thoreau ES	48,006	62.68%
17	Carlsbad	Sunset ES	37,817	62.25%
18	Lordsburg	Southside ES	17,674	62.00%
19	Roswell	Mesa MS	80,242	61.53%
20	Mesa Vista	Ojo Caliente ES	22,278	60.45%
21	Reserve	Reserve Combined School	90,992	59.02%
22	Albuquerque	Hubert Humphrey ES	59,698	57.66%
23	Santa Fe-Charter	Tierra Encantada Charter School	28,000	57.43%
24	Grants Cibola	Los Alamitos MS	74,458	57.40%
25	Albuquerque	Inez ES	60,078	56.24%
26	Tatum	Tatum ES	36,745	55.06%
27	Gallup McKinley	Thoreau HS	120,259	54.14%
28	Albuquerque	Monte Vista ES	62,325	53.73%
29	Eunice	Caton MS	74,332	53.42%
30	Roswell	Parkview Early Literacy Center	27,796	53.41%
31	Albuquerque	Bellehaven ES	51,904	52.77%
32	Clovis	Highland ES	48,361	52.49%
33	Albuquerque	Zuni ES	62,281	51.05%
34	Central Consolidated	Ruth N. Bond ES	73,620	50.87%
35	Taos	Ranchos de Taos ES	55,851	50.78%
36	Albuquerque	Marie M. Hughes ES	69,922	50.63%
37	Albuquerque	Taylor MS	108,601	50.43%
38	Roswell	Nancy Lopez ES	32,462	50.24%
39	Clayton	Clayton HS	95,399	49.08%
40	Clovis	Cameo ES	49,919	48.44%
41	Hobbs	Broadmoor ES	31,682	48.41%
42	Carlsbad	Joe Stanley Smith ES	36,879	47.57%
43	Ruidoso	Nob Hill ES	46,027	46.79%
44	Roswell	Washington Avenue ES	38,950	46.71%

2013-2014 wNMCI **PRELIMINARY** Ranking, Sorted by Rank

45	Central Consolidated	Newcomb HS	102,089	46.27%
46	Jemez Valley-Charter	San Diego Riverside Charter School	18,816	46.26%
47	Silver - State Chartered Schools	Aldo Leopold Charter	10,800	46.09%
48	Carlsbad	Pate ES	32,969	45.61%
49	Albuquerque	Arroyo Del Oso ES	50,760	45.35%
50	Gallup McKinley	Lincoln ES	36,513	45.07%
51	Animas	Animas MS/HS	82,237	45.07%
52	Animas	Animas ES	24,376	44.87%
53	Los Alamos	Barranca Mesa ES	61,871	44.79%
54	Gallup McKinley	Ramah ES	29,354	44.13%
55	Lovington	Yarbro ES	55,254	43.43%
56	Eunice	Eunice HS	118,995	43.28%
57	NMSD Santa Fe Campus	Cartwright Hall	22,457	43.23%
58	Albuquerque	Eubank ES	64,462	43.19%
59	Gallup McKinley	Crownpoint HS	99,209	43.18%
60	Clovis	Parkview ES	48,642	41.97%
61	Farmington	Northeast ES	46,365	41.92%
62	Las Cruces-Charter	La Academia Dolores Huerta Charter	12,400	41.49%
63	Quemado	Datil ES	10,964	41.45%
64	Roswell	Mountain View MS	65,802	41.14%
65	Albuquerque	Alamosa ES	76,255	40.60%
66	Espanola	Espanola Valley HS	178,046	40.32%
67	Silver	Jose Barrios ES	41,272	39.66%
68	Albuquerque	Mission Avenue ES	56,678	39.64%
69	Central Consolidated	Newcomb ES	69,657	39.59%
70	Albuquerque	Duranes ES	54,919	39.40%
71	Albuquerque	Eugene Field ES	56,860	39.35%
72	Santa Fe	Acequia Madre ES	20,492	38.97%
73	Raton	Longfellow ES	32,620	38.92%
74	Roswell	Roswell HS	247,004	38.65%
75	NMSBVI Alamogordo Campus	Sacramento Dormitory (1968)	16,053	38.58%
76	Albuquerque	Collet Park ES	42,459	38.53%
77	Belen	Rio Grande ES	44,163	38.40%
78	Gadsden	Chaparral ES	81,755	38.23%
79	Albuquerque	Painted Sky ES	98,646	37.89%
80	Albuquerque	Sierra Vista ES	82,936	37.78%
81	Gallup McKinley	Roosevelt ES	33,527	37.66%
82	Gallup McKinley	Red Rock ES	51,436	37.42%
83	Floyd	Floyd Combined School	94,941	37.37%
84	Raton	Kearny ES	25,952	37.37%
85	Carlsbad	Alta Vista MS	121,861	37.31%
86	Albuquerque	Atrisco ES	65,406	37.16%
87	Hobbs	Highland Junior HS	122,931	37.06%
88	Los Alamos	Pinon ES	57,520	37.03%
89	Central Consolidated	Tse'bit'ai MS	103,204	36.87%
90	Silver	Harrison H. Schmitt ES	59,416	36.85%
91	NMSBVI Alamogordo Campus	Recreation/Ditzler Auditorium (1930)	19,026	36.68%

2013-2014 wNMCI **PRELIMINARY** Ranking, Sorted by Rank

92	Espanola	Abiquiu ES	25,377	36.24%
93	Los Alamos	Chamisa ES	47,894	36.23%
94	Tatum	Tatum Jr./Sr. HS	114,253	36.13%
95	Clovis	Yucca Junior HS	126,769	35.60%
96	Albuquerque	Jimmy Carter MS	174,319	35.51%
97	Albuquerque	Sunset View ES	83,304	34.98%
98	Albuquerque	Edmund G. Ross ES	65,349	34.73%
99	Farmington	Hermosa MS	93,788	34.59%
100	Albuquerque-Charter	Corrales International School Charter Sc	16,140	34.57%
101	Artesia	Zia Intermediate	111,518	34.39%
102	Albuquerque	Zia ES	69,068	34.06%
103	NMSBVI Alamogordo Campus	Wanda Raney Life Skills Center (1959)	10,574	33.96%
104	Las Cruces	Fairacres ES	45,824	33.91%
105	Albuquerque	Pajarito ES	71,183	33.85%
106	Albuquerque	Carlos Rey ES	70,072	33.78%
107	Las Cruces	White Sands ES/MS	56,693	33.72%
108	Grants Cibola	Bluewater ES	20,444	33.67%
109	Estancia	Estancia Combined ES	81,283	33.64%
110	Albuquerque	Mitchell ES	59,606	33.45%
111	NMSD Santa Fe Campus	Bldg 09-Delgado Hall	11,945	33.35%
112	Clayton	Alvis ES	33,406	33.20%
113	NMSBVI Alamogordo Campus	Garret Dormitory (1964)	14,145	33.14%
114	Santa Fe	Kearny ES	55,150	32.95%
115	Mountainair	Mountainair Jr./Sr. HS	70,744	32.78%
116	Lovington	Jefferson ES	43,841	32.78%
117	Las Cruces	Desert Hills ES	76,726	32.78%
118	Albuquerque	Kirtland ES	53,298	32.75%
119	ABQ-State Chartered	La Promesa Early Learning Charter	25,600	32.63%
120	Las Cruces	MacArthur ES	46,241	32.48%
121	Albuquerque	Wherry ES	82,298	32.37%
122	Gallup McKinley	Stagecoach ES	57,478	31.98%
123	Central Consolidated	Kirtland Central HS	208,300	31.97%
124	Santa Rosa	Santa Rosa HS	107,788	31.95%
125	Cobre	Cobre HS	151,807	31.95%
126	Albuquerque	Apache ES	60,071	31.84%
127	T or C	Sierra ES	24,044	31.65%
128	Santa Fe	Francis X. Nava ES	34,395	31.57%
129	Albuquerque	Comanche ES	49,356	31.41%
130	Santa Fe	Wood-Gormley ES	31,741	31.38%
131	Carlsbad	Riverside ES	35,302	31.32%
132	Albuquerque	Los Padillas ES	51,354	31.32%
133	Melrose	Melrose Combined School	113,040	31.29%
134	Albuquerque	Whittier ES	69,030	31.15%
135	Espanola	Hernandez ES	37,057	31.08%
136	Albuquerque	Mountain View ES	52,183	30.98%
137	Albuquerque	Chamiza ES	70,179	30.91%
138	Albuquerque	Wilson MS	94,841	30.49%

2013-2014 wNMCI **PRELIMINARY** Ranking, Sorted by Rank

139	Albuquerque	Jackson MS	88,993	30.31%
140	Los Lunas	Peralta ES	48,554	30.29%
141	Cimarron	Eagle Nest ES/MS	54,950	30.16%
142	Albuquerque	Osuna ES	98,398	30.15%
143	Tularosa	Tularosa MS	64,142	30.03%
144	Albuquerque	Emerson ES	94,678	29.98%
145	Belen	Jaramillo ES	51,691	29.94%
146	Cimarron	Cimarron HS	50,737	29.93%
147	Las Vegas City	Sierra Vista ES	50,547	29.88%
148	Santa Rosa	Santa Rosa ES	56,739	29.82%
149	Albuquerque-Charter	Los Puentes Charter School	10,638	29.76%
150	Farmington	Country Club ES	63,644	29.52%
151	Albuquerque	Kit Carson ES	76,144	29.49%
152	Albuquerque	La Cueva HS	387,921	29.47%
153	Espanola	Chimayo ES	36,047	29.39%
154	Albuquerque	Truman MS	190,905	29.38%
155	Albuquerque	Madison MS	129,662	29.32%
156	Albuquerque	Hodgin ES	78,399	29.27%
157	Las Cruces	Onate HS	281,096	29.18%
158	Dexter	Dexter ES	80,092	29.12%
159	Hobbs	Taylor ES	38,130	29.12%
160	Artesia	Roselawn ES	40,972	29.07%
161	Albuquerque	Garfield MS	100,688	29.05%
162	Clovis	Ranchvale ES	49,321	28.98%
163	Las Cruces	Mesilla Park ES	62,964	28.97%
164	Albuquerque	Cleveland MS	113,030	28.96%
165	Albuquerque	McCollum ES	56,441	28.90%
166	Albuquerque	Eldorado HS	381,206	28.88%
167	Roswell	Goddard HS	237,394	28.87%
168	Albuquerque	Governor Bent ES	64,036	28.86%
169	Las Vegas City	Robertson HS	230,351	29.32%
170	Albuquerque	Hoover MS	115,323	28.67%
171	Pojoaque Valley	Pojoaque MS	90,237	28.64%
172	Albuquerque	Highland HS	352,245	28.51%
173	Albuquerque	Laland ES	61,091	28.41%
174	Portales	Portales Jr HS	91,737	28.34%
175	Albuquerque	Reginald Chavez ES	46,926	28.32%
176	Albuquerque	Armijo ES	59,513	28.16%
177	Alamogordo	Sacramento ES	52,385	28.12%
178	Albuquerque	Washington MS	99,198	28.09%
179	Gadsden	Santa Teresa MS	132,268	28.07%
180	Alamogordo	Chaparral MS	117,335	27.90%
181	Hobbs	College Lane ES	60,544	27.82%
182	Farmington	Mesa Verde ES	50,571	27.81%
183	Albuquerque	Montezuma ES	62,974	27.80%
184	Las Cruces	Lynn MS	114,988	27.73%
185	Central Consolidated	Kirtland ES	89,029	27.70%

2013-2014 wNMCI **PRELIMINARY** Ranking, Sorted by Rank

186	Carlsbad	Puckett ES	25,969	27.63%
187	Central Consolidated	Shiprock HS	217,812	27.63%
188	Lake Arthur	Lake Arthur Combined School	105,170	27.52%
189	Alamogordo	North Elem ES	58,594	27.48%
190	Albuquerque	School on Wheels Alternative School	20,290	27.36%
191	Santa Fe	Cesar Chavez ES	64,315	27.23%
192	Carlsbad	Craft ES	36,770	27.23%
193	Silver	Sixth Street ES	33,618	27.17%
194	Albuquerque-Charter	Montessori of the Rio Grande Charter	21,014	27.04%
195	Las Vegas City	Paul D. Henry ES	32,591	27.02%
196	Artesia	Penasco ES	5,858	27.01%
197	Mosquero	Mosquero Combined School	43,500	26.99%
198	Capitan	Capitan MS	14,021	26.87%
199	Albuquerque	La Mesa ES	85,779	26.86%
200	Albuquerque	Roosevelt MS	121,362	26.71%
201	NMSD Santa Fe Campus	Bldg 15-Larson Gym	13,638	26.55%
202	Albuquerque	Dolores Gonzales ES	46,492	26.55%
203	Hobbs	Southern Heights ES	49,775	26.50%
204	Ruidoso	Ruidoso HS	170,054	26.38%
205	Las Cruces	Picacho MS	125,599	26.35%
206	Albuquerque	Sandia Base ES	51,962	26.34%
207	Jal	Jal Jr./Sr. HS	121,227	26.32%
208	Cimarron	Cimarron ES/MS	52,083	26.23%
209	Carlsbad	Early Childhood Education Center	52,126	26.18%
210	Farmington	McCormick ES	56,546	26.05%
211	Grants Cibola	Mount Taylor ES	67,354	26.02%
212	Alamogordo	Holloman Intermediate	38,857	25.97%
213	Farmington	Ladera Del Norte ES	58,317	25.96%
214	Mountainair	Mountainair ES	42,684	25.95%
215	Gadsden	Riverside ES	66,148	25.93%
216	Las Cruces	Hillrise ES	56,080	25.92%
217	Albuquerque	Ernie Pyle MS	122,554	25.89%
218	Bloomfield	Central Primary School	90,897	25.87%
219	T or C	Truth or Consequences MS	66,460	25.79%
220	Las Cruces	Zia MS	116,516	25.79%
221	Carlsbad	Hillcrest ES	38,920	25.78%
222	Las Cruces	Jornada ES	53,406	25.77%
223	Albuquerque	Kennedy MS	99,715	25.75%
224	Las Cruces	Vista MS	96,550	25.72%
225	Bloomfield	Mesa Alta Junior HS	117,090	25.61%
226	Santa Fe	Edward Ortiz MS	107,000	25.45%
227	House	House Combined School	50,021	25.40%
228	Albuquerque	Griegos ES	45,514	25.39%
229	Gadsden	La Union ES	58,910	25.36%
230	Las Cruces	Alameda ES	52,277	25.36%
231	Moriarty / Edgewood	Moriarty HS	254,012	25.35%
232	Artesia	Hermosa ES	46,120	25.34%

2013-2014 wNMCI **PRELIMINARY** Ranking, Sorted by Rank

233	Hobbs	Jefferson ES	42,906	25.31%
234	Las Cruces	Dona Ana ES	69,458	25.30%
235	Wagon Mound	Wagon Mound Combined	64,713	25.25%
236	Raton	Raton MS	54,773	25.25%
237	Carlsbad	Monterrey ES	40,550	25.16%
238	Mesa Vista	Mesa Vista MS/HS	71,460	25.13%
239	Albuquerque	La Luz ES	58,329	25.13%
240	Santa Fe	E. J. Martinez ES	41,078	25.07%
241	Gadsden	Mesquite ES	74,760	25.05%
242	Las Cruces	Mesilla ES	46,505	25.05%
243	Artesia	Central ES	19,892	25.04%
244	Clovis	Clovis HS	364,100	25.02%
245	Clovis	Zia ES	62,218	24.90%
246	Santa Fe	Capital HS	183,031	24.85%
247	Albuquerque	Mark Twain ES	33,013	24.79%
248	Hobbs	Booker T. Washington ES	48,092	24.67%
249	Gadsden	Sunland Park ES	57,584	24.55%
250	Alamogordo	La Luz ES	47,087	24.49%
251	Cobre	San Lorenzo ES	20,000	24.46%
252	Albuquerque	Van Buren MS	84,128	24.45%
253	Taos	Taos HS	212,569	24.34%
254	Moriarty / Edgewood	Moriarty ES	65,435	24.29%
255	Albuquerque-Charter	Twenty-First Century Public Academy	20,120	24.25%
256	Albuquerque	Alvarado ES	53,887	24.16%
257	Artesia	Yucca ES	33,839	24.14%
258	Clayton	Clayton Junior HS	34,800	24.14%
259	Los Lunas	Daniel Fernandez ES	59,030	24.12%
260	Albuquerque	Jefferson MS	125,678	24.09%
261	Albuquerque-Charter	La Academia de Esperanza Charter	16,678	24.05%
262	Albuquerque	Manzano HS	343,317	24.05%
263	Alamogordo	Buena Vista ES	35,606	24.04%
264	Albuquerque	Del Norte HS	299,642	23.99%
265	Farmington	Apache ES	59,865	23.98%
266	Maxwell	Maxwell Combined School	53,822	23.95%
267	Rio Rancho	Rio Rancho ES	66,539	23.90%
268	Hobbs	Edison ES	34,933	23.87%
269	Albuquerque	Taft MS	146,304	23.82%
270	Albuquerque	Double Eagle ES	78,458	23.81%
271	Portales	James ES	49,596	23.78%
272	Gadsden	Desert Trail Intermediate	68,474	23.77%
273	Las Cruces	East Picacho ES	54,986	23.72%
274	Rio Rancho	Mountain View MS	124,106	23.70%
275	ABQ-State Chartered	Cottonwood Classical Preparatory Chart	13,836	23.62%
276	Pecos	Pecos HS	96,160	23.57%
277	Albuquerque	John Adams MS	124,329	23.55%
278	Albuquerque	Harrison MS	100,741	23.50%
279	Farmington	Piedra Vista HS	245,698	23.47%

2013-2014 wNMCI **PRELIMINARY** Ranking, Sorted by Rank

280	Carlsbad	Carlsbad HS	370,179	23.45%
281	Albuquerque	Polk MS	107,293	23.36%
282	Lordsburg	R.V. Traylor ES	37,873	23.35%
283	Albuquerque-Charter	Academia de Lengua y Cultura Charter	10,394	23.35%
284	Hondo Valley	Hondo Combined school	56,830	23.30%
285	Deming	Chaparral ES	54,772	23.27%
286	Belen	Belen HS	245,154	23.22%
287	Clovis	Sandia ES	46,911	23.14%
288	Gallup McKinley	David Skeet ES	42,442	23.10%
289	Gadsden	Chaparral MS	93,937	23.07%
290	Belen	Dennis Chavez ES	54,927	23.06%
291	Moriarty / Edgewood	Edgewood ES	57,900	23.04%
292	Albuquerque-Charter	Nuestros Valores Charter School	11,719	22.94%
293	Springer	Springer ES/MS Combined	45,569	22.94%
294	Zuni	Zuni MS (Old Intermediate)	77,952	22.94%
295	Albuquerque	Grant MS	127,267	22.93%
296	Lovington	Lovington HS	214,771	22.83%
297	Chama Valley	Chama ES/ MS	46,736	22.79%
298	Albuquerque	Eisenhower MS	136,131	22.63%
299	Tucumcari	Tucumcari MS	79,085	22.63%
300	Clovis	Mesa ES	58,164	22.63%
301	Albuquerque-Charter	Native American Community Academy	27,526	22.62%
302	Farmington	Bluffview ES	62,914	22.52%
303	Rio Rancho	Martin Luther King, Jr. ES	114,563	22.50%
304	Artesia	Park Junior HS	122,020	22.36%
305	Las Cruces	Sunrise ES	65,292	22.17%
306	Albuquerque	Barcelona ES	59,593	22.16%
307	Questa	Alta Vista ES/MS	70,172	22.07%
308	Los Lunas	Raymond Gabaldon ES	56,620	22.07%
309	Vaughn	Vaughn Combined School	69,155	22.05%
310	Santa Fe	Pinon ES	84,266	21.99%
311	Albuquerque	Lowell ES	59,010	21.95%
312	Albuquerque	Cochiti ES	52,276	21.94%
313	Farmington	Mesa View MS	100,987	21.93%
314	Dora	Dora Combined	103,542	21.91%
315	Artesia	Artesia HS	309,152	21.91%
316	Cobre	Central ES	78,764	21.88%
317	Loving	Loving ES	44,075	21.87%
318	Deming	Bell ES	33,884	21.84%
319	West Las Vegas-Charter	Rio Gallinas Charter School	4,467	21.84%
320	Albuquerque	Bel-Air Elem ES	75,966	21.82%
321	Clovis	Clovis Freshman Academy	99,396	21.68%
322	Albuquerque	Atrisco Heritage Academy HS	511,626	21.62%
323	Albuquerque	Matheson Park ES	55,096	21.53%
324	Albuquerque	Volcano Vista HS NW	454,940	21.53%
325	Las Cruces	Hermosa Heights ES	63,372	21.47%
326	Los Alamos	Mountain ES	58,971	21.46%

2013-2014 wNMCI **PRELIMINARY** Ranking, Sorted by Rank

327	Albuquerque	Bandelier ES	85,070	21.37%
328	Gallup McKinley	Navajo Pine HS	77,415	21.34%
329	Rio Rancho	Eagle Ridge MS	139,338	21.30%
330	Lovington	Taylor MS	101,521	21.23%
331	Las Vegas City	Mike Mateo Sena ES	27,709	21.20%
332	Alamogordo	Heights ES	38,436	21.16%
333	Las Cruces	Highland ES	84,789	21.15%
334	Carlsbad	P.R. Leyva MS	167,325	21.09%
335	Albuquerque	Hawthorne ES	63,069	21.01%
336	Socorro	Socorro HS	136,527	20.89%
337	Hobbs	Will Rogers ES	59,756	20.75%
338	Gallup McKinley	Rocky View ES	43,447	20.71%
339	Las Cruces	Tombaugh ES	74,432	20.68%
340	Gallup McKinley	Chee Dodge ES	58,036	20.65%
341	Aztec	Lydia Rippey ES	65,843	20.58%
342	Jemez Mountain	Coronado MS/HS	89,749	20.54%
343	Espanola	Mountain View ES	20,601	20.51%
344	Hobbs	Stone ES	53,758	20.48%
345	Portales	Portales HS	193,091	20.43%
346	Gadsden	Loma Linda ES	56,660	20.43%
347	Santa Fe	Amy Biehl Community School	64,516	20.36%
348	Rio Rancho	Puesta Del Sol ES	84,977	20.35%
349	Los Lunas	Valencia MS (AKA - Manzano Vista MS)	96,874	20.32%
350	Las Cruces	Booker T. Washington ES	68,294	20.25%
351	Jal	Jal ES	41,500	20.18%
352	Albuquerque	A. Montoya ES	55,472	20.09%
353	Los Lunas	Los Lunas MS	100,475	20.03%
354	Bloomfield	Naaba Ani ES	84,121	20.03%
355	Farmington	Animas ES	57,462	19.91%
356	Jemez Mountain	Gallina ES	16,777	19.90%
357	Mora	Mora Combined School	147,040	19.84%
358	Albuquerque	S. Y. Jackson ES	56,004	19.81%
359	Socorro	Midway ES	13,755	19.76%
360	Albuquerque	Rio Grande HS	278,724	19.76%
361	Santa Fe-Charter	Turquoise Trail Elementary Charter	65,681	19.70%
362	Hobbs	Coronado ES	49,806	19.56%
363	Albuquerque	Dennis Chavez ES	83,129	19.34%
364	Gallup McKinley	Thoreau MS	52,152	19.29%
365	Roswell-Charter	Sidney Gutierrez Charter Middle School	10,110	19.17%
366	Albuquerque	Chelwood ES	126,308	19.13%
367	Elida	Elida ES	14,387	19.13%
368	Gallup McKinley	Crownpoint MS	54,677	19.12%
369	Gallup McKinley	Tohatchi HS	104,975	19.08%
370	Albuquerque-Charter	Public Academy for Performing Arts	29,568	19.03%
371	Albuquerque	Corrales ES	58,932	19.02%
372	Artesia	Yeso ES	54,646	18.94%
373	Grants Cibola	Seboyeta ES	17,384	18.74%

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374	Santa Fe	Chaparral ES	56,884	18.73%
375	Albuquerque	Alameda ES	46,089	18.48%
376	Albuquerque	John Baker ES	81,455	18.48%
377	San Jon	San Jon Combined	88,899	18.46%
378	Los Lunas	Valencia ES	52,236	18.28%
379	Dexter	Dexter MS	42,462	18.22%
380	Las Cruces-State Chartered	Alma d' Arte Charter High School	38,660	18.15%
381	Lovington	Lea ES	44,753	18.06%
382	Socorro	Zimmerly ES	52,627	18.03%
383	Rio Rancho	Rio Rancho HS	379,923	18.02%
384	Espanola	Dixon ES	18,707	18.01%
385	Las Cruces	Sierra MS	96,249	18.01%
386	Albuquerque	Navajo ES	81,403	17.98%
387	Moriarty / Edgewood	Mountainview ES	67,809	17.94%
388	Cloudcroft	Cloudcroft ES/MS	66,152	17.80%
389	Alamogordo	Holloman MS	53,714	17.80%
390	Belen	La Merced ES	52,903	17.76%
391	Aztec	McCoy Avenue ES	68,199	17.74%
392	Gadsden	Santa Teresa HS	250,295	17.74%
393	Clovis	Barry ES	48,106	17.74%
394	Alamogordo	Alamogordo HS	329,975	17.68%
395	Rio Rancho	Enchanted Hills ES	106,410	17.54%
396	Albuquerque	Onate ES	66,131	17.47%
397	Albuquerque	San Antonito ES	53,719	17.42%
398	Rio Rancho	Colinas del Norte ES	101,532	17.40%
399	Hobbs	Houston Junior HS	109,982	17.38%
400	Las Cruces	Conlee ES	58,788	17.36%
401	Las Vegas City	Los Ninos ES	43,151	17.25%
402	Mora	Holman ES	21,086	17.24%
403	Penasco	Penasco ES	60,248	17.15%
404	Aztec	Park Avenue ES	70,531	17.02%
405	Silver	G.W. Stout ES	74,704	16.83%
406	Rio Rancho	Lincoln MS	118,735	16.78%
407	Jemez Mountain-Charter	Lindrith Heritage Charter	11,569	16.76%
408	Albuquerque	Acoma ES	49,932	16.72%
409	Los Lunas	Tome ES	65,407	16.69%
410	Alamogordo	Holloman Primary	62,859	16.68%
411	Hagerman	Hagerman Combined	149,474	16.66%
412	Albuquerque-Charter	El Camino Real Academy Charter School	61,380	16.59%
413	Dulce	Dulce HS	222,142	16.58%
414	Gallup McKinley	Ramah HS	64,430	16.58%
415	Belen	Belen MS	147,981	16.57%
416	ABQ-State Chartered	Amy Biehl Charter High School	41,900	16.49%
417	ABQ-State Chartered	The Learning Community Charter	25,287	16.28%
418	Gallup McKinley	John F. Kennedy MS	99,629	16.10%
419	Artesia	Grand Heights Early Childhood	36,800	16.10%
420	Las Vegas City	Legion Park ES	34,219	16.05%

2013-2014 wNMCI **PRELIMINARY** Ranking, Sorted by Rank

421	Albuquerque	Seven Bar ES	88,728	16.01%
422	Hobbs	Sanger ES	42,547	15.97%
423	Elida	Elida MS/HS	52,220	15.90%
424	Albuquerque	Tomasita ES	66,511	15.88%
425	Albuquerque	Hayes MS	108,635	15.88%
426	Santa Fe	R.M. Sweeney ES	68,289	15.87%
427	Hatch Valley	Hatch Valley ES	42,289	15.81%
428	Penasco	Penasco HS	68,757	15.81%
429	Los Lunas	Ann Parish ES	67,682	15.72%
430	Bernalillo	Placitas ES	17,017	15.61%
431	Albuquerque	Petroglyph ES	79,801	15.59%
432	Albuquerque-Charter	South Valley Academy Charter School	37,888	15.57%
433	Hobbs	Hobbs Freshman School	174,399	15.56%
434	T or C	Arrey ES	32,659	15.50%
435	Albuquerque	Sombra del Monte ES	68,183	15.43%
436	Pojoaque Valley	Pablo Roybal ES	77,050	15.39%
437	Lovington	Llano ES	63,498	15.33%
438	Estancia	Estancia HS	117,501	15.21%
439	Hatch Valley	Rio Grande ES	39,254	15.21%
440	Springer	Springer HS	54,025	15.17%
441	Santa Fe	Agua Fria ES	72,124	14.97%
442	Albuquerque	Valley HS	288,799	14.91%
443	Gadsden	Gadsden ES	62,565	14.88%
444	Gallup McKinley	Gallup Central HS	33,976	14.86%
445	Belen	Gil Sanchez ES	48,054	14.84%
446	Lovington	Ben Alexander ES	62,038	14.76%
447	Corona	Corona Combined School	65,073	14.70%
448	Logan	Logan Combined	90,369	14.68%
449	Lovington	Lovington 6th Grade Academy	105,607	14.62%
450	Bernalillo	Bernalillo MS	107,901	14.61%
451	Questa	Questa Junior High/HS	126,828	14.51%
452	Los Lunas	Los Lunas ES	62,984	14.46%
453	Las Cruces	San Andres Learning Center	49,001	14.44%
454	Farmington	Esperanza ES	74,804	14.36%
455	West Las Vegas	Tony Serna Jr. ES	27,613	14.29%
456	Moriarty / Edgewood	Route 66 ES	54,680	14.12%
457	Pojoaque Valley	Pojoaque HS	166,455	14.11%
458	Grants Cibola	Mesa View ES	55,573	14.06%
459	Cuba	Cuba MS	47,381	13.99%
460	Estancia	Estancia Valley Learning Center	3,840	13.98%
461	Las Cruces-Charter	Las Montanas Charter School	26,737	13.96%
462	Magdalena	Magdalena Combined	143,306	13.94%
463	Albuquerque	Lyndon B. Johnson MS	154,635	13.87%
464	Albuquerque	Ventana ES	88,215	13.81%
465	Cloudcroft	Cloudcroft HS	80,689	13.81%
466	West Las Vegas	Valley ES/MS	49,239	13.80%
467	Rio Rancho	Ernest Stapleton ES	87,201	13.79%

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468	NMSBVI Alamogordo Campus	Library (1933)	4,830	13.77%
469	Albuquerque	Albuquerque HS	289,173	13.75%
470	Quemado	Quemado Combined	68,917	13.72%
471	Albuquerque-Charter	Digital Arts and Technology Academy	42,308	13.66%
472	Santa Fe	Atalaya ES	40,005	13.60%
473	Roswell	Berrendo MS	108,235	13.54%
474	Taos	Arroyo del Norte ES	38,231	13.54%
475	Tularosa	Tularosa ES	69,252	13.53%
476	Deming-Charter	Deming Cesar Chavez Charter High	23,784	13.44%
477	Roswell	Pecos ES	35,963	13.28%
478	Moriarty / Edgewood	South Mountain ES	43,174	13.25%
479	Alamogordo	Academy Del Sol Alternative HS	21,177	13.15%
480	Jemez Valley	Jemez Valley HS	66,984	13.12%
481	Albuquerque	Cibola HS	361,631	13.05%
482	Espanola	Carlos F Vigil MS	124,674	12.93%
483	Penasco	Penasco MS	30,697	12.89%
484	Santa Fe	Santa Fe HS	325,234	12.87%
485	Aztec	Aztec HS	228,389	12.85%
486	Alamogordo	Sierra ES	43,307	12.75%
487	Bernalillo	Algodones ES	25,157	12.74%
488	Espanola	James Rodriguez ES	61,269	12.62%
489	Carlsbad-Charter	Jefferson Montessori Academy Charter	22,955	12.53%
490	Albuquerque	East San Jose ES	97,052	12.50%
491	Santa Fe	El Dorado Community School	96,098	12.33%
492	Lovington	Lovington Freshman Academy	17,600	12.21%
493	Socorro	Raymond Sarracino MS	90,484	12.13%
494	Gallup McKinley	Tobe Turpen ES	45,377	11.96%
495	Portales	Valencia ES	53,496	11.88%
496	Hatch Valley	Hatch Valley MS	70,024	11.83%
497	ABQ-State Chartered	Media Arts Collaborative Charter School	16,192	11.81%
498	Jemez Valley	Jemez Valley MS	35,432	11.74%
499	Hatch Valley	Garfield ES	33,799	11.72%
500	Jemez Valley	Jemez Valley ES	52,706	11.68%
501	Las Cruces	Mayfield HS	296,855	11.62%
502	Central Consolidated	Nizhoni ES	65,177	11.61%
503	Hobbs	Mills ES	37,152	11.54%
504	Ruidoso	Sierra Vista Primary	40,102	11.51%
505	Des Moines	Des Moines Combined School	76,455	11.46%
506	Tularosa	Tularosa Intermediate	47,144	11.43%
507	Los Lunas	Valencia HS	205,569	11.32%
508	Gadsden-Charter	Anthony Charter School	6,297	11.31%
509	Gallup McKinley	Gallup HS	401,900	10.92%
510	Albuquerque	Lew Wallace ES	44,862	10.80%
511	Bloomfield	Bloomfield HS	274,934	10.79%
512	Bloomfield	Charlie Y. Brown HS	20,631	10.77%
513	Dulce	Dulce MS	77,188	10.72%
514	Santa Fe	Calvin Capshaw MS	101,244	10.71%

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515	Las Cruces	Valley View ES	63,433	10.68%
516	Roy	Roy Combined School	51,400	10.65%
517	Pecos	Pecos ES	50,870	10.59%
518	Albuquerque	Susie R. Marmon ES	93,874	10.57%
519	Gadsden	Gadsden MS	166,310	10.54%
520	Carrizozo	Carrizozo Combined School	65,132	10.51%
521	NMSBVI Alamogordo Campus	North Cottage (1930)	1,050	10.45%
522	Las Cruces	Cesar Chavez ES	75,291	10.34%
523	NMSD Albuquerque Preschool	Site	8,237	10.34%
524	Taos	Enos Garcia ES	110,304	10.28%
525	NMSD Santa Fe Campus	Bldg 10a-Dillon Hall Main Bldg	35,054	10.24%
526	Grants Cibola	Grants HS	299,624	10.18%
527	Bloomfield	Blanco ES	45,885	10.13%
528	Socorro-Charter	Cottonwood Valley Charter School	18,052	10.10%
529	Albuquerque	Freedom HS	43,667	10.10%
530	Las Cruces	Camino Real MS	115,817	9.99%
531	Gallup McKinley-Charter	Middle College Charter High School	3,314	9.96%
532	Socorro	Parkview ES	79,400	9.96%
533	Rio Rancho	Vista Grande ES	88,251	9.94%
534	Farmington	Rocinante HS	26,003	9.87%
535	Questa	Rio Costilla ES	23,002	9.78%
536	Gallup McKinley	Hiroshi Miyamura HS	198,476	9.77%
537	Gadsden	Berino ES	87,167	9.76%
538	Bernalillo	Carrol ES	64,000	9.67%
539	Santa Fe	Ramirez Thomas ES	78,755	9.66%
540	Ruidoso	White Mountain ES	49,466	9.61%
541	Albuquerque	New Futures Alternative High School	37,168	9.50%
542	Jemez Mountain	Lybrook ES/MS	27,811	9.47%
543	ABQ-State Chartered	Academy of Trades and Technology	14,706	9.47%
544	Clayton	Kiser ES	13,527	9.38%
545	Las Cruces	Central ES	27,768	9.36%
546	West Las Vegas	Luis E. Armijo ES	47,935	9.23%
547	Albuquerque	Desert Ridge MS	169,297	9.18%
548	West Las Vegas	Don Cecilio Martinez ES	29,704	9.14%
549	Deming	Memorial ES	44,088	8.97%
550	Bernalillo	Cochiti ES/MS	55,168	8.71%
551	Rio Rancho	Rio Rancho MS	251,624	8.63%
552	Aztec	C.V. Koogler MS	131,750	8.57%
553	Farmington	McKinley ES	71,170	8.44%
554	Santa Fe	De Vargas MS	100,596	8.38%
555	Portales	Brown ES	47,111	8.30%
556	Silver	Silver HS	193,194	8.30%
557	Mesa Vista	El Rito ES	24,766	8.07%
558	Central Consolidated	Newcomb MS	53,472	7.98%
559	Santa Fe	Aspen Community Magnet School	97,287	7.97%
560	Taos	Taos MS	94,457	7.89%
561	ABQ-State Chartered	Creative Education Preparatory Institute	13,330	7.80%

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562	Central Consolidated	Eva B. Stokely ES	81,325	7.77%
563	Los Lunas	Katherine Gallegos ES	61,243	7.75%
564	Albuquerque	Longfellow ES	50,612	7.75%
565	Albuquerque	Manzano Mesa ES	77,767	7.74%
566	Espanola	San Juan ES	49,748	7.64%
567	Santa Fe	Salazar ES	56,487	7.53%
568	Deming	Bataan ES	67,405	7.49%
569	Santa Rosa	Santa Rosa MS	42,300	7.38%
570	Alamogordo	Mountain View MS	92,934	7.32%
571	Gallup McKinley	Navajo ES	59,077	7.21%
572	NMSBVI Alamogordo Campus	South Cottage (1930)	1,050	7.21%
573	Loving	Loving HS	79,233	7.20%
574	ABQ-State Chartered	Cesar Chavez Community Charter	26,000	7.08%
575	Ruidoso	Ruidoso MS	70,000	7.06%
576	Albuquerque	Adobe Acres ES	80,741	7.03%
577	Albuquerque	Rudolfo Anaya ES	83,304	6.98%
578	Albuquerque	James Monroe MS	182,241	6.92%
579	Chama Valley	Tierra Amarilla ES	27,384	6.91%
580	Tucumcari	Tucumcari ES	114,140	6.82%
581	Bernalillo	Bernalillo ES	62,946	6.80%
582	Gadsden	Chaparral HS	221,997	6.72%
583	Silver	La Plata MS	108,953	6.60%
584	Belen	La Promesa ES	58,119	6.57%
585	Gallup McKinley	Tohatchi MS	45,894	6.43%
586	Cuba	Cuba ES	40,653	6.33%
587	Gallup McKinley	Twin Lakes ES	41,206	6.31%
588	Albuquerque	Los Ranchos ES	49,393	6.10%
589	Gadsden	Santa Teresa ES	63,357	6.07%
590	Central Consolidated	Ojo Amarillo ES	79,565	6.07%
591	Lordsburg	Dugan Tarango MS	41,718	6.01%
592	Las Vegas City	Memorial MS	104,130	5.98%
593	Fort Sumner	Fort Sumner Combined	124,702	5.86%
594	Albuquerque	Vision Quest Alternative Middle School	2,000	5.86%
595	Santa Fe	Career Academy at Larragoite	22,298	5.86%
596	Rio Rancho	Sue Cleveland HS	433,788	5.76%
597	Roswell	Sunset ES	42,721	5.75%
598	NMSD Albuquerque Preschool	Preschool Building (1995)	8,237	5.70%
599	Clovis	Marshall Junior HS	163,114	5.62%
600	Santa Fe-Charter	Monte Del Sol Charter School	29,173	5.61%
601	Gallup McKinley	Indian Hills ES	58,905	5.48%
602	ABQ-State Chartered	East Mountain Charter High School	43,752	5.41%
603	Albuquerque	North Star ES	74,810	5.41%
604	Albuquerque	Mary Ann Binford ES	89,435	5.37%
605	Los Lunas	Desert View ES	66,009	5.27%
606	Moriarty / Edgewood	Edgewood MS	144,817	5.22%
607	Grants Cibola	Laguna-Acoma MS/ HS	120,648	5.21%
608	Albuquerque	Edward Gonzales ES	229,005	5.18%

2013-2014 wNMCI **PRELIMINARY** Ranking, Sorted by Rank

609	Santa Fe	Agua Fria Community School	137,957	5.16%
610	Texico	Texico Combined	165,473	5.15%
611	ABQ-State Chartered	Southwest Primary Learning Center	14,160	5.10%
612	Gadsden	Sunrise ES	61,565	4.98%
613	Clovis	La Casita ES	47,837	4.87%
614	Santa Fe	Gonzales Community School	54,415	4.80%
615	Silver	Silver City Opportunity School	9,000	4.67%
616	ABQ-State Chartered	Gilbert L Sena Charter High School	16,016	4.56%
617	Albuquerque	Early College Academy Alternative	3,808	4.55%
618	Ruidoso	Nob Hill Early Childhood Center	10,000	4.52%
619	Rio Rancho	Independence High	20,000	4.50%
620	Dexter	Dexter HS	121,534	4.45%
621	Taos-Charter	Vista Grande Charter High School	10,016	4.41%
622	Hatch Valley	Hatch Valley HS	166,024	4.34%
623	Albuquerque	West Mesa HS	355,994	4.32%
624	Las Cruces	Columbia ES	78,000	4.21%
625	West Las Vegas	West Las Vegas HS	139,333	4.19%
626	Grants Cibola	Cubero ES New 2011	37,482	4.05%
627	Zuni	Zuni HS	116,224	3.90%
628	Las Cruces	Sonoma ES	85,899	3.85%
629	ABQ-State Chartered	Southwest Secondary Learning Center	14,160	3.85%
630	Albuquerque	Tony Hillerman MS	100,000	3.83%
631	Deming	Red Mountain MS	145,168	3.79%
632	Gallup McKinley	Gallup MS	102,981	3.79%
633	Jemez Valley-State Chartered S	Walatowa Charter High School	11,860	3.74%
634	Bloomfield	Bloomfield Early Childhood Center	57,772	3.54%
635	Albuquerque-Charter	SIA Tech Charter School	11,564	3.35%
636	Aztec-Charter	Mosaic Academy Charter School	9,024	3.34%
637	Dulce	Dulce ES	68,764	3.32%
638	Gadsden	Vado ES	61,565	3.30%
639	Aztec	Vista Nueva Alternative HS	15,010	3.27%
640	ABQ-State Chartered	Southwest Intermediate Learning	15,120	3.27%
641	NMSD Santa Fe Campus	Bldg 04-Connor Hall	30,350	3.24%
642	Raton	Raton HS	104,593	3.24%
643	Central Consolidated	Kirtland MS	140,492	3.22%
644	Pecos	Pecos MS	20,690	3.19%
645	Albuquerque	Coronado ES	45,621	3.18%
646	Gallup McKinley	Navajo MS	50,595	3.18%
647	Lovington	New Hope Alternative HS	5,400	3.17%
648	Los Lunas	Century Alternative High	28,000	2.96%
649	Albuquerque-Charter	Bataan Military Academy Charter	8,800	2.92%
650	Gadsden	North Valley ES	61,565	2.90%
651	T or C	Hot Springs HS	116,127	2.87%
652	Espanola	Tony E Quintana ES	38,552	2.83%
653	Albuquerque	Georgia O'Keefe ES	49,893	2.75%
654	Albuquerque	Tierra Antigua ES	85,693	2.71%
655	Cimarron-Charter	Moreno Valley Charter High School	15,966	2.69%

2013-2014 wNMCI **PRELIMINARY** Ranking, Sorted by Rank

656	Cobre	Hurley ES	37,104	2.68%
657	ABQ-State Chartered	Montessori Elementary Charter School	29,997	2.67%
658	Grants Cibola	San Rafael ES	26,662	2.66%
659	Grady	Grady Mun. Combined	69,532	2.62%
660	ABQ-State Chartered	North Valley Academy Charter School	39,034	2.56%
661	ABQ-State Chartered	Horizon Academy West Charter School	35,075	2.54%
662	Cobre	Snell MS	92,859	2.51%
663	Albuquerque-Charter	Gordon Bernell Charter School	12,757	2.49%
664	Questa-State Chartered	Red River Valley Charter School	10,118	2.28%
665	Silver	Cliff Combined	71,135	2.27%
666	Santa Fe	Tesuque ES	24,351	2.25%
667	Pojoaque Valley	Pojoaque Intermediate	31,306	2.16%
668	Los Lunas	Bosque Farms ES	69,417	2.11%
669	Gallup McKinley	Tse' Yi' Gai HS	62,196	2.04%
670	NMSBVI Alamogordo Campus	Jack Hall Building -New Health Service	24,426	2.04%
671	Loving	Loving New MS	55,614	2.03%
672	Cuba	Cuba HS	114,572	2.02%
673	Zuni	Twin Buttes HS	21,638	1.95%
674	Questa-Charter	Roots & Wings Community Charter	4,119	1.84%
675	Rio Rancho	Maggie Cordova ES	77,714	1.72%
676	Los Lunas	Sundance ES	70,546	1.70%
677	Grants Cibola	Milan ES	77,403	1.66%
678	Farmington	Heights MS	83,956	1.61%
679	Belen	Central ES	32,800	1.56%
680	Roswell	University High	64,523	1.55%
681	Los Lunas	Los Lunas Family School	10,000	1.55%
682	ABQ-State Chartered	La Resolana Leadership Academy	4,135	1.54%
683	Albuquerque-Charter	Alice King Community Charter School	11,016	1.52%
684	ABQ-State Chartered	Albuquerque Institute for Math and	23,525	1.43%
685	Deming	Ruben S. Torres ES	68,976	1.36%
686	Deming	Columbus ES	75,384	1.36%
687	Chama Valley	Escalante MS/HS	82,494	1.18%
688	Central Consolidated	Central Career Prep	31,364	1.14%
689	ABQ-State Chartered	Ralph J. Bunche Academy Charter	5,079	1.14%
690	Roswell	Sierra MS	109,940	1.12%
691	Bernalillo-State Chartered	Village Academy Charter School	7,103	1.11%
692	Rio Rancho	Sandia Vista ES	80,800	1.10%
693	Santa Fe-Charter	Academy for Technology and the	25,165	1.09%
694	Tularosa	Tularosa HS	126,941	1.08%
695	Gallup McKinley	Tohatchi ES	46,180	1.07%
696	Portales	Lindsey-Steiner ES	60,000	0.94%
697	Gallup McKinley	Chief Manuelito MS	119,034	0.92%
698	Albuquerque	Desert Willow Family Alternative	39,629	0.81%
699	Taos-Charter	Taos Municipal Charter School	33,250	0.80%
700	Tucumcari	Tucumcari HS	119,277	0.79%
701	Las Cruces	Mesa Middle School	118,000	0.79%
702	NMSD Santa Fe Campus	Bldg 13-Hester Hall	31,130	0.78%

2013-2014 wNMCI **PRELIMINARY** Ranking, Sorted by Rank

703	Albuquerque	Helen Cordero Primary	85,000	0.60%
704	Rio Rancho	Cielo Azul ES	85,513	0.60%
705	Las Cruces	Centennial HS	324,400	0.60%
706	Belen	Infinity Alternative HS	25,076	0.51%
707	NMSD Santa Fe Campus	Bldg 05-Cottage A	6,003	0.50%
708	NMSD Santa Fe Campus	Bldg 06-Cottage B	6,003	0.50%
709	NMSD Santa Fe Campus	Bldg 07-Cottage C	6,003	0.50%
710	NMSD Santa Fe Campus	Bldg 08-Cottage D	6,003	0.50%
711	Albuquerque-Charter	Albuquerque Talent Development	13,572	0.50%
712	Taos-Charter	Anansi Charter School	9,762	0.44%
713	Gallup McKinley	Crownpoint ES	48,592	0.41%
714	NMSBVI Albuquerque Campus	Site	39,171	0.39%
715	Santa Fe	Carlos Gilbert ES	42,346	0.36%
716	Las Cruces	Monte Vista ES	50,000	0.34%
717	NMSBVI Albuquerque Campus	Early Childhood Facility (2009)	39,171	0.34%
718	Albuquerque	nex+Gen Academy HS	46,894	0.13%
719	Roswell	Missouri ES	54,362	0.10%
720	Albuquerque	eCADEMY	36,128	0.03%
721	Hobbs	Hobbs HS	370,611	0.00%
722	Roswell	East Grand Plains ES	35,324	0.00%
723	Los Alamos	Los Alamos HS	309,840	0.00%
724	Central Consolidated	Mesa ES	66,445	0.00%
725	Albuquerque-Charter	Robert F. Kennedy Charter High School	24,743	0.00%
726	Farmington	Tibbetts MS	98,561	0.00%
727	Las Cruces	University Hills ES	56,410	0.00%
728	Clovis	Bella Vista ES	44,396	0.00%
729	Roswell	Monterrey ES	49,500	0.00%
730	Las Cruces	Loma Heights ES	46,443	0.00%
731	Eunice	Mettie Jordan ES	81,865	0.00%
732	Los Lunas	Los Lunas HS	276,738	0.00%
733	Moriarty / Edgewood	Moriarty MS	66,672	0.00%
734	Clovis	Lockwood ES	47,384	0.00%
735	Los Alamos	Los Alamos MS	97,287	0.00%
736	Espanola	New Alcalde ES	50,426	0.00%
737	Albuquerque-Charter	Christine Duncan Community Charter	13,332	0.00%

Schools with "NRC" rankings are charter schools that have not reached their first renewal, followed by the expected date of renewal of charter. As such, these schools are not measured against the New Mexico Educational Adequacy Standards. Upon PEC or District renewal of the charter, these schools will be measured, evaluated and prioritized in the above list and eligible for grants under the standards-based capital outlay process.

NRC-2014	ABQ-State Chartered	Cien Aguas International Charter School	13,524	0.00%
NRC-2014	ABQ-State Chartered	International School at Mesa del Sol Cha	5,376	0.00%
NRC-2014	ABQ-State Chartered	New America Charter School - Albuquerque	10,096	0.00%
NRC-2014	Santa Fe-State Chartered	NM School for the Arts Charter School	1,000	0.00%
NRC-2014	Los Lunas-State Chartered	School of Dreams Academy Charter Schd	21,106	0.00%
NRC-2014	Taos-State Chartered	Taos Academy Charter School	9,824	0.00%
NRC-2015	ABQ-State Chartered	ACE Leadership Charter High School	11,360	0.00%

2013-2014 wNMCI **PRELIMINARY** Ranking, Sorted by Rank

NRC-2015	ABQ-State Chartered	Albuquerque School of Excellence Chart	24,652	0.00%
NRC-2015	ABQ-State Chartered	Albuquerque Sign Language Academy Ch	9,510	0.00%
NRC-2015	ABQ-State Chartered	South Valley Preparatory Charter School	7,488	0.00%
NRC-2015	Taos-State Chartered	Taos Integrated School of the Arts	14,954	0.00%
NRC-2015	Rio Rancho-State Chartered	The ASK Academy	24,100	0.00%
NRC-2015	Santa Fe-State Chartered	The MASTERS Program Early College Cha	10,000	0.00%
NRC-2015	ABQ-State Chartered	Tierra Adentro Charter School	7,762	0.00%
NRC-2016	Las Cruces-State Chartered	J. Paul Taylor Academy Charter School	9,629	0.00%
NRC-2016	ABQ-State Chartered	NM International Charter School	10,283	0.00%
NRC-2016	ABQ-State Chartered	The GREAT Academy	15,040	0.00%
NRC-2017	ABQ-State Chartered	Coral Community Charter School	26,047	0.00%
NRC-2017	Moriarty-State Chartered	Estancia Valley Classical Academy	23,000	0.00%
NRC-2017	Espanola-State Chartered	La Tierra Montessori School of the Arts a	6,730	0.00%
NRC-2017	Espanola-State Chartered	McCurdy Charter School	18,648	0.00%
NRC-2017	ABQ-State Chartered	Mission Achievement & Success	24,996	0.00%
NRC-2017	Las Cruces-State Chartered	New America Charter School - Las Cruce	24,329	0.00%
NRC-2017	Farmington-Charter	New Mexico Virtual Academy	2,531	0.00%
NRC-2017	ABQ-State Chartered	Sage Montessori Charter School	10,919	0.00%
NRC-2017	ABQ-State Chartered	Southwest Aeronautics, Mathematics, & S	37,975	0.00%
NRC-2017	Gallup McKinley-Charter	Uplift Community Charter School	7,581	0.00%
NRC-2017	ABQ-State Chartered	William W. & Josephine Dorn Charter Co	9,715	0.00%

## How Offsets Work

The Public School Capital Outlay Offset for Direct Appropriations can be confusing. Here's a simple, practical explanation.

### What It is

The law says that the PSCOC must “*reduce any grant amounts awarded to a school district by a percent of all direct non-operational legislative appropriations for schools in that district that have been accepted, including educational technology and re-authorizations of previous appropriations.*”<sup>1</sup>

### How It Works

The *percent reduction* mentioned in the law is each school district's local match percent for PSCOC award funding.

The offset applies to all PSCOC award allocations after January 2003.

The offset applies to the *district*, so if one school in a district receives a direct appropriation, other projects in the district that receive PSCOC award funding will be subject to an offset.

Offset amounts not used in the current year apply to future PSCOC grant amounts.

The law gives districts the right to reject a direct appropriation because of the effect of the offset. For example, a school district receives a direct legislative appropriation for a specific purpose. The effect of the offset would cause the district to accordingly receive reduced PSCOC award funding for what it considers a higher priority need, and it chooses to reject the appropriation.

### An Example

Legislative appropriation to a school	\$1,000
PSCOC award to that school's district	\$2,000
That district's local match percent	40%
Offset reduction in district's PSCOC award allocation (\$1,000 x 40%)	(\$400)
District's net PSCOC award amount (\$2,000 - \$400)	\$1,600
Total funds received by district (\$1,000 + \$1,600)	\$2,600

### Fiscal Effects

The most significant effect of the offset is not to reduce total funds that the district receives<sup>2</sup>, but instead to potentially reduce funds available for higher priority needs, in the event that the direct appropriation was for a lower-priority project than projects for which the district had applied for PSCOC award funding. In this case, the higher priority projects would have funding levels reduced by the amount of the offset.

### Why An Offset?

The Legislature enacted the offset as one of a number of initiatives it has taken recently to better equalize state funding of capital requests across all of New Mexico's school districts. The 2002 report of the Special Master appointed as a result of the Zuni lawsuit specifically highlighted “*the dis-equalizing effect of direct legislative appropriation to individual schools for capital outlay purposes.*” The offset was enacted to mitigate this concern.

<sup>1</sup> Section 22-24-5.B(6) NMSA 1978

<sup>2</sup> The post-offset net amount of a direct appropriation will always be revenue positive for the district, given current local match percentages.

PERCENTAGE OF PARTICIPATION  
FOR PSCOC PROJECTS

DISTRICT	2012 - 2013		2013 - 2014		% CHANGE STATE
	STATE SHARE	DISTRICT SHARE	STATE SHARE	DISTRICT SHARE	
Alamogordo	68%	32%	66%	34%	-2%
Albuquerque	54%	46%	55%	45%	1%
Animas	58%	42%	53%	47%	-5%
Artesia	10%	90%	10%	90%	0%
Aztec	15%	85%	19%	81%	4%
Belen	65%	35%	63%	37%	-2%
Bernalillo	42%	58%	40%	60%	-2%
Bloomfield	14%	86%	14%	86%	0%
Capitan	10%	90%	10%	90%	0%
Carlsbad	25%	75%	25%	75%	0%
Carrizozo	15%	85%	10%	90%	-5%
Central	63%	37%	61%	39%	-2%
Chama	10%	90%	10%	90%	0%
Cimarron	10%	90%	10%	90%	0%
Clayton	26%	74%	19%	81%	-7%
Cloudcroft	10%	90%	10%	90%	0%
Clovis	79%	21%	77%	23%	-2%
Cobre	52%	48%	55%	45%	3%
Corona	10%	90%	10%	90%	0%
Cuba	74%	26%	72%	28%	-2%
Deming	72%	28%	71%	29%	-1%
Des Moines	15%	85%	12%	88%	-3%
Dexter	82%	18%	81%	19%	-1%
Dora	65%	35%	65%	35%	0%
Dulce	10%	90%	10%	90%	0%
Elida	47%	53%	48%	52%	1%
Espanola	63%	37%	62%	38%	-1%
Estancia	68%	32%	65%	35%	-3%
Eunice	10%	90%	10%	90%	0%
Farmington	59%	41%	60%	40%	1%
Floyd	78%	22%	77%	23%	-1%
Fort Sumner	48%	52%	43%	57%	-5%
Gadsden	88%	12%	87%	13%	-1%
Gallup	82%	18%	81%	19%	-1%
Grady	78%	22%	76%	24%	-2%
Grants	76%	24%	74%	26%	-2%
Hagerman	80%	20%	79%	21%	-1%
Hatch	87%	13%	86%	14%	-1%
Hobbs	51%	49%	54%	46%	3%
Hondo	44%	56%	39%	61%	-5%
House	67%	33%	63%	37%	-4%
Jal	10%	90%	10%	90%	0%
Jemez Mountain	10%	90%	10%	90%	0%
Jemez Valley	53%	47%	52%	48%	-1%
Lake Arthur	10%	90%	10%	90%	0%
Las Cruces	64%	36%	64%	36%	0%
Las Vegas City	62%	38%	61%	39%	-1%
Las Vegas West	74%	26%	72%	28%	-2%
Logan	29%	71%	28%	72%	-1%
Lordsburg	41%	59%	35%	65%	-6%
Los Alamos	39%	61%	40%	60%	1%
Los Lunas	77%	23%	76%	24%	-1%
Loving	21%	79%	21%	79%	0%
Lovington	26%	74%	29%	71%	3%
Magdalena	75%	25%	76%	24%	1%
Maxwell	55%	45%	55%	45%	0%
Melrose	67%	33%	64%	36%	-3%
Mesa Vista	49%	51%	46%	54%	-3%
Mora	50%	50%	48%	52%	-2%
Moriarty	58%	42%	55%	45%	-3%
Mosquero	10%	90%	10%	90%	0%
Mountainair	45%	55%	38%	62%	-7%
Pecos	46%	54%	43%	57%	-3%
Penasco	72%	28%	69%	31%	-3%
Pojoaque	75%	25%	74%	26%	-1%

PERCENTAGE OF PARTICIPATION  
FOR PSCOC PROJECTS

DISTRICT	2012 - 2013		2013 - 2014		% CHANGE STATE
	STATE SHARE	DISTRICT SHARE	STATE SHARE	DISTRICT SHARE	
Portales	80%	20%	79%	21%	-1%
Quemado	10%	90%	10%	90%	0%
Questa	10%	90%	10%	90%	0%
Raton	64%	36%	60%	40%	-4%
Reserve	19%	81%	16%	84%	-3%
Rio Rancho	59%	41%	60%	40%	1%
Roswell	72%	28%	72%	28%	0%
Roy	46%	54%	39%	61%	-7%
Ruidoso	16%	84%	12%	88%	-4%
San Jon	73%	27%	69%	31%	-4%
Santa Fe	10%	90%	10%	90%	0%
Santa Rosa	58%	42%	56%	44%	-2%
Silver	48%	52%	47%	53%	-1%
Socorro	75%	25%	75%	25%	0%
Springer	56%	44%	53%	47%	-3%
Taos	10%	90%	10%	90%	0%
Tatum	10%	90%	10%	90%	0%
Texico	64%	36%	64%	36%	0%
Truth or Consequences	36%	64%	33%	67%	-3%
Tucumcari	76%	24%	75%	25%	-1%
Tularosa	74%	26%	73%	27%	-1%
Vaughn	10%	90%	10%	90%	0%
Wagon Mound	10%	90%	10%	90%	0%
Zuni	100%	0%	100%	0%	0%

SUMMARY OF DIRECT APPROPRIATION OFFSETS

C.

DISTRICT	TOTAL DIRECT APPROPRIATIONS 2003-2012	TOTAL OFFSETS 2003-2012	TOTAL OFFSETS USED	BALANCE OF OFFSETS
ALAMOGORDO	\$ 2,231,000	\$ 637,065	\$ 687,165	\$ (50,100)
ALBUQUERQUE	\$ 105,381,818	\$ 51,636,820	\$ 51,636,821	\$ -
ANIMAS	\$ -	\$ -	\$ -	\$ -
ARTESIA	\$ 812,000	\$ 701,208	\$ 23,900	\$ 677,308
AZTEC	\$ 709,000	\$ 638,100	\$ -	\$ 638,100
BELEN	\$ 5,685,000	\$ 1,731,384	\$ 1,731,385	\$ -
BERNALILLO	\$ 105,000	\$ 47,051	\$ 47,052	\$ -
BLOOMFIELD	\$ 1,438,000	\$ 1,190,599	\$ -	\$ 1,190,599
CAPITAN	\$ 1,196,000	\$ 1,051,430	\$ 241,000	\$ 810,430
CARLSBAD	\$ 1,695,000	\$ 1,337,051	\$ 204,853	\$ 1,132,198
CARRIZOZO	\$ 325,000	\$ 200,996	\$ 2,814	\$ 198,182
CENTRAL	\$ 793,900	\$ 305,802	\$ 305,802	\$ -
CHAMA	\$ 528,000	\$ 467,803	\$ 312,946	\$ 154,857
CIMARRON	\$ 515,000	\$ 362,250	\$ 147,500	\$ 214,750
CLAYTON	\$ 25,000	\$ 17,250	\$ -	\$ 17,250
CLOUDCROFT	\$ 1,354,000	\$ 1,170,934	\$ -	\$ 1,170,934
CLOVIS	\$ 645,000	\$ 136,246	\$ 136,246	\$ -
COBRE	\$ 475,000	\$ 199,410	\$ 199,410	\$ -
CORONA	\$ 139,867	\$ 125,880	\$ 57,000	\$ 68,880
CUBA	\$ -	\$ -	\$ -	\$ -
DEMING	\$ 75,000	\$ 18,250	\$ 18,250	\$ -
DES MOINES	\$ 195,000	\$ 107,474	\$ 38,144	\$ 69,330
DEXTER	\$ 604,000	\$ 90,525	\$ 1,393	\$ 89,132
DORA	\$ 170,000	\$ 77,400	\$ -	\$ 77,400
DULCE	\$ -	\$ -	\$ -	\$ -
ELIDA	\$ 455,000	\$ 270,244	\$ 24,400	\$ 245,844
ESPANOLA	\$ 2,590,000	\$ 965,643	\$ 965,643	\$ -
ESTANCIA	\$ -	\$ -	\$ -	\$ -
EUNICE	\$ 250,000	\$ 211,556	\$ 225,000	\$ (13,444)
FARMINGTON	\$ -	\$ -	\$ -	\$ -
FLOYD	\$ 146,400	\$ 29,725	\$ 29,725	\$ -
FORT SUMNER	\$ 327,500	\$ 148,718	\$ 82,268	\$ 66,450
GADSDEN	\$ 5,501,537	\$ 601,028	\$ 601,028	\$ -
GALLUP	\$ 255,000	\$ 43,158	\$ 43,158	\$ -
GRADY	\$ 85,000	\$ 19,550	\$ 19,550	\$ -
GRANTS	\$ 361,000	\$ 95,481	\$ 95,481	\$ -
HAGERMAN	\$ 660,000	\$ 120,191	\$ 1,420	\$ 118,770
HATCH	\$ 52,000	\$ 4,906	\$ 4,906	\$ -
HOBBS	\$ 2,108,000	\$ 834,518	\$ 834,518	\$ (0)
HONDO	\$ 440,000	\$ 294,490	\$ 193,990	\$ 100,500
HOUSE	\$ 75,000	\$ 8,625	\$ -	\$ 8,625
JAL	\$ 1,205,985	\$ 1,017,887	\$ -	\$ 1,017,887
JEMEZ MOUNTAIN	\$ 250,000	\$ 154,084	\$ 90,000	\$ 64,084
JEMEZ VALLEY	\$ 45,000	\$ 22,490	\$ -	\$ 22,490
LAKE ARTHUR	\$ 548,000	\$ 251,198	\$ 4,245	\$ 246,953
LAS CRUCES	\$ 3,578,746	\$ 1,145,274	\$ 1,145,274	\$ -
LAS VEGAS CITY	\$ 2,838,339	\$ 980,219	\$ 258,100	\$ 722,119
LAS VEGAS WEST	\$ 2,932,783	\$ 676,633	\$ 676,633	\$ -
LOGAN	\$ 50,000	\$ 29,500	\$ -	\$ 29,500
LORDSBURG	\$ -	\$ -	\$ -	\$ -
LOS ALAMOS	\$ -	\$ -	\$ -	\$ -
LOS LUNAS	\$ 3,988,300	\$ 869,467	\$ 869,467	\$ -
LOVING	\$ 756,000	\$ 487,430	\$ -	\$ 487,430
LOVINGTON	\$ 3,700,000	\$ 2,623,239	\$ -	\$ 2,623,239
MAGDALENA	\$ 330,000	\$ 52,800	\$ -	\$ 52,800
MAXWELL	\$ 225,000	\$ 65,604	\$ -	\$ 65,604
MELROSE	\$ 387,500	\$ 131,867	\$ -	\$ 131,867

SUMMARY OF DIRECT APPROPRIATION OFFSETS

C.

DISTRICT	TOTAL DIRECT APPROPRIATIONS 2003-2012	TOTAL OFFSETS 2003-2012	TOTAL OFFSETS USED	BALANCE OF OFFSETS
MESA VISTA	\$ 331,000	\$ 146,078	\$ 146,078	\$ -
MORA	\$ 1,922,196	\$ 687,065	\$ -	\$ 687,066
MORIARTY	\$ 2,703,000	\$ 924,766	\$ 924,766	\$ -
MOSQUERO	\$ 25,000	\$ 22,500	\$ -	\$ 22,500
MOUNTAINAIR	\$ 230,000	\$ 103,038	\$ 103,038	\$ -
PECOS	\$ 307,000	\$ 134,453	\$ 2,940	\$ 131,513
PENASCO	\$ 380,000	\$ 95,936	\$ 95,936	\$ -
POJOAQUE	\$ 1,488,000	\$ 381,497	\$ 105,180	\$ 276,317
PORTALES	\$ 1,029,143	\$ 235,674	\$ 235,674	\$ -
QUEMADO	\$ 120,000	\$ 108,000	\$ -	\$ 108,000
QUESTA	\$ 885,000	\$ 785,997	\$ -	\$ 785,997
RATON	\$ 45,000	\$ 15,900	\$ 15,900	\$ -
RESERVE	\$ 275,000	\$ 203,763	\$ -	\$ 203,763
RIO RANCHO	\$ 5,603,120	\$ 1,864,423	\$ 1,864,424	\$ -
ROSWELL	\$ 8,035,500	\$ 2,251,259	\$ 2,251,259	\$ -
ROY	\$ 25,000	\$ 8,750	\$ -	\$ 8,750
RUIDOSO	\$ 725,000	\$ 506,275	\$ 341,314	\$ 164,961
SAN JON	\$ 55,000	\$ 13,200	\$ -	\$ 13,200
SANTA FE	\$ 4,151,519	\$ 3,497,159	\$ 1,158,750	\$ 2,338,409
SANTA ROSA	\$ 411,400	\$ 187,782	\$ 187,782	\$ -
SILVER	\$ 515,000	\$ 256,947	\$ 256,947	\$ -
SOCORRO	\$ 395,000	\$ 86,042	\$ 86,042	\$ -
SPRINGER	\$ 240,000	\$ 126,637	\$ 39,780	\$ 86,857
TAOS	\$ 1,025,000	\$ 861,500	\$ 395,406	\$ 466,094
TATUM	\$ 394,000	\$ 349,972	\$ -	\$ 349,972
TEXICO	\$ 412,000	\$ 141,349	\$ 141,349	\$ -
T or C	\$ -	\$ -	\$ -	\$ -
TUCUMCARI	\$ -	\$ -	\$ -	\$ -
TULAROSA	\$ 1,315,000	\$ 181,532	\$ 255,532	\$ (74,000)
VAUGHN	\$ 460,000	\$ 414,000	\$ -	\$ 414,000
WAGON MOUND	\$ 530,000	\$ 208,680	\$ -	\$ 208,680
ZUNI	\$ 100,000	\$ -	\$ -	\$ -
ABQ. SIGN LANGUAGE ACADEMY	\$ 100,000	\$ 44,000	\$ -	\$ 44,000
CIEN AGUAS CHARTER	\$ 200,000	\$ 92,000	\$ -	\$ 92,000
LA PROMESA CHARTER SCHOOL	\$ 375,000	\$ 172,500	\$ -	\$ 172,500
MEDIA ARTS COLLABORATIVE	\$ 449,000	\$ 222,020	\$ -	\$ 222,020
SW AERONAUTICS MATH & SCIENCE	\$ 77,000	\$ 35,420	\$ -	\$ 35,420
SW INTERMEDIATE	\$ 180,000	\$ 82,800	\$ -	\$ 82,800
SW PRIMARY LEARNING CENTER	\$ 40,000	\$ 18,400	\$ -	\$ 18,400
SW SECONDARY	\$ 100,000	\$ 46,000	\$ -	\$ 46,000
TOTALS	\$ 194,893,552	\$ 89,919,766	\$ 70,564,586	\$ 19,355,185

Capital Outlay Projects  
Chart by Agency

SFC Substitute for SB60 and HB337

Legislative Council Service  
51st Legislature, 1st Session, 2013

Project Title	Amount	City	County	Fund	Track
1627 SOUTH VALLEY MULTIPRPS FCLTY FOR REHAB/TRANSITION	\$10,000	VETO	Bernalillo Co.	STB	10
<b>Summary for CORRECTIONS DEPARTMENT</b>		<b>\$0</b>			
<b>Agency: CULTURAL AFFAIRS DEPARTMENT</b>					
1565 MUSEUM OF SPACE HISTORY THEATER RENOVATE	\$500,000	Alamogordo	Otero Co.	STB	11/1
799 SANTA FE CHILDREN'S MUSEUM IMPROVE	\$117,336	Santa Fe	Santa Fe Co.	STB	11/2
12 CAD CULTURAL FACILITIES COMPLETE & EQUIP	\$2,500,000		Statewide	STB	11/3
11 CAD MUSEUMS & MONUMENTS CRITICAL REPAIRS STATEWIDE	\$3,000,000		Statewide	STB	11/4
1428 STATE PUBLIC ART RESTORATION	\$64,000	VETO	Statewide	STB	11/5
<b>Summary for CULTURAL AFFAIRS DEPARTMENT</b>		<b>\$6,117,336</b>			
<b>Agency: CUMBRES AND TOLTEC SCENIC RAILROAD COMMISSION</b>					
13 CTSRRC TRACK & BOILER REHAB & CAR UPGRADES	\$850,000		Rio Arriba Co.	STB	12
<b>Summary for CUMBRES AND TOLTEC SCENIC RAILROAD COMMISSION</b>		<b>\$850,000</b>			
<b>Agency: DEAF AND HARD-OF-HEARING PERSONS, COMMISSION FOR</b>					
479 ALB DEAF CULTURE CENTER & APARTMENT COMPLEX	\$60,000	VETO	Albuquerque	Bernalillo Co.	STB 13
<b>Summary for DEAF AND HARD-OF-HEARING PERSONS, COMMISSION FOR</b>		<b>\$0</b>			
<b>Agency: SCHOOL FOR THE DEAF, NEW MEXICO</b>					
60 NMSD INFRA RENOVATE-PSCOF	\$7,000,000	Santa Fe	Santa Fe Co.	PSCO	52/1
61 NMSD MUSEUM/LIBR CONSOLIDATE & DILLON HALL-PSCOF	\$1,000,000	Santa Fe	Santa Fe Co.	PSCO	52/2
<b>Summary for SCHOOL FOR THE DEAF, NEW MEXICO</b>		<b>\$8,000,000</b>			
<b>Agency: DISTRICT ATTORNEY OF THE 3RD JUDICIAL DISTRICT</b>					
1064 3RD JUD DIST ATTORNEY INFO TECH UPGRADE	\$60,000	VETO		Dona Ana Co.	STB 16
<b>Summary for DISTRICT ATTORNEY OF THE 3RD JUDICIAL DISTRICT</b>		<b>\$0</b>			
<b>Agency: COURT - 1ST JUDICIAL DISTRICT</b>					
1186 1ST JUD DIST TOUCHSCREEN COMPUTERS	\$45,000	VETO	Santa Fe	Santa Fe Co.	STB 14
<b>Summary for COURT - 1ST JUDICIAL DISTRICT</b>		<b>\$0</b>			
<b>Agency: COURT - 2ND JUDICIAL DISTRICT</b>					
1045 2ND JUD DIST COMPUTER MONITORS	\$127,850	VETO	Albuquerque	Bernalillo Co.	STB 15/1
1032 2ND JUD DIST COURT SECURITY EQUIP PURCHASE	\$174,100		Albuquerque	Bernalillo Co.	STB 15/2
1044 2ND JUD DIST SERVER	\$152,000		Albuquerque	Bernalillo Co.	STB 15/3
<b>Summary for COURT - 2ND JUDICIAL DISTRICT</b>		<b>\$326,100</b>			
<b>Agency: ECONOMIC DEVELOPMENT DEPARTMENT</b>					
30 EDD MAINSTREET DISTRICTS INFRASTRUCTURE PROJECTS	\$500,000		Statewide	STB	17
<b>Summary for ECONOMIC DEVELOPMENT DEPARTMENT</b>		<b>\$500,000</b>			
<b>Agency: PUBLIC EDUCATION DEPARTMENT</b>					
776 EAST MOUNTAIN HIGH SCHL BUS	\$90,000			Bernalillo Co.	STB 18/ 1
1405 EAST MOUNTAIN HIGH SCHL INFO TECH	\$50,000			Bernalillo Co.	STB 18/ 2
1404 EAST MOUNTAIN HIGH SCHL SECURITY SYSTEM	\$75,000			Bernalillo Co.	STB 18/ 3
1613 ALB INSTITUTE OF MATH & SCIENCE EXPAND	\$50,000	Albuquerque		Bernalillo Co.	STB 18/ 4
352 CESAR CHAVEZ COMMUNITY SCHOOL INFO TECH	\$50,000	Albuquerque		Bernalillo Co.	STB 18/ 5
460 CIEN AGUAS INTERNATL SCHL FACILITY	\$110,000	Albuquerque		Bernalillo Co.	STB 18/ 6
325 GILBERT L. SENA CHARTER HIGH SCHOOL INFO TECH	\$65,000	Albuquerque		Bernalillo Co.	STB 18/ 7
1031 HEALTH LEADERSHIP CHARTER HIGH SCHL FURNISH/EQUIP	\$260,000	Albuquerque		Bernalillo Co.	STB 18/ 8
1326 LA PROMESA EARLY LEARN CTR BUS	\$80,000	Albuquerque		Bernalillo Co.	STB 18/ 9

**Capital Outlay Projects  
Chart by Agency**

**SFC Substitute for SB60 and HB337**

**Legislative Council Service  
51st Legislature, 1st Session, 20**

Project Title	Amount	City	County	Fund	Track
506 LA PROMESA EARLY LEARN CTR INFO TECH	\$105,000	Albuquerque	Bernalillo Co.	STB	18/ 10
507 LA PROMESA EARLY LEARNING CTR FURNISH	\$82,000	Albuquerque	Bernalillo Co.	STB	18/ 11
508 LA PROMESA EARLY LEARNING CTR PLAYGROUND EQUIP	\$158,000	Albuquerque	Bernalillo Co.	STB	18/ 12
486 MEDIA ARTS COLLAB CHARTER SCHL FACILITIES/LAND	\$235,000	Albuquerque	Bernalillo Co.	STB	18/ 13
524 MONTESSORI ELEMENTARY SCHOOL INFO TECH	\$90,000	Albuquerque	Bernalillo Co.	STB	18/ 14
473 SW AERONAUTICS, MATH & SCI ACADEMY SOCCER FIELD	\$170,000	Albuquerque	Bernalillo Co.	STB	18/ 15
459 SW AERONAUTICS, MATH, SCI ACADEMY FLIGHT SIMULATOR	\$45,000	Albuquerque	Bernalillo Co.	STB	18/ 16
477 SW AERONAUTICS, MATH, SCI ACADEMY SMART LABS	\$35,000	Albuquerque	Bernalillo Co.	STB	18/ 17
468 SW INTERMEDIATE LEARNING CTR INFO TECH	\$70,000	Albuquerque	Bernalillo Co.	STB	18/ 18
528 SW PRIMARY LEARNING CTR PORTABLE CLASSROOM	\$35,000	Albuquerque	Bernalillo Co.	STB	18/ 19
458 SW SECONDARY LEARNING CTR SMART LAB UPGRADES	\$100,000	Albuquerque	Bernalillo Co.	STB	18/ 20
1066 TIERRA ADENTRO CHARTER SCHL FURNISH & EQUIP	\$50,000	Albuquerque	Bernalillo Co.	STB	18/ 21
1639 A MONTOYA ELEM SCHL INFO TECH	\$35,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 22
1458 ACADEMIA DE ESPERANZA FACILITY	\$45,000	VETO Albuquerque PSD	Bernalillo Co.	STB	18/ 23
1051 ADOBE ACRES ELEM SCHL SEC CAMERAS & INFO TECH	\$122,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 24
1154 ALAMEDA ELEM SCHL INFO TECH	\$60,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 25
1018 ALAMOSA ELEM SCHL INFO TECH	\$70,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 26
1431 ALB PSD JROTC RIFLES & EQUIPMENT	\$75,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 28
1514 ALB PSD RIFLE SAFETY & MARKSMANSHIP TARGET SYSTEMS	\$215,600	Albuquerque PSD	Bernalillo Co.	STB	18/ 29
935 ALBUQUERQUE HIGH SCHL INFO TECH	\$45,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 30
1153 ALVARADO ELEM SCHL INFO TECH	\$70,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 31
1105 APACHE ELEM SCHL FURNISH & EQUIP	\$10,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 32
1019 ARMIJO ELEM SCHL INFO TECH	\$68,500	Albuquerque PSD	Bernalillo Co.	STB	18/ 33
1017 ATRISCO ELEM SCHL INFO TECH	\$80,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 34
1054 ATRISCO HERITAGE ACADEMY HIGH SCHL INFO TECH	\$70,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 35
1048 BANDELIER ELEM SCHL GROUNDS/PLAYGROUND IMPROVE	\$50,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 36
1126 BANDELIER ELEM SCHL INFO TECH	\$30,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 37
1062 BARCELONA ELEM SCHL SEC CAMS & INFO TECH	\$50,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 38
1123 BEL-AIR ELEM SCHL SECURITY CAM & INFO TECH	\$110,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 39
1125 BELLEHAVEN ELEM SCHL INFO TECH	\$46,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 40
1056 CARLOS REY ELEM SCHL INFO TECH	\$15,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 41
1242 CHAMIZA ELEM SCHL PLAYGROUND IMPROVE	\$99,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 42
1077 CHAPARRAL ELEM SCHL INFO TECH	\$45,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 43
1271 CIBOLA HIGH SCHL WEIGHT ROOM RENOVATE	\$25,000	VETO Albuquerque PSD	Bernalillo Co.	STB	18/ 44
1127 CLEVELAND MID SCHL SECURITY CAMERAS & INFO TECH	\$60,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 45
939 COCHITI ELEM SCHL INFO TECH	\$35,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 46
1366 COLLET PARK ELEM SCHL GYM EQUIP/IMPROVE	\$17,500	VETO Albuquerque PSD	Bernalillo Co.	STB	18/ 47
940 CORONADO ELEM SCHL INFO TECH	\$15,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 48
1124 DEL NORTE HIGH SCHL INFO TECH	\$70,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 49
599 DIGITAL ARTS & TECHNOLOGY ACADEMY BLDG PURCHASE	\$195,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 50
941 DOLORES GONZALES ELEM SCHL IMPROVE	\$132,500	Albuquerque PSD	Bernalillo Co.	STB	18/ 51
1091 DOUBLE EAGLE ELEM SCHL SEC CAMERAS & INFO TECH	\$110,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 52
1308 DOUGLAS MACARTHUR ELEM SCHL INFO TECH	\$50,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 53
931 DURANES ELEM SCHL SECURITY CAMERAS & INFO TECH	\$55,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 54
1112 ECADEMY HIGH SCHL INFO TECH	\$5,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 55
1151 EDMUND G. ROSS ELEM SCHL INFO TECH	\$45,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 56
1513 EDWARD GONZALES ELEM SCHL FACILITIES & GROUNDS	\$50,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 57
1049 EMERSON ELEM SCHL INFO TECH	\$35,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 58
1512 ERNIE PYLE ELEM SCHL INFO TECH	\$50,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 59
1111 FREEDOM HIGH SCHL INFO TECH PURCHASE	\$5,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 60
937 GARFIELD MID SCHL INFO TECH	\$15,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 61
1273 GRIEGOS ELEM SCHL INFO TECH	\$50,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 62

Chart by Agency

Project Title	Amount	City	County	Fund	Track
1057 HARRISON MID SCHL BOOKS/FURNITURE/INFO TECH	\$35,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 63
1106 HAWTHORNE ELEM SCHL INFO TECH PURCHASE	\$10,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 64
1011 HAWTHORNE ELEM SCHL SECURITY CAMERAS & INFO TECH	\$108,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 65
1134 HIGHLAND HIGH SCHL FURNISH/EQUIP	\$20,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 66
1128 HIGHLAND HIGH SCHL INFO TECH	\$30,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 67
1122 HODGIN ELEM SCHL SECURITY CAMERAS & INFO TECH	\$142,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 68
1133 HOOVER MID SCHL FACILITIES/INFRA/INFO TECH	\$150,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 69
1566 HUBERT H. HUMPHREY ELEM SCHL SEC CAMERAS/INFO TECH	\$35,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 70
1455 JEFFERSON MID SCHL GROUNDS IMPROVE	\$60,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 71
1129 JEFFERSON MIDDLE SCHL INFO TECH	\$30,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 72
1078 JIMMY E. CARTER MID SCHL SITE IMPROVE	\$100,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 73
1171 JOHN ADAMS MID SCHL BOOKS/FURNITURE/INFO TECH	\$25,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 74
1172 JOHN ADAMS MID SCHL SECURITY CAMERAS & INFO TECH	\$24,500	Albuquerque PSD	Bernalillo Co.	STB	18/ 75
1010 KENNEDY MID SCHL INFO TECH	\$50,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 76
1130 KIRTLAND ELEM SCHL INFO TECH	\$30,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 77
1511 KIT CARSON ELEM SCHL INFO TECH	\$30,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 78
1263 LA CUEVA HIGH SCHL ARTS BLDG/LECTURE HALL EQUIP	\$70,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 79
1265 LA CUEVA HIGH SCHL PHYSICAL ED EQUIP PURCHASE	\$30,000	VETO Albuquerque PSD	Bernalillo Co.	STB	18/ 80
1090 LA CUEVA HIGH SCHL SECURITY CAMERAS & INFO TECH	\$150,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 81
1274 LA LUZ ELEM SCHL INFO TECH	\$50,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 82
1107 LA MESA ELEM SCHL FURNISH & EQUIP	\$20,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 83
1110 LA MESA ELEM SCHL INFO TECH/LIBRARY BKS/FURNISH	\$10,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 84
1047 LA MESA ELEM SCHL SECURITY CAMERAS & INFO TECH	\$50,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 85
938 LEW WALLACE ELEM SCHL INFO TECH & INTERCOM	\$65,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 86
1575 LONGFELLOW ELEM SCHL SECURITY CAMERAS & INFO TECH	\$15,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 87
1053 LOS PADILLAS ELEM SCHL INFO TECH	\$35,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 88
1309 LOS RANCHOS ELEM INFO TECH	\$20,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 89
1156 LOWELL ELEM SCHL SECURITY CAMERAS & INFO TECH	\$25,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 90
1170 LYNDON B. JOHNSON MID SCHL WEIGHT ROOM IMPROVE	\$80,000	VETO Albuquerque PSD	Bernalillo Co.	STB	18/ 91
1368 MADISON MID SCHL INFO TECH	\$20,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 92
1108 MANZANO MESA ELEM SCHL SITE & INFRA IMPROVE	\$30,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 93
1046 MARK TWAIN ELEM SCHL INFO TECH/BOOKS/FURNISH	\$50,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 95
1140 MARK TWAIN ELEM SCHL INFO TECH	\$30,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 94
1406 MATHESON PARK ELEM SCHL FURNISH & EQUIP	\$20,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 96
1109 MCCOLLUM ELEM SCHL INFO TECH PURCHASE	\$10,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 97
1120 MCKINLEY MID SCHL SECURITY CAMERAS & INFO TECH	\$142,468	Albuquerque PSD	Bernalillo Co.	STB	18/ 98
1275 MISSION AVENUE ELEM SCHL INFO TECH	\$50,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 99
1371 MITCHELL ELEM SCHL SECURITY CAMERAS & INFO TECH	\$110,000	Albuquerque PSD	Bernalillo Co.	STB	18/100
1456 MONTE VISTA ELEM SCHL INFO TECH & MARQUEES	\$75,000	VETO Albuquerque PSD	Bernalillo Co.	STB	18/102
1135 MONTE VISTA ELEM SCHL INFO TECH	\$30,000	Albuquerque PSD	Bernalillo Co.	STB	18/101
1399 MONTEZUMA ELEM SCHL INFO TECH	\$30,000	Albuquerque PSD	Bernalillo Co.	STB	18/103
1155 MONTEZUMA ELEM SCHL SECURITY CAMERAS & INFO TECH	\$40,000	Albuquerque PSD	Bernalillo Co.	STB	18/104
1061 NAVAJO ELEM SCHL SECURITY CAMS & INFO TECH	\$125,000	Albuquerque PSD	Bernalillo Co.	STB	18/105
1117 NEW FUTURES HIGH SCHOOL INFO TECH	\$5,000	Albuquerque PSD	Bernalillo Co.	STB	18/106
451 NUESTROS VALORES CHARTER SCHL FACILITY	\$25,000	VETO Albuquerque PSD	Bernalillo Co.	STB	18/107
449 NUESTROS VALORES CHARTER SCHL INFO TECH	\$90,000	Albuquerque PSD	Bernalillo Co.	STB	18/108
1369 OSUNA ELEM SCHL INFO TECH	\$60,000	Albuquerque PSD	Bernalillo Co.	STB	18/109
1076 PAINTED SKY ELEM SCHL SECURITY CAMERAS & INFO TECH	\$106,000	Albuquerque PSD	Bernalillo Co.	STB	18/110
1515 PETROGLYPH ELEM SCHL INFO TECH	\$60,000	Albuquerque PSD	Bernalillo Co.	STB	18/111
934 REGINALD CHAVEZ ELEM SCHL SEC CAMERAS & INFO TECH	\$45,000	Albuquerque PSD	Bernalillo Co.	STB	18/112
971 REGINALD CHAVEZ ELEM SCHL SITE IMPROVE	\$15,000	Albuquerque PSD	Bernalillo Co.	STB	18/113
1063 RIO GRANDE HIGH SCHL PERF ARTS BLDG EQUIP/INFO TEC	\$100,000	Albuquerque PSD	Bernalillo Co.	STB	18/114

Capital Outlay Projects  
Chart by Agency

SFC Substitute for SB60 and HB337

Legislative Council Services  
51st Legislature, 1st Session, 20

Project Title	Amount	City	County	Fund	Track
642 ROBERT F. KENNEDY CH SCHL AUTO BODY & PAINT SHOP	\$192,000	Albuquerque PSD	Bernalillo Co.	STB	18/115
488 ROBERT F. KENNEDY CHARTER SCHL MEDIA CENTER	\$95,000	Albuquerque PSD	Bernalillo Co.	STB	18/116
1052 RUDOLFO ANAYA ELEM SCHL INFO TECH	\$30,000	Albuquerque PSD	Bernalillo Co.	STB	18/117
1370 S.Y. JACKSON ELEM SCHL INFO TECH	\$25,000	Albuquerque PSD	Bernalillo Co.	STB	18/118
1293 SAN ANTONITO ELEM SCHL INFO TECH	\$36,500	Albuquerque PSD	Bernalillo Co.	STB	18/119
1270 SEVEN BAR ELEM SCHL SECURITY CAMERAS & INFO TECH	\$25,000	Albuquerque PSD	Bernalillo Co.	STB	18/120
1249 SIERRA VISTA ELEM SCHL PRE-K PLAYGROUND	\$125,000	Albuquerque PSD	Bernalillo Co.	STB	18/121
1152 TAFT MID SCHL SECURITY CAMERAS & INFO TECH	\$60,000	Albuquerque PSD	Bernalillo Co.	STB	18/122
1008 TOMASITA ELEM SCHL INFO TECH & SECURITY CAMERAS	\$112,000	Albuquerque PSD	Bernalillo Co.	STB	18/123
1016 VALLE VISTA ELEM SCHL INFO TECH	\$83,400	Albuquerque PSD	Bernalillo Co.	STB	18/124
907 VALLEY HIGH SCHL EQUIP	\$25,000	VETO Albuquerque PSD	Bernalillo Co.	STB	18/125
1303 VALLEY HIGH SCHL FOOTBALL EQUIPMENT	\$30,000	VETO Albuquerque PSD	Bernalillo Co.	STB	18/126
788 VALLEY HIGH SCHL REFURBISH/IMPROVE	\$25,000	Albuquerque PSD	Bernalillo Co.	STB	18/127
891 VALLEY HIGH SCHL SPECTATOR ROOF & SEATING PURCHASE	\$25,000	Albuquerque PSD	Bernalillo Co.	STB	18/128
1301 VALLEY HIGH SCHL SPORTS PROGRAMS EQUIP PURCHASE	\$30,000	VETO Albuquerque PSD	Bernalillo Co.	STB	18/129
1009 VAN BUREN MID SCHL INFO TECH/LIBRARY BKS/FURNISH	\$60,000	Albuquerque PSD	Bernalillo Co.	STB	18/130
1506 VOLCANO VISTA HIGH SCHL AWNINGS	\$200,000	Albuquerque PSD	Bernalillo Co.	STB	18/ 27
936 WASHINGTON MID SCHL INFO TECH	\$45,000	Albuquerque PSD	Bernalillo Co.	STB	18/131
1079 WEST MESA HIGH SCHL FCLTIES/SITE IMPROVE	\$100,000	Albuquerque PSD	Bernalillo Co.	STB	18/132
890 WEST MESA HIGH SCHOOL INFO TECH PURCHASE	\$50,000	Albuquerque PSD	Bernalillo Co.	STB	18/133
1136 WHERRY ELEM SCHL INFO TECH	\$55,000	Albuquerque PSD	Bernalillo Co.	STB	18/134
1139 WHITTIER ELEM SCHL INFO TECH	\$30,000	Albuquerque PSD	Bernalillo Co.	STB	18/135
883 WILSON MIDDLE SCHL INFO TECH PURCHASE	\$95,000	Albuquerque PSD	Bernalillo Co.	STB	18/136
1050 ZIA ELEM SCHL SECURITY CAMERAS & INFO TECH	\$50,000	Albuquerque PSD	Bernalillo Co.	STB	18/137
1570 ZIA ELEM SCHL SHADE STRUCTURE	\$50,000	Albuquerque PSD	Bernalillo Co.	STB	18/138
1121 ZUNI ELEM SCHL INFO TECH	\$160,000	Albuquerque PSD	Bernalillo Co.	STB	18/139
1572 EAST GRAND PLAINS ELEM SCHL PLAYGROUND	\$100,000	Roswell ISD	Chaves Co.	STB	18/140
1579 MELROSE PSD VOCATIONAL EQUIPMENT	\$15,000	Melrose PSD	Curry Co.	STB	18/141
733 LAS CRUCES PSD FIELD OF DREAMS TURF	\$310,000	Las Cruces PSD	Dona Ana Co	STB	18/142
874 ARTESIA HIGH SCHL AUDITORIUM SEATS PURCHASE	\$228,000	Artesia PSD	Eddy Co.	STB	18/143
876 ARTESIA HIGH SCHL SEWER LINES REPLACE	\$61,000	Artesia PSD	Eddy Co.	STB	18/144
875 ARTESIA PSD INFO TECH UPGRADE	\$75,000	Artesia PSD	Eddy Co.	STB	18/145
871 CARLSBAD HIGH SCHL GYM BLEACHERS PURCHASE	\$25,000	Carlsbad MSD	Eddy Co.	STB	18/146
870 CARLSBAD HIGH SCHL GYM FLOOR PURCHASE	\$190,000	Carlsbad MSD	Eddy Co.	STB	18/147
869 CARLSBAD HIGH SCHL STADIUM SEATING PURCHASE	\$50,000	Carlsbad MSD	Eddy Co.	STB	18/148
868 CARLSBAD MSD EARLY CHILDHOOD ED CTR PLAYGRND TURF	\$123,000	Carlsbad MSD	Eddy Co.	STB	18/149
873 JOE STANLEY SMITH ELEM SCHL INFO TECH/SMART BOARDS	\$60,000	Carlsbad MSD	Eddy Co.	STB	18/150
872 PATE ELEM SCHL INFO TECH/SMART BOARDS	\$50,000	Carlsbad MSD	Eddy Co.	STB	18/151
1443 CORONA PSD ACTIVITY BUS	\$25,000	Corona PSD	Lincoln Co.	STB	18/152
1291 CHAMISA ELEM SCHL STORM DRAINAGE	\$45,000	Los Alamos PSD	Los Alamos	STB	18/153
1361 LOS ALAMOS MID SCHL LOCKER ROOM ROOF	\$160,000	Los Alamos PSD	Los Alamos	STB	18/154
1583 LOS ALAMOS MID SCHL LOCKER ROOM WALLS IMPROVE	\$50,000	Los Alamos PSD	Los Alamos	STB	18/155
801 LOGAN MSD VOCATIONAL/CAREER PGM EQUIP & INFO TECH	\$17,000	Logan MSD	Quay Co.	STB	18/156
800 MCCURDY CHARTER SCHOOL BUS	\$100,000	Espanola	Rio Arriba Co	STB	18/157
1379 DORA CSD MULTIPURPOSE BLDG PLUMBING IMPROVE	\$75,000	Dora CSD	Roosevelt Co	STB	18/158
1149 FLOYD HIGH SCHL BLEACHERS/SEATS/OFFICIALS STATION	\$100,000	Floyd MSD	Roosevelt Co	STB	18/159
294 LAS VEGAS CITY PSD ACTIVITY BUSES	\$155,000	Las Vegas city PS	San Miguel C	STB	18/160
1425 PECOS ISD SECURITY SYSTEM INCLUSIVE CAMPUS	\$10,000	Pecos ISD	San Miguel C	STB	18/161
892 WEST LAS VEGAS PSD ACTIVITY BUS PURCHASE	\$140,000	West Las Vegas P	San Miguel C	STB	18/162
640 RIO RANCHO PSD INFO TECH FOR PARCC ASSESSMENT	\$365,000	Rio Rancho PSD	Sandoval Co.	STB	18/163
636 V. SUE CLEVELAND HIGH SCHL STUDENT PARKING FCLTIES	\$100,000	Rio Rancho PSD	Sandoval Co.	STB	18/164
638 V. SUE CLEVELAND HIGH SCHL VISITOR PARKING FCLTIES	\$88,000	Rio Rancho PSD	Sandoval Co.	STB	18/165

Capital Outlay Projects  
Chart by Agency

SFC Substitute for SB60 and HB337

Legislative Council Service  
51st Legislature, 1st Session, 2013

Project Title	Amount	City	County	Fund	Track
816 AGUA FRIA ELEM SCHL INFO TECH/SMART BOARDS	\$40,000	Santa Fe PSD	Santa Fe Co.	STB	18/166
1476 CAPSHAW MID SCHL MARQUEE	\$10,000	VETO Santa Fe PSD	Santa Fe Co.	STB	18/167
848 EL DORADO ELEMENTARY PLAYGROUND FENCING REPLACE	\$50,000	Santa Fe PSD	Santa Fe Co.	STB	18/168
853 EL DORADO ELEMENTARY SCHOOL ROOFS CONSTRUCT	\$100,000	Santa Fe PSD	Santa Fe Co.	STB	18/169
824 LARRAGOITE ACADEMY MARQUEE	\$10,000	VETO Santa Fe PSD	Santa Fe Co.	STB	18/170
819 RAMIREZ THOMAS ELEM SCHL PA SYSTEM	\$30,000	Santa Fe PSD	Santa Fe Co.	STB	18/171
1480 WOOD GORMLEY ELEM SCHL FIRE SECURITY SYSTEM	\$57,000	Santa Fe PSD	Santa Fe Co.	STB	18/172
59 PED PRE-KINDERGARTEN CLASSROOMS-PSCOF	\$2,500,000		Statewide	PSCO	53/1
58 PED SCHOOL BUSES-PSCOF	\$13,000,000		Statewide	PSCO	53/2
494 PUBLIC SCHOOLS ROBOT EQUIPMENT	\$298,357		Statewide	STB	18/173
1546 BELEN CSD WILLIE CHAVEZ PARK AGRICULTURE ED FARM	\$100,000	Belen CSD	Valencia Co.	STB	18/174
988 SCHOOL OF DREAMS ACADEMY VEHICLES & TRAILERS	\$100,000	Los Lunas PSD	Valencia Co.	STB	18/175
1549 VALENCIA HIGH SCHL OUTDOOR AMPHITHEATER CONSTRUCT	\$100,000	Los Lunas PSD	Valencia Co.	STB	18/176

**Summary for PUBLIC EDUCATION DEPARTMENT \$27,727,825**

**Agency: ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT**

34 EMNRD STATE PARKS & FORESTRY VEHICLES & EQUIPMENT	\$500,000		Statewide	STB	19/1
31 EMNRD WILDFIRE MITIGATION	\$2,500,000		Statewide	STB	19/2

**Summary for ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT \$3,000,000**

**Agency: PARKS DIVISION OF THE ENERGY, MINERALS AND NATURAL RESOURCES DE**

1213 EASTERN SANDOVAL CO LAND PRCHS FOR PARK	\$45,000	VETO	Sandoval Co.	STB	20/1
33 EMNRD STATE PARKS INFRA IMPROVE STATEWIDE	\$1,000,000		Statewide	STB	20/2

**Summary for PARKS DIVISION OF THE ENERGY, MINERALS AND NATURAL \$1,000,000**

**Agency: ENGINEER, OFFICE OF THE STATE**

474 ALB METRO FLOOD CONTROL AUTH PEDESTRIAN BRIDGE	\$125,000	Albuquerque	Bernalillo Co.	STB	21/ 1
45 SEO SPRINGER DAMS CONSTRUCT & REHAB	\$2,700,000	Springer	Colfax Co.	STB	21/ 2
475 UPPER RIO HONDO BASIN HYDROLOGIC STUDY	\$20,000		Lincoln Co.	STB	21/ 3
236 MORPHY LAKE DAM REHABILITATION PROJECT DESIGN	\$100,000		Mora Co.	STB	21/ 4
43 SEO INDIAN WATER RIGHTS SETTLEMENTS	\$10,000,000		Multiple Co.	STB	22
1647 SEO BRADNER DAM IMPROVE	\$1,800,000		San Miguel C	STB	21/ 5
496 LOMITAS NEGRAS WATER QUALITY STRUCTURE/PK-SSCAFCA	\$255,000	Corrales	Sandoval Co.	STB	21/ 6
497 BLACK ARROYO/MAGGIE CORDOVA PED BRIDGE-SSCAFCA	\$265,000	Rio Rancho	Sandoval Co.	STB	21/ 7
1426 GALISTEO CREEK RESTORATION	\$82,000		Santa Fe Co.	STB	21/ 8
239 NAMBE DAM IMPROVE	\$50,000	Nambe	Santa Fe Co.	STB	21/ 9
44 SEO SURFACE & GROUND WATER METERS-PPRF	\$1,000,000		Statewide	PPRF	50
708 QUESTA WATER RIGHTS PURCHASE	\$50,000	Questa	Taos Co.	STB	21/10
1403 UNION CO REGIONAL AQUIFER SYSTEM HYDROLOGIC STUDY	\$25,000		Union Co.	STB	21/11
976 BELEN FLOOD CONTROL FCLTY & INFRA	\$425,000	Belen	Valencia Co.	STB	21/12

**Summary for ENGINEER, OFFICE OF THE STATE \$16,897,000**

**Agency: ENVIRONMENT, DEPARTMENT OF**

471 CEDAR CREST MDWC & SWA WATER SYSTEM IMPROVE	\$151,000		Bernalillo Co.	STB	23/ 1
1039 TIJERAS WATER SYSTEM IMPROVE	\$390,000	Tijeras	Bernalillo Co.	STB	23/ 2
582 DEXTER WATER SYSTEM IMPROVE	\$100,000	Dexter	Chaves Co.	STB	23/ 3
575 ROSWELL INTERNATL AIR CENTER SEWER LINE	\$112,000	Roswell	Chaves Co.	STB	23/ 4
789 CEBOLLETA LAND GRANT WWATER SYSTEM IMPROVEMENTS	\$205,000	Cebolleta Land Gra	Cibola Co.	STB	23/ 5
629 RAMAH CHP MOUNTAIN VIEW WATERLINE EXTEND	\$50,000	Ramah Chapter	Cibola Co.	STB	23/ 6
257 CIMARRON WATER & WASTEWATER SYSTEM IMPROVEMENTS	\$50,000	Cimarron	Colfax Co.	STB	23/ 7
253 EAGLE NEST WATER SYSTEM IMPROVE	\$65,000	Eagle Nest	Colfax Co.	STB	23/ 8
603 COLFAX CO WELL FOR MAXWELL	\$75,000	VETO Maxwell	Colfax Co.	STB	23/ 9

***PUBLIC SCHOOL CAPITAL OUTLAY  
OVERSIGHT TASK FORCE***

**2012  
ANNUAL REPORT**



**REPORT  
of the  
PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE**

**Introduction**

As the "direct descendent" of several task forces that were created as a result of the 1998 *Zuni* lawsuit (*The Zuni Public School District et al. v. The State of New Mexico et al.*, CV-98-14-11), the Public School Capital Outlay Oversight Task Force (PSCOOTF) is the entity charged by statute to monitor the implementation of the standards-based process established in provisions of the Public School Capital Outlay Act, the Public School Capital Improvements Act and the Public School Buildings Act; to monitor the revenue streams that fund the standards-based process; to oversee the work of the Public School Facilities Authority (PSFA); and to make annual recommendations related to the implementation of the standards-based public school capital outlay process to the legislature and the executive before the beginning of each legislative session.

The legislature established the standards-based public school capital outlay process in response to the judge's order in the *Zuni* lawsuit that found the state to be in violation of the Constitution of New Mexico uniformity clause (Article 12, Section 1)<sup>1</sup>. Filed by parents on behalf of their children in the Zuni public schools, and later joined by parents in the Gallup-McKinley County and Grants-Cibola County public schools, the *Zuni* lawsuit successfully challenged the constitutionality of New Mexico's process for funding public school capital outlay that was in effect at the time. In 1999, Judge Joseph L. Rich, Eleventh Judicial District, gave the state until July 28, 2000 to correct past inequities and to establish and to implement a uniform system of funding for future public school capital improvements. Later, the court extended the deadline in order to evaluate the legislation recommended by a task force established in 2000 and subsequently created by law in 2001.

The current task force consists of 25 members, including members of the legislature and the executive; certain designated public members, some of whom have expertise in finance and education; and superintendents of school districts or their designees, two of whom must be from districts that receive federal impact aid grants. Appendix A provides a listing of the members who served during the 2012 interim.

Previous reports of the public school capital outlay task forces created by Laws 2001, Chapter 338 and re-created by Laws 2004, Chapter 125 provide details related to the background and development of the statewide standards-based public school capital outlay process that is now in its tenth year of implementation. While this report focuses primarily on the work of the task force during the 2012 interim, the following background information is provided for perspective on the issues before the task force.

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<sup>1</sup>"A uniform system of free public schools sufficient for the education of, and open to, all the children of school age in the state shall be established and maintained." (Article 12, Section 1, Constitution of New Mexico).

## **Background**

The earliest work that addressed public school capital outlay funding discrepancies was performed by a task force established by the State Department of Public Education (now the Public Education Department) in 1998 and co-chaired by Representative Ben Lujan and Senator Linda M. Lopez. This task force contracted with a nationally known consulting firm, MGT of America, Inc., to conduct a comprehensive review of issues concerning New Mexico public school capital outlay, including conducting a sampling assessment of public school facilities in 35 school districts.

The first legislatively created task force was established in 2000 in Senate Joint Memorial 21 by the Forty-Fourth Legislature, Second Special Session, in response to an order by *Zuni* lawsuit Judge Rich giving the state until July 28, 2000 to correct past inequities and establish and implement a uniform system of funding for future public school capital improvements. Many of this first Public School Capital Outlay Task Force's recommendations, issued in December 2000, were adopted in Laws 2001, Chapter 338, including statutory authorization to continue its work.

These recommendations, which were enacted in Laws 2001, Chapter 338, focused on establishment of a transitional three-pronged framework for public school capital outlay that:

- 1) corrected past inequities by providing 100 percent state funding for immediate remediation of health and safety deficiencies identified in a one-time initial assessment of every public school throughout the state;
- 2) continued to fund the substantial backlog of critical capital outlay needs of school districts that had substantially used up their own resources for public school capital improvements; and
- 3) implemented a long-term public school capital improvement process based on the development of adequacy standards.

In addition, this measure increased the Public School Capital Improvements Act (also called "SB 9" or "the two-mill levy") state guarantee from \$35.00 per mill per unit (the first such increase in almost 30 years) to \$50.00 per mill per unit and designated supplemental severance tax bonds as the permanent revenue source for public school capital outlay.

In April 2001, Judge Rich appointed the Honorable Dan McKinnon, former state supreme court justice, as a special master to review the progress the state had made in correcting past inequities and in developing and implementing the new capital outlay process. In his report, Justice McKinnon concluded "that since 1998 the state has made a substantial effort to rectify the disparities..." in funding for school facilities and that "... at this time the state is in good faith and with substantial resources attempting to comply with the requirements of Judge Rich's previous directions". Adopting the report of the special master in May 2002, Judge Rich

reserved the right to hold status conferences to monitor and review the state's progress in addressing issues raised by the *Zuni* lawsuit.

The special master's report emphasized the importance of mitigating the disequalizing effect of direct legislative appropriations to individual schools for capital outlay purposes and directed that these appropriations be taken into account in the funding formula that was to go into effect after September 1, 2003. In response to this directive, the 2003 legislature amended the funding formula (Laws 2003, Chapter 147) to provide an offset against state grant awards for public school capital outlay equal to a percentage of any funds received by a school district as a direct legislative appropriation using the local/state-share formula. At the time, the offset provision also applied to legislative appropriations for educational technology, with the reduction credited against the school district's annual distribution under the Education Technology Equipment Act.

Legislation enacted in 2004 made a number of improvements to the capital outlay process and provided \$57 million of additional funding for deficiency correction and continuation projects (Laws 2004, Chapter 125). It enacted many of the recommendations of the task force from the 2003 interim, including a recommendation to extend the life of the task force for an additional year, and added provisions relating to what are called "recalcitrant districts". These provisions would allow the Public School Capital Outlay Council (PSCOC) to bring a court action against a school district if it determines that a school district's facilities are below the minimum standard required by the constitution and that the district has consistently failed to take action. The court action could result in the imposition of a property tax in the school district to pay the district's required share of the costs of bringing the school facilities up to the adequacy standards. The task force considered the enactment of these "recalcitrant district" provisions as another important step for ensuring that the new process will comply with the directives of the court in addressing the *Zuni* remedies.

Legislation enacted in 2005 (Laws 2005, Chapter 274) added a number of refinements to the standards-based awards process as a result of experience gained during the pilot year, including many of the recommendations of the task force from the 2004 interim. Among those recommendations was completion of the deficiencies correction program with specific emphasis on the correction of serious roof deficiencies. In addition, this legislation created a separate two-year roof repair and replacement initiative and allocated up to \$30 million per year for fiscal years 2006 and 2007 for this initiative. The lease assistance program enacted in 2004 was modified to increase the maximum grant award from \$300 per member to \$600 per member and to extend this lease assistance to charter schools in their initial year of operation. In response to the task force's focus on improving maintenance of public school buildings, the SB 9 guarantee amount was increased from \$50.00 per mill per unit to \$60.00 per mill per unit with automatic yearly increases based upon the consumer price index. The legislation also established a framework to allow the PSCOC to waive all or a portion of the local share when funding a project if the district meets certain criteria.

The 2005 legislation also required new charter schools to meet educational occupancy

standards before being chartered and established guidelines to assist in the transition of charter schools to public facilities by 2010 (later amended to 2015).

During the 2005 interim, the first full year of the task force's existence in its current iteration, the members reviewed the statewide assessment of school facilities; the deficiencies correction program; the roof deficiency correction program; PSCOC awards; lease payment awards; the development of educational technology adequacy standards as directed by HB 511 from the 2005 legislature; and a number of issues related to charter schools. The task force also explored a number of new subjects, including high-growth districts and schools; issues related to rural and very small schools; alternative capital financing options, including tax increment financing and industrial revenue bonds; and opportunities for energy-efficient school buildings.

Acting on the recommendations of the PSCOOTF, the 2006 legislature passed and the governor signed into law Laws 2006, Chapter 95, p.v., amending the Public School Capital Outlay Act to:

- increase distributions for lease payments owed by schools, including charter schools, from \$600 to \$700;
- provide for partial state funding to school districts for the development of five-year facilities master plans, including full funding for some of the smaller districts;
- allow the use of state funding for demolition of abandoned school buildings;
- create a process to identify and correct serious outstanding deficiencies at the New Mexico School for the Blind and Visually Impaired and the New Mexico School for the Deaf if additional funding is provided;
- exempt all PSFA staff from provisions of the Personnel Act; and
- create a program for advancing to a school district the local matching share otherwise required if the money is for a "qualified high priority project", which is defined as a project in a high-growth area (also defined in the legislation). The legislation provides that, once a school district receives an advance of the local share, it is no longer eligible to receive state funding for future projects until the amount advanced is fully recouped by the amounts that would otherwise have been granted by the state.

Additional legislation passed and signed into law:

- requires districts to submit a five-year facilities plan to the PSFA before beginning any PSCOC project;
- eases restrictions on the limits on school district cash balances and allows the balances to be used for the local match required for PSCOC grant awards;
- creates a New School Development Fund to provide funding for school districts for one-time expenditures associated with the opening of new schools;
- amends the Procurement Code to allow the PSFA to be its own central purchasing office;
- appropriates funding to continue the development and implementation of the facility information management system (FIMS) program, a uniform web-based system to manage maintenance for school district facilities; and

- allocates funding to improve the indoor air quality of public schools.

During the 2006 interim, the task force heard testimony about the continuing statewide implementation of the FIMS and school district facilities master plans; revision of current PSFA oversight and review responsibilities, as well as concerns about a perceived PSFA staff focus on regulation rather than assistance; cooperation among school districts, counties and municipalities regarding issues related to growth; energy-efficient school buildings; factors affecting construction costs; an update on development and implementation of educational technology adequacy standards as required in HB 511, passed by the 2005 legislature; and concerns about offsets for direct appropriations.

PSCOOTF endorsements for legislation for the 2007 session addressed testimony that the task force heard during the 2006 interim, particularly the effects and some unintended consequences of legislation enacted over the previous six or seven years. Recommendations in the task force "omnibus" bill that were enacted and signed into law (Laws 2007, Chapter 366, p.v.) included the following:

- exemption from PSFA approval of school construction projects costing \$200,000 or less;
- the following amendments to the Public School Capital Outlay Act:
  - reduction of offsets from future projects awards for special appropriations by 50 percent if the special appropriation is for a project that ranks in the top 150 projects statewide;
  - transfer of the offset against a local school district for special appropriations for state-chartered charter schools from the school district to the state-chartered charter school;
  - allowance of PSCOC grant assistance to purchase a privately owned facility that is already in use by a school district if the facility meets specified requirements;
  - provision for additional time to correct outstanding deficiencies in the remaining deficiencies correction process, including some roofing projects;
  - an increase in lease reimbursement payments from \$600 to \$700 per MEM with yearly increases for inflation; and
  - an extension of time for the lease payments to 2020 and an allowance for limited leased administrative space to qualify for the lease reimbursement;
- an amendment to the Public School Capital Improvements Act (commonly known as SB 9) to increase the state guarantee from \$60.00 to \$70.00 per mill per unit with additional annual increases for inflation;
- amendments to the Public School Buildings Act (commonly known as HB 33) to:
  - allow a percentage of revenues to be used for project management;
  - increase the period for which a tax may be imposed from five to six years to track with SB 9 and other school district elections;
  - require that future local board bond resolutions contain the capital needs of charter schools based upon the appropriate five-year plans; and
  - require that the proportionate revenue from future HB 33 taxes approved by voters be distributed directly to charter schools;

- amendments to state statute to assist with implementation of the constitutional amendment approved by voters in the 2006 general election whereby lease-purchases are not considered debt in the constitutional sense, allowing school districts to enter into lease-purchase agreements without the leases being subject to voter approval; and
- amendments to the Procurement Code to provide for a contractor-at-risk mechanism for construction of education facilities.

Since 2003, when all districts became eligible to apply for public school capital outlay funds and the adequacy standards were made operational, the task force has heard testimony that some students live in school districts that may never have a large enough property tax base to be able to finance the building of facilities that can ever go above adequacy standards. The governor vetoed language in the "omnibus" bill that would have established a process to allow a school district to be eligible for an additional "beyond-adequacy" award if the PSCOC determined that:

1. the school district is otherwise eligible to apply for a grant under the Public School Capital Outlay Act;
2. the state share for existing grants under the act is 70 percent or greater;
3. the district's voters have approved a total school property tax rate of at least nine mills over the past three years;
4. at least 70 percent of the students in the district are eligible for free or reduced-fee lunches; and
5. for the next four years, because any local resources of the school district will be spent as the local match for projects, the school district will have no available resources from the state to exceed statewide adequacy standards.

The vetoed legislation would have equaled an amount from 10 to 25 percent of the original project cost and would have been funded through a five-year reversion of 20 percent of all unreserved, undesignated reverting balances to a public school facility opportunity fund; and by "shaving" three percent of all special legislative appropriations and depositing the proceeds into the fund. In his veto message, the governor requested further study of the funding sources and selection process.

PSCOOTF recommendations to the 2008 legislature resulted in the passage of an "omnibus" measure (Laws 2008, Chapter 90, p.v.) that proposed to amend the Public School Capital Outlay Act to allow the PSCOC to make awards above adequacy to qualifying school districts in addition to their standards-based funding. This section of the legislation was vetoed by the executive and did not become law. Other provisions of the bill that managed to avoid the veto pen include provisions to reduce the offset from a PSCOC grant award for direct appropriations made for joint use with another governmental entity; to provide an increased

grant award to districts with a demonstrable exemplary record of preventive maintenance; to reauthorize continuation of FIMS funding; and to appropriate funding to the already established New School Development Fund for FY 2009 and subsequent fiscal years for distributions to school districts for equipment and other nonoperating costs unique to the first year of a new school's operation.

Other PSCOOTF-recommended legislation did not receive executive messages and therefore were not considered by the 2008 legislature. They included measures (1) to repeal the current statutory requirement for bonding of subcontractors; (2) to allow for out-of-cycle transfer of charter school chartering authority from the local district to the state or vice versa, if appropriate; and (3) to amend the Public School Insurance Authority Act to provide for limited coverage in certain circumstances such as the community use of a public school building.

PSCOOTF recommendations to the 2009 legislature reflected the task force's focus on an examination of the ramifications of the Charter Schools Act's requirement that charter schools be located in public facilities by 2010 and other charter school facility issues; policies to encourage the joint use of school facilities by other governmental, community and certain private entities; the relationship of funding to provide adequacy and space flexibility; and costs related to revisions to the statewide adequacy standards.

Legislation based on PSCOOTF recommendations that passed the 2009 legislature and were signed into law by the governor include the following in SFC/SB 378 (Laws 2009, Chapter 258):

- amendments to the Charter Schools Act to extend to 2015 the deadline for charter schools to be located in public buildings;
- amendments to the Public School Capital Outlay Act to:
  - ▶ provide \$10 million to be awarded for expenditure in FY 2010 through FY 2012 for a roof repair and replacement initiative;
  - ▶ limit lease payment assistance for lease-purchase arrangements to charter school facilities;
  - ▶ remove the limit on the amount of lease payment assistance funds that may be awarded; and
  - ▶ require federal funds received by a school district or charter school for nonoperating costs be included in the district's or charter school's offset; and
- amendments to the Public School Capital Improvements Act to:
  - ▶ expand the definition of "capital improvements";
  - ▶ require bond resolutions to include charter school capital improvements; and
  - ▶ require proportional distributions of bond proceeds and state match dollars to charter schools.

The governor vetoed language in this measure that would have provided Public School Capital Outlay Act funding to pay for lights and bleachers for athletic fields at certain rural high schools and authorized an increase in grant assistance for qualifying rural high schools. The

governor vetoed similar legislative language allowing an increase in grant assistance for certain rural high schools that passed in the 2008 session.

In response to testimony heard during the 2008 interim regarding difficulties with implementation of the Public School Lease Purchase Act, the task force endorsed a measure (Laws 2009, Chapter 132) that amended the legislation passed in 2007 including the following:

- amendments to public school general obligation bond statutes to eliminate general obligation bond proceeds as a source of funding for lease-purchase agreements;
- amendments to the Public School Lease Purchase Act to:
  - ▶ extend the lease-purchase time to 30 years;
  - ▶ limit the interest to the amount determined by the Public Securities Act;
  - ▶ allow a school district to require the owner to pay the current market value in excess of the outstanding principal due at the time of termination;
  - ▶ allow property acquired in a lease-purchase to be considered public property;
  - ▶ require a local school board to comply with the Open Meetings Act when it enters into a lease-purchase agreement; and
  - ▶ require a local school board to include the tax revenue needed by a charter school if the charter school's charter has been renewed at least once.

Other legislation that passed the 2009 legislature and was signed into law includes the following:

- amendments to the Public School Insurance Authority Act to allow for insurance for joint use of school buildings (Laws 2009, Chapter 198);
- a measure that appropriates \$575,000 from the Public School Capital Outlay Fund (PSCOF) to develop and implement a geographic information system (Laws 2009, Chapter 115);
- amendments to the Public School Capital Outlay Act to add the New Mexico School for the Blind and Visually Impaired and the New Mexico School for the Deaf in the statewide deficiency corrections program (Laws 2009, Chapter 37); and
- new legislation to enact the Qualified School Construction Bonds Act to provide statutory language to implement the "qualified school construction bonds" program included in the federal American Recovery and Reinvestment Act of 2009 (ARRA).

During the 2009 interim, the task force heard testimony about, among other issues, the costs associated with subcontractor bonding, public school capital outlay project planning (development and implementation of education specifications), the effects of the broad economic decline that began in 2008, charter school facility issues and the positive effects of passage of the ARRA that have saved the state from massive budget cuts. Legislation that passed in 2010 and was signed into law includes the following:

- amendments to the Public School Capital Outlay Act (Laws 2010, Chapter 104, p.v.) to:
  - extend the roof repair and replacement initiative sunset date from 2012 to 2015;
  - require that money distributed from the PSCOF to the state fire marshal or the Construction Industries Division of the Regulation and Licensing Department be used to supplement, rather than supplant, appropriations to those agencies;
  - allow the PSFA to manage procurement for certain emergency school projects;
  - require the PSCOOTF to continue the work group studying performance-based procurement issues for public school capital outlay projects and report findings to the legislature and the executive before the 2011 legislative session; and
  - repeal sections of the law passed during the Forty-Ninth Legislature, Second Session, that appropriated \$29.9 million from the PSCOF directly to the Public School Insurance Authority to pay property insurance premiums and charter schools (including Albuquerque Public Schools); and
- amendments to the Qualified School Construction Bonds Act to clarify the methodology for allocation of bonding authority (Laws 2010, Chapter 56).

The 2010 interim addressed several issues, including, but not limited to:

- Albuquerque Public Schools's (APS) Capital Master Plan and APS's current policy regarding charter school facilities;
- the geographic information system, developed by PSFA in collaboration with the University of New Mexico's Earth Data Analysis center as the result of legislation endorsed by the PSCOOTF for the 2009 session;
- progress on the implementation of PSFA's FIMS and on equipment inventories and school district preventative maintenance plans;
- monitoring the implementation of the standards-based capital outlay program to ensure continued success toward achieving the goal of bringing all schools up to the adequacy standards and working to keep them there;
- the adequacy of the current permanent revenue streams;
- the effect of the current economy on the revenues to fund the current round of PSCOC grants and capital outlay funding resources and requirements for charter schools; and
- Public School Facility Authority (PSFA) audit reports on state sources of funding.

Key issues that the PSCOOTF addressed were charter school facility issues, which were discussed at almost every meeting. The task force heard testimony that legislation passed in 2006 requires districts to share Public School Buildings Act (HB 33) funds with charter schools and that legislation passed in 2009 with the same requirement for the Public School Capital Improvements Act ("two-mill levy" or "SB 9"). Representatives from charter schools and from the Public Education Department (PED) told the task force that several districts recently had HB 33 elections that did not include charter schools in the proclamation. PSFA staff presented information regarding a potential "incubator process" for charter school startups. The task force co-chair requested staff to work on the issue during the 2011 interim and to bring a more fully developed plan to both the PSCOC and the PSCOOTF for consideration for legislation for the 2012 session. The task force also spent time at several meetings discussing issues related to

PSFA and/or PSCOC approval of leases and lease-purchase agreements.

During the course of the 2010 interim, PSCOC and PSFA staff determined that enough funding would be available from supplemental severance tax bonds to allow for the awarding of special short-cycle, standards-based planning grants to qualify districts among the top 60 in the NMCI rankings. The task force heard a presentation from the PSCOC chair and the PSCOC Awards Subcommittee chair on the funding for grant awards, criteria for making grant awards and potential grant award recipients.

The 2010 recommendations of the PSCOOTF continued the work of the task force in terms of monitoring the continuing implementation of the standards-based process established in the Public School Capital Outlay Act while continuing to be mindful of the state's commitments related to the *Zuni* lawsuit and the standards-based process for allocating PSCOC funds.

For the past four years, the task force endorsed legislation, which did not pass, to eliminate or modify the statutory requirements for the bonding of subcontractors for public school projects. In response to continued concerns and a requirement in the "omnibus" bill, the task force continued and expanded the work group to examine the cost and benefits of bonding subcontractors on public school projects. The working group included task force members as well as representatives from the General Services Department, the PSFA and various representative groups from the construction industry. The group met on August 30 and again on October 7 and was facilitated by a contract professional to bring forth recommendations to the task force.

Members who were present at the last meeting of the task force work group agreed upon the following recommendations:

- Legislation: Increase the subcontractor bonding threshold from \$125,000 to \$250,000;
- Rule changes: Make wording changes in the New Mexico Administrative Code to modify proposal submission requirements and the resident preference;  
and
- Process changes for the PSFA: (1) develop a standardization template for submission of requests for proposals for construction, with detailed instructions; (2) develop a web-based training module for contractors and subcontractors; and (3) develop a process for web-based training for evaluation of committee members and require members to acknowledge completing it.

PSCOOTF endorsed-legislation for the 2011 legislature that was signed into law included:

- HB 113 (Laws 2011, Chapter 11), in which the Public School Capital Improvements Act (SB 9) and the Public School Buildings Act (HB 33) were amended to require charter schools to report anticipated and actual expenditure of distributions made

pursuant to those acts; and

- HB 283 (Laws 2011, Chapter 69), which amends the Public School Capital Outlay Act to require that, on or after July 1, 2011, a new charter school cannot open or an existing charter school cannot relocate unless the facilities of the new or relocated school have an NMCI rating equal to or better than average for all New Mexico public schools for that year and provides 18 months for charter schools to achieve this rating. The bill also exempts a school district leasing facilities to a charter school from State Board of Finance approval and requires PSFA approval before entering into a lease agreement or lease-purchase agreement for school facilities or before applying for a grant for lease payment.

The 2011 interim addressed several issues, including:

- special schools, including availability of grants and conditions for their eligibility for Public School Capital Outlay Act grants as well as the development of adequacy standards and inclusion of special schools in the standards-based process;
- amending the Procurement Code to clarify the use of "best and final offer";
- charter school facility issues, including the Charter School Capital Outlay Fund; and
- allowing mill levy proceeds to be used to meet local match requirements for Public School Capital Outlay Act grants.

The PSCOOTF addressed several key issues during the interim, including modifying statutory requirements for the bonding of subcontractors on public school projects. A subcommittee was appointed consisting of task force members, representatives from the General Services Department and the PSFA, legislative staff and representatives from a variety of construction industries. The subcommittee met on October 17 and November 10 in Santa Fe to bring forth recommendations for the task force's consideration. Members present at the final meeting of the subcommittee agreed on several recommendations, only one of which required legislative action: amending the Procurement Code to clarify the use of "best and final offer" in relation to requests for proposals for construction, maintenance, services and repairs. Other changes were administrative and related to changes in PSFA guidelines and the New Mexico Administrative Code.

The PSCOOTF also spent time considering issues unique to the New Mexico School for the Deaf (NMSD) and the New Mexico School for the Blind and Visually Impaired (NMSBVI). Working together with legislative staff and appropriate staff members from the two schools, PSFA staff members were able to provide the task force the opportunity to review and comment on proposed statutory and rule changes that would make the NMSBVI and the NMSD eligible to participate in the standards-based process. Bills endorsed by the PSCOOTF in 2012 included legislation to:

- amend the Public School Capital Outlay Act to repeal the 2012 repeal of the Charter School Capital Outlay Fund and repeal the language regarding reversion of unencumbered balances in the fund;

- amend the Public School Capital Outlay Act to make the NMSBVI and the NMSD eligible to participate in the Public School Capital Outlay Act standards-based process and provide for funding sources for the two schools to meet local match requirements;
- amend the Public School Buildings Act to allow mill levy proceeds to be used to meet local match requirements for Public School Capital Outlay Act grants; and
- amend the Procurement Code to clarify the use of "best and final offer" as it relates to requests for proposals for construction, maintenance, services and repairs.

The work of the task force during the 2011 interim was assisted by a team of professional staff from the Legislative Council Service, the Legislative Education Study Committee, the Legislative Finance Committee, the Department of Finance and Administration, the Public Education Department and the PSFA. The task force expressed its appreciation for the assistance of the staff in furthering its work.

## Work During The 2012 Interim

As the "direct descendant" of several task forces that were created in response to the 1998 *Zuni* lawsuit (*The Zuni Public School District et al. v. The State of New Mexico et al.*, CV-98-14-11), the PSCOOTF is charged by statute to monitor the implementation of the standards-based process established in provisions of the Public School Capital Outlay Act, the Public School Capital Improvements Act and the Public School Buildings Act; to monitor the revenue streams that fund the standards-based process; to oversee the work of the PSFA; and to make annual recommendations related to the implementation of the standards-based public school capital outlay process to the legislature and the executive before the beginning of each legislative session.

State statute allows the task force to hold a maximum of four meetings during each interim in addition to one organizational meeting. Those meetings were held in Santa Fe on June 6, August 1, September 24, November 12 and December 12. The New Mexico Legislative Council also authorized the task force to hold two work group meetings if needed.

The task force began its tenth year of overseeing the implementation of the Public School Capital Outlay Act standards-based process with a brief review of task force-endorsed measures considered by the 2012 legislature.

One of the task force's policy recommendations was enacted by the 2012 legislature and signed by the governor. Laws 2012, Chapter 53 (SB 196) allows the NMSBVI and the NMSD to participate in the Public School Capital Outlay Act standards-based process. Both of these special schools, which are established by the state constitution, have their own boards of regents and are overseen by the Higher Education Department, even though they are pre-kindergarten through twelfth grade schools. Enactment of this measure provides an additional source of funding for the capital outlay needs of these two historic institutions.

Two other task force-endorsed bills did not pass — one that would have delayed the repeal of the Charter School Capital Outlay Fund and one that would have made more consistent the language in the Procurement Code that addresses competitive sealed proposals.

At the task force's request, the PSFA developed a series of policy briefs for task force members to use as resources for their 2012 interim policy discussions. These policy briefs provided background material on issues related to the statutory lease-assistance program, including standardizing language in lease documents, a policy review of the Public School Capital Outlay Act, capital outlay funding formula issues and charter school facilities issues. The briefs also provided policy options in each of these areas, some of which required legislative change and others that required changes to the New Mexico Administrative Code or PSCOC guidelines.

The task force discussed several issues at length, with some emphasis on those issues presented by the PSFA for consideration. The task force reviewed initial recommendations from

the PSFA and requested that the PSFA and PSCOOTF staff alter some recommendations, address certain concerns and do more in-depth analysis on some recommendations before presenting revised briefs to PSCOOTF subcommittees specializing in certain subject areas.

The task force created two work groups made up of task force members and representatives from the educational community appointed by the task force co-chairs, which met on October 16 and 17 to work on policy recommendations for the task force's consideration. The PSFA presented pertinent issue briefs to the work groups, which then agreed upon a number of recommendations, that, at the direction of the co-chairs, were presented to the task force as draft legislation at the November 12 meeting.

At the November 12 meeting, members reviewed draft legislation and voiced support and concerns for various proposed bills. The members requested additional information from PSCOOTF staff and directed LCS staff to make certain changes to particular bills before bringing them back before the task force for endorsement. At the December 12 meeting, the PSCOOTF reviewed the revised draft legislation and voted to endorse specific bills.

The task force discussed the public school capital outlay funding formula at several meetings and eventually endorsed legislation to: (1) allow an annual distribution from the Public School Capital Outlay Fund for building systems repair, remodel or replacement; (2) allow the PSCOC more flexibility to determine local match waiver eligibility; (3) allow the PSCOC to make optional or adjust the automatic consumer price index rate for the lease-assistance program; and (4) provide a separate appropriation from the PSCOF to increase availability of funding for deferred maintenance.

The task force and its subcommittees spent time at each meeting discussing the availability of facilities for charter schools to meet the statutory requirement that all charter schools be in public buildings by 2015, always a topic of concern, as well as other charter school facilities issues. As the result of extensive discussion by both the task force and its work groups, the task force endorsed two bills at its December 12 meeting dealing with charter school facility issues: (1) to amend the Public School Capital Outlay Act to reestablish the Charter School Capital Outlay Fund that was repealed July 1, 2012 and to reestablish criteria for grant awards from that fund; and (2) to amend the Charter Schools Act to allow the PSCOC to recommend suspension, nonrenewal or revocation of a charter based on the charter school's facility condition.

## Highlights of Recommendations and Proposed Legislation

The 2012 recommendations of the PSCOOTF continued the work of the task force in terms of monitoring the continuing implementation of the standards-based process established in the Public School Capital Outlay Act while continuing to be mindful of the state's commitments related to the *Zuni* lawsuit and the standards-based process for allocating PSCOC funds.

PSCOOTF endorsements for the 2013 legislature included six bills that propose the following:

- 190441.4 allows the PSCOC to modify or not grant the automatic consumer price index adjustment from the lease-assistance program;
- 190926.1 makes an appropriation from the PSCOF to allow school districts and charter schools to address deferred-maintenance issues;
- 190444.6 allows the PSCOC to recommend suspension, nonrenewal or revocation of a charter based on the charter school's facility condition;
- 190439.5 provides flexibility to the PSCOC to determine local match waiver eligibility;
- 190747.2 reestablishes the Charter School Capital Outlay Fund that was repealed July 1, 2012 and reestablishes criteria for grant awards from that fund; and
- 190438.4 Defines "building system"; allows a specific distribution from the PSCOF for building systems repair, remodel or replacement; and provides guidelines for PSCOC determination of grant award recipients.

ELEVENTH JUDICIAL DISTRICT COURT  
COUNTY OF MCKINLEY  
STATE OF NEW MEXICO

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OFFICE OF ATTORNEY GENERAL

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NO: CV-98014-II

THE ZUNI PUBLIC SCHOOL DISTRICT, et al.,

Plaintiffs,

THE GALLUP-MCKINLEY SCHOOL DISTRICT NO. 1, et al.

Plaintiff-Intervenors

v.

THE STATE OF NEW MEXICO, et al.

Defendants

REPORT of SPECIAL MASTER

Introduction and Summary

On October 14, 1999 this court, after considering the briefs and oral arguments of the parties, entered a Partial Summary Judgment, determining that, "[T]he current funding of capital improvements for New Mexico's school districts violates Article XII, Section 1 of the New Mexico Constitution". The court also found that the disparity in bonding capacity, and differing taxable land values among the school districts created a lack of uniformity for funding capital improvements. To remedy the constitutional violation and past inequities, the State was given until July 28, 2000 in which "to establish and implement a uniform system" for future capital improvements as required under

Article XII, Section 1 of the Constitution.<sup>1</sup> Finally, the court reserved jurisdiction to review any plan developed by the State, and to impose sanctions for failure to adopt “an adequate and constitutional funding system.”

Subsequently, the court convoked a Status Conference with counsel on December 19, 2000, and was presented with a report of the Public School Capital Outlay Task Force. A Memorandum commemorating the conference was filed on February 14, 2001 (State Exh. 2, last entry). Paragraphs 6 and 7 of the Memorandum signed by Judge Rich state as follows:

6. This court found this report and its recommendations as presented by Task Force Chairman Dean Robert Desiderio to reflect a substantial and good faith effort.

7. This court further recognizes that any ultimate solution requires further legislative consideration and enactment.

A copy of the Report of the Public School Task Force dated December 2000 is included with this filing as State Exh. 8.

In 2000 House Bills 31 and 32 (Pltfs.' Exh. 5 and 6) were signed by the Governor and provided for the use of supplemental severance tax bonds for the funding of public school capital projects. On April 5, 2001, Senate Bill 167 was signed by the Governor which provides for considerable programmatic changes and very substantial additional revenues to help service the capital needs of the public schools (State Exh. 13) primarily through supplemental severance tax bonds.

On April 18, 2001, approximately two weeks after S.B. 167 became law, Judge Rich convoked another Status Conference which resulted in the court determining that a special master “be appointed to delineate and hear the remaining issues and to hold and conduct such evidentiary hearings

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<sup>1</sup> This section provides as follows: A uniform system of free public schools sufficient for the education of, and open to, all children of school age in the state shall be established and maintained.

as are necessary" (State Exh. 2, first entry). On May 8, 2001 pursuant to Judge Rich's Order, the undersigned was appointed as special master.

On or about July 2, 2001 in a motion filed by the plaintiffs, the issue for decision was framed as follows:

The Plaintiffs and the Plaintiff-Intervenors now request the Special Master to hear testimony and other evidence as to whether the Defendants have complied with the court's order of developing and implementing a uniform system for funding capital improvements for New Mexico school districts.

However, as noted above, under paragraph 5 (p. 4) of the Partial Summary Judgment, the State was also required to have in place a uniform system by July 28, 2000, almost a year before the filing of the motion.

After a conference with counsel on June 14, 2001 at which time certain ground rules for a merits hearing were set, the hearing on the above issue was convoked in federal court in Albuquerque on October 24, 2001 which lasted for two and one-half days. During the hearing the following witnesses were heard by me:

Paul Cassidy, Daln Rauscher, financial analyst,

Margaret Garcia, Zuni School Board Member,

Janet Peacock, Chief Economist for the Legislative Council Services,

David Cockerham, Zuni Superintendent of Schools,

Robert J. Desiderio, Dean of the UNM Law School

and co-chair of the Public School Capital Outlay Task Force,

John Samford, Asst. Supt. of Business Services for the Gallup-McKinley Schools,

Kenneth Martinez, State Senator,

Larry Binkley, Financial Officer, City of Gallup,

Dr. Forbis Jordan, a School Financial Reform Expert Witness,  
Steve Burrell, State Director, Public School Capital Outlay Unit, and  
Paula Tackett, Director, State Legislative Council, and  
Chair, Public School Capital Outlay Council

In addition, all exhibits offered by the parties were admitted in evidence and are included herewith for filing with the Clerk.

Based on my hearing the testimony of the witnesses, reviewing the transcript of most of the testimony, and reviewing the voluminous exhibits, I have concluded that for the reasons outlined in the accompanying Findings of Fact and Conclusions of Law, the state is to the extent possible under the circumstances, complying with the court's order requiring the development and implementation of a uniform system for funding capital improvements for New Mexico school districts. However, it is premature to completely judge the adequacy of the state's response to the court's Order. More time is needed to determine the efficacy of the state's deficiency corrections program, the adequacy standards for school facilities which must be adopted by September 2002, and the revenue streams for the funding of capital projects. What can be said at this point is that the state is engaging in a good faith attempt to rectify what all parties agree to have been a past failure to provide adequate resources for the funding of capital programs for the education of our children. Related to this failure is the inability of the plaintiffs to raise meaningful capital funds. Additionally, these poor school districts lack the political clout to fund needed capital projects with money generated by direct appropriations from the legislature, otherwise known as "pork". This practice conflicts with the constitutional principle requiring that a uniform system be in place for the education of our children.

The legislature will be meeting again in January. Notwithstanding the events of September 11<sup>th</sup>, it has the opportunity to address the issue of pork in order to insure a fair approach to the funding of our state's capital needs for its school-aged children. Nevertheless, based on the testimony of all of

those who are working within the system on the matters in issue, I find that the state is attempting in good faith to establish and implement a sufficient uniform system for the funding and development of capital projects in our school districts.

I recommend to Judge Rich adoption of the foregoing views, as well as the following Findings of Fact and Conclusions of Law:

### Findings of Fact

I

All parties agree that prior to the year 2000, the capital funding process for school districts was at least inadequate or non-existent for many, if not unfair and discriminatory (Tr. 92, 525-526).

II

Noting that a district court had ruled the system of funding capital improvements for New Mexico school districts to be unconstitutional, Senate Joint Memorial 21 was passed in 2000 during the second Special Session of the 44<sup>th</sup> Legislature (Pltfs'. Exh. 4). It essentially provided for the appointment of a Task Force (sometimes referred to as a "Blue Ribbon Commission") to analyze the state's capital funding process, and to study options for a continuing funding mechanism therefor. In addition, the Task Force was to analyze the financial impacts of those options, and consider the differing property values in the various districts.

III

The Work Plan adopted by the Task Force required it to review the current and future needs for public school outlay projects, to review issues relating to federal "impact aid" funds and other revenues

received by school districts, and to develop and analyze the funding options as stated above (State Exh. 3, App. B).

#### IV

Throughout 2000 the Task Force conducted over ten public meetings regarding the details of the Work Plan (Id., App. C).

#### V

In December 2000 the Task Force issued its Report to the legislature (State Exh. 8). In summary, it recommended immediate state action to correct health, safety, and code violations in New Mexico schools, make necessary maintenance and repairs, and provide funding for Critical Outlay (Id. App. D, Table 1). The total recommended for funding these projects was more than \$550 million over a four-year period. Commencing in FY 05 through FY 06, funding for maintenance and repairs would be \$89 million in supplemental severance tax bonds, and funding for Standards-based Capital Outlay would be at \$100 million per year by the utilization of supplemental severance tax bonds, and other sources.

#### VI

On April 5, 2001, in response to the Task Force Report, the legislature passed and the governor signed Senate Bill 167 which is one of the most dramatic actions ever taken by the state to remedy disparities of capital funding among New Mexico school districts (Pltfs' Exh. 13; Tr. 466). Under its provisions outstanding, serious deficiencies affecting the health and safety of students is first addressed on a priority of need basis, financed entirely by the state over a three-year period through supplemental severance tax bonds. This source of funding should be permanent, without a cap, and generate \$65 to \$75 million a year for at least the next five years unless the statute is changed (Tr. 130-131). If not, this funding should continue indefinitely without the need to seek annual appropriations from the legislature, but subject to the market price of minerals sold (Tr. 469).



In October, 2001 the following additional sums from the Public Outlay Fund were distributed to the plaintiff school districts (Tr. 430-431):

Grants-Cibola	\$6,000,000
Gallup-McKinley	\$8,100,000
Zuni_____	<u>\$1,700,000</u>

Total \$15,800,000

Combining the two amounts results in a total amount of \$35,180,000 having been received by the plaintiff school districts from the Public School Capital Outlay Fund since 1998. It does not include significant matching funds under S.B. 9, and Impact Aid which are also shown on the exhibit.

X

Under S.B. 167 (Pltfs.' Exh. 13 at p. 16), the state must issue statewide adequacy Standards for facilities applicable to all school districts. The Standards must establish the minimum acceptable level for the physical construction and capacity of buildings, the educational suitability of facilities, and the need for technological infrastructure. During the hearing the latest draft of the Standards with revisions up to October 1, 2001 were admitted in evidence as S.M. Exh. 6.

XI

The Standards are too detailed and diverse to summarize the content, and plaintiffs' counsel did not have access to them until they were admitted. However, an attachment to the exhibit indicates that at least five public hearings have been held at various locations in the state, and numerous groups and individuals have been consulted on matters affecting the Standards. While the State Superintendent of Public Instruction believes that the Standards require a high level of quality in the facilities (Tr. 525), the Public School Capital Outlay Council may waive, supplement, or modify a Standard as needed (Tr. 505). The goal of the Standards is not to achieve uniformity; "our goal is to achieve a uniform system" (Tr. 231). The Standards have been developed by many technical experts working with a

subcommittee of the Council (Tr. 509-510). At this time, the Standards are a "work in process" (Tr. 157-158); however, the statute requires that they be issued no later than September 1, 2002 (Pltfs.' Exh.13, p. 16).

## XII

Once the Standards are adopted and issued, school districts may apply to the Capital Outlay Council for the funding of projects (Tr. 140-141, 415-416, 442). Using a computer model and data base the proposals will be ranked according to need based on a comparison of the condition of a facility as compared to the applicable Standard thereby establishing priorities in the funding process (Tr. 467, 484).

## XIII

Over forty states have been litigating constitutional issues similar to ours regarding the requirement that New Mexico maintains a uniform system sufficient for the education of our children. While the wording of the constitutional provisions may vary from ours, it appears that there are basically two approaches for settling the constitutional debate: Equity v. Adequacy. From Dean Desiderio's perspective, practically all of which I credit and endorse, the equity approach of providing equal-per-student funding does not result in equal education because of the disparities related to special needs throughout the school districts, and the adequacy approach presents the best method for the funding of projects (State Exh. 8, app. E at p.6). The equity approach also tends to sacrifice local control to some extent (Id. p.7).

In contrast, adequacy standards present fewer practical problems. As Dean Desiderio points out, the "establishment of minimum standards of education define(s) what it takes to adequately educate students while identifying those districts that fail to comply" (Id.). Funding for those districts lacking resources will be provided by the state in order to meet the Standards. He adds that our sister

state Arizona is also required to provide a uniform system for the education of students and highlights the two requirements that must be met in order to withstand a constitutional challenge: 1) there must be adequate facility standards coupled with state funding for the projects not in compliance therewith, and 2) the funding mechanism must not cause substantial disparities between districts. To Dean Desiderio, adequacy standards translate into quality education for every student (Tr. 212). Finally, he states that the "trend in school finance has shifted from equity to adequacy" (State Exh. 8, app. E, p.8).

#### XIV

It will take at least three to five years in order to bring all facilities in the state up to an adequate level. When this is accomplished, it is contemplated S.B. 9 funding will be at a sufficient level to provide maintenance and repair funding of the facilities for the indefinite future (Tr. 210-211).

#### XV

The state must continuously monitor to assure that whatever it takes must be done to provide a quality education (Tr. 212). Dean Desiderio believes the Standards when adopted will contain provisions affecting at-risk and special education students (Tr. 217). Also, a status report apparently was made to the legislature in December 2001 on the work of the Task Force.

#### XVI

In 2000 the legislature passed and the governor approved direct appropriations, also known as "pork", for the funding of capital projects in certain school districts having political clout. Similarly, in 2001 in excess of \$28 million of pork was passed by the legislature; however, the governor vetoed this legislation (Pltfs'. Exh. 17, p. 3; Exh.18, p. 2).

#### XVII

Direct legislative appropriations or "pork" conflict with the constitutional provision which requires that the state provide a sufficient uniform system of education. Dean Desiderio is troubled by

It to the extent that unless changes are made, there will be "more and more cases like this" one because the system won't work (Tr. 241). Similarly, Dr. Forbls Jordan, the State's expert witness, testified that from a finance reform perspective, the use of pork can not be defended because it contributes to non-uniformity (Tr. 386). Finally, State Senator Kenneth Martinez testified that "pork" should be a recognized equalization element in the capital funding formula and should be handled in a similar manner to that used in the operational budget (Tr. 301-302). I adopt and credit this cited testimony of Dean Desidorio, Dr. Jordan and Senator Martinez.

### XVIII

As noted by Judge Rich in his Memorandum of February 14, 2001 (State Exh. 2, last entry), I also find that the Task Force Report and recommendations evidences a "substantial and good faith effort" to address his concerns and rulings. Similarly, the work of the legislature in enacting S.B. 167, which appropriates very substantial funds for the purposes described in these findings, is further and continuing evidence of good faith. To this extent, and since Judge Rich specifically noted that in his memorandum that "any ultimate solution" will require further "legislative consideration and enactment", I find the July 28, 2000 deadline for correction of the unconstitutional deficiencies to be unrealistic given the vagaries of the legislative process. I further find that all parties are acting in good faith to obtain a sufficient uniform system of education aptly described herein.

### XIX

At this point the parties must wait for the Standards to be promulgated so that they may be applied to school districts' inventory of needs, and be addressed in some priority fashion (Tr. 380). In short, more time is needed to see how the process develops before Judge Rich should impose any sanctions.

XX

All parties to this suit believe that the state has made great strides and efforts in an attempt to remedy the lack of capital funding for the school districts, especially the poorer ones (Tr. 552-554, 556). As Mr. VanAmberg put it: "the current system and as proposed is not too far off" (Tr. 559).

XXI

The attorneys were not only well prepared, but also presented their positions competently and professionally, both at the hearing and in their submissions.

### Conclusions of Law

I

At the time this litigation was commenced, the state's method of financing the capital needs of the school districts violated Article XII, Section 1 of the Constitution in that it created substantial and impermissible disparities among the districts, thereby perpetuating a non-uniform system for the funding of capital projects in our school districts.

II

Since 1998 the state has made a substantial effort to rectify the disparities as outlined in the Findings. While many improvements in our school facilities are still in the planning state, I conclude that at this time the state is in good faith and with substantial resources attempting to comply with the requirements of Judge Rich's previous directions.

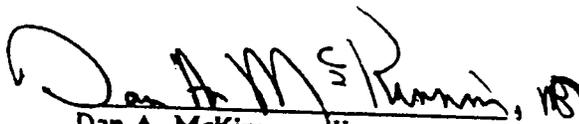
III

Because the use of direct appropriations necessarily removes substantial funds from the capital outlay process where merit and need on a priority basis dictate how funds are to be distributed, the state should take into account in its funding formula these appropriations as an element thereof.

IV

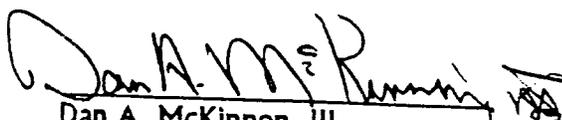
While the state has shown good faith, it should be required to account to this court in detail about the status of all of its efforts and programs to bring the state in compliance with our constitutional requirement. This should include a mechanism for periodic review of the adequacy Standards to insure that education needs are not judged by out of date Standards. The timing and frequency of such accountings is left to the court.

Respectfully submitted,

  
Dan A. McKinnon, III  
January 14, 2002

Certificate of Service

I certify that on January 14, 2002 I mailed copies of this Report to the Honorable Joseph L. Rich, District Judge, and all counsel of record. I further certify that on the same date I mailed the original of this Report for filing together with a transcript of the hearing, and all exhibits introduced into evidence at the hearing to Ms. Francisca Palochak, Chief Deputy Clerk.

  
Dan A. McKinnon, III



IN THE ELEVENTH JUDICIAL DISTRICT  
STATE OF NEW MEXICO  
COUNTY OF MCKINLEY

DISTRICT COURT  
MCKINLEY COUNTY  
N.M.

THE ZUNI PUBLIC SCHOOL DISTRICT, et al.,  
Plaintiffs,

2002 MAY 30 A 11: 29

THE GALLUP-MCKINLEY SCHOOL DISTRICT  
NO.1, et al.,

Plaintiffs-Intervenors .

-vs-

No. CV-98-14-II

THE STATE OF NEW MEXICO, et al.,

Defendants.

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RECEIVED  
OFFICE OF COUNTY CLERK

**ORDER APPROVING REPORT OF SPECIAL MASTER**

THIS CAUSE came before the Court pursuant to Rule 1-053 E (2), NMRA 2002. All parties were represented by counsel. Each party was given the opportunity to state its position regarding the Report of the Special Master.

**Background**

1. This Court entered a Partial Summary Judgment in favor of the Plaintiff/Intervenors (Plaintiffs) on October 14, 1999.
2. At the request of Plaintiffs, this Court agreed to and agreed to appoint a Special Mater to hear issues and conduct such evidentiary hearings as may be necessary. This was referenced in this Court's Status Conference Memorandum filed on April 24, 2001.
3. The Honorable Dan McKinnon was appointed as Special Master by this Court's Order filed on May 8, 2001.

4. The Special Master conducted an evidentiary hearing which took place over a three-day period beginning October 24, 2001. Hundreds of pages of exhibits were introduced into evidence. Twelve witnesses testified.

5. On January 14, 2002 the Special Master rendered his Report.

6. All Plaintiffs have filed objections to the Report in one form or another.

7. This Court held a hearing on the objections on May 2, 2002.

#### Standard Of Review

8. Rule 1-053 E (2), NMRA 2002 states in pertinent part:

(2) In an action to be tried without a jury, the Court shall accept the master's findings of fact unless clearly erroneous.

Further,

...the Court after hearing, may adopt the report or may modify it or may reject it in whole or in part or may receive further evidence or may recommit it with instructions.

9. "Clearly erroneous" within the rule that the Trial Court shall accept the Special Master's findings of fact unless they are "clearly erroneous" means findings not supported by substantial evidence. See *Lopez v. Singh*, 53 N.M. 245 (S.C. 1949).

10. If there is any testimony consistent with the Special Master's findings, they must be treated as unassailable. See *Witt v. Skelly Oil Company*, 71 N.M. 411 (S.C. 1963).

11. The Special Master's findings are presumed to be correct and where there is any testimony consistent with the findings, they must be treated as unassailable. See *State ex rel. Reynolds v. Niccum*, 102 N.M. 330 (S.C. 1985).

12. A Trial Court has the authority to consider the Conclusions of Law reached in the Report on a de novo basis. See *Lozano v. GTE Lenkurt, Inc.*, 122 N.M. 103 (Ct. App 1996).

#### **Report of Special Master**

13. The Report of the Special Master was based upon his synthesis of the testimony and his critical review of all exhibits. The Special Master had the unique opportunity to view the witnesses to determine their sincerity and credibility.

14. The Special Master clearly labored to present a Report to this Court which was concise, succinct and supported by the record. He has the thanks of this Court for a difficult job well done.

#### **Findings of Special Master**

15. The Findings of the Special Master has been reviewed in accordance with the above cited authorities. As to the Findings of Fact of the Special Master, the Court rules as follows:

- a. Finding No. I is adopted.
- b. Finding No. II is adopted.
- c. Finding No. III is adopted.
- d. Finding No. IV is adopted.
- e. Finding No. V is adopted
- f. Finding No. VI is adopted
- g. Finding No. VII is adopted
- h. Finding No. VIII is adopted
- i. Finding No. IX is adopted

- j. Finding No. X is adopted
- k. Finding No. XI is adopted.
- l. Finding No. XII is adopted
- m. Finding No. XIII is adopted.
- n. Finding No. XIV is adopted.
- o. Finding No. XV is adopted.
- p. Finding No. XVI is adopted.
- q. Finding No. XVII is adopted.
- r. Finding No. XVIII is adopted.
- s. Finding No. XIX is adopted.
- t. Finding No. XX is adopted.
- u. Finding No. XXI is adopted.

16 As to the Conclusions of Law of the Special Master, the Court rules as follows:

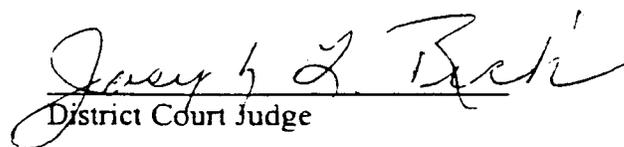
- a. Conclusion No. I is adopted.
- b. Conclusion No. II is adopted.
- c. Conclusion No. III is adopted.
- d. Conclusion No. IV is adopted.

17 The above Conclusion of Law is supported by the Findings of Fact and the record in this cause and should be adopted. See *State ex rel. Reynolds*, supra at page 333 and *Witt v. Skelly Oil Company*, supra at page 412.

WHEREUPON, it is:

ORDERED, ADJUDGED AND DECREED as follows:

1. The Report of the Special Master is approved as corrected by the State's Motion for Corrections.
2. The objections of the Plaintiffs to the Report are overruled.
3. The Legislature has made some progress since this Court's Partial Summary Judgment but should continue its work in this area.
4. This Court reserves the right to hold status conferences or review of legislative activity subsequent to any session of legislature.

  
District Court Judge



## Impact Aid Districts

Alamogordo Public Schools  
Albuquerque Public Schools  
Bernalillo Public Schools  
Bloomfield Schools  
Central Consolidated Schools  
Cloudcroft Municipal Schools  
Clovis Municipal Schools  
Cuba Independent Schools  
Dulce Independent Schools  
Española Public Schools  
Farmington Municipal Schools  
Gallup-McKinley County Schools  
Grants-Cibola County Schools  
Jemez Mountain Public Schools  
Jemez Valley Public Schools  
Las Cruces Public Schools  
Los Alamos Public Schools  
Los Lunas Public Schools  
Magdalena Municipal Schools  
Maxwell Municipal Schools  
Peñasco Independent Schools  
Pojoaque Valley Public Schools  
Portales Municipal Schools  
Raton Public Schools  
Ruidoso Municipal Schools  
Taos Municipal Schools  
Tularosa Municipal Schools  
Zuni Public Schools

## A Primer on Public School Capital Outlay Funding in New Mexico

By Sharon Ball, New Mexico Legislative Council Service

Public school *capital outlay* funding, that is, funding used to purchase *capital assets* like buildings (as opposed to operating funds that are used to pay ongoing *expenses that are not capital assets*) is both a local and a state responsibility in New Mexico.

School districts can generate capital outlay revenues *from the state* through two statutory measures: one that guarantees a level of funding based on a district's ability to support its capital outlay needs through local property taxes, and another that provides funding to meet state adequacy standards for school facilities.

School districts can generate capital outlay revenues *locally* from the sale of bonds, direct levies, earnings from investments, rents, sales of real property & equipment, and other miscellaneous sources.

### DETAILS ON STATE SOURCES OF REVENUE:

#### **Public School Capital Improvements Act:**

Also called "SB9" or the "two-mill levy," this funding mechanism allows districts, with voter approval, to impose a levy of up to two mills<sup>1</sup> for a maximum of six years.

Participating districts are guaranteed a certain level of funding supplemented with state funds if the local tax effort does not generate the guaranteed amount. The "program guarantee" is based on the school district's 40<sup>th</sup> day total program units<sup>2</sup> multiplied by the matching dollar amount (\$70 per program unit, plus consumer price index adjustments) multiplied by the mill rate stated in the voter approved resolution. The total revenue generated by the two-mill levy is subtracted to determine the amount of "matching," or guarantee funds the district will receive from the state (see also Public School Capital Improvements Act under "Local Support").

The Public School Capital Improvements Act also guarantees each district whose voters agree to impose the levy a minimum distribution from state funds of approximately \$5 per mill per unit (with yearly adjustments based upon the consumer price index).

#### **Public School Capital Outlay Act:**

Enacted in 1975 and formerly called "critical capital outlay," this funding mechanism has provided for state funding of critical school district capital outlay needs that could not be met by school districts after they had exhausted other sources of funding. Generally, these were districts that had imposed the SB9 levy and were bonded to "capacity." Amendments enacted beginning in 2003, however, have changed the former "critical capital outlay" process to a new standards-based process that all school districts may access regardless of bonded indebtedness. The new

<sup>1</sup> A "mill" is \$.001. A mill levy is the number of dollars a taxpayer must pay for every \$1,000 of assessed value of taxable real property. In New Mexico, one third of the assessed value of qualifying real property is taxable, so a two mill levy would cost a property owner \$2.00 for each \$1,000 of taxable assessed value. A property worth \$100,000 in assessed value would have a taxable value of \$33,000. A two mill levy would therefore cost this property owner \$66.00 (that is, \$2.00 x 33 = \$66.00)

<sup>2</sup> On average, a student generates approximately two program units.

# **Appendix 1**

## **A Primer on Public School Capital Outlay Funding in New Mexico**

*By Sharon Ball, New Mexico Legislative Council Service*

process is based on the public school facilities adequacy standards that the Public School Capital Outlay Council (PSCOC) adopted in September 2002.

Provided for in statute, the PSCOC is required to investigate all applications for grant assistance from the Public School Capital Outlay Fund and determine grant amounts for each qualifying applicant district. The council's membership consists of the following representatives (or their designees):

- **Secretary of the Department of Finance & Administration (DFA)**
- **Secretary of Education**
- **Governor**
- **President of the New Mexico School Boards Association**
- **Director of the Construction Industries Division**
- **President of the Public Education Commission**
- **Director of the Legislative Education Study Committee**
- **Director of the Legislative Finance Committee**
- **Director of the Legislative Council Service**

Through legislation enacted in 1999, 2001, and 2003, and later amended, the standards-based public school capital outlay program was developed and established partially in response to a 1998 lawsuit filed in state district court by the Zuni Public Schools and later joined by the Gallup-McKinley County Public Schools and the Grants-Cibola County Public Schools. State district court Judge Joseph Rich found, in a partial summary judgment rendered in October 1999, that, through its public school capital outlay funding system, which relied primarily upon local property tax wealth to fund public school capital outlay, the state was violating that portion of the state constitution that guarantees establishment and maintenance of a "uniform system of free public schools sufficient for the education of ...all children of school age" in the state.

In 2001, the legislature also established a Deficiencies Corrections Program (DCP) to identify and correct serious deficiencies in all public school buildings and grounds that may adversely affect the health or safety of students and school personnel. All districts received DCP funding based on evaluation of deficiencies. Currently, all districts' DCP projects are completed or near completion.

In 2003, the legislature enacted a state share funding formula to take into account the availability of school district revenues from both bond levies and direct mill levies that support capital outlay. Relying primarily on the relative property tax wealth of a school district as measured by assessed property tax valuation per student, the funding formula calculation also takes into account the total mill levy applicable to residential property of the district for education purposes. The formula recognizes that the maximum state share of the most property-poor districts in the state can be a total of 100 percent state funding. The overall formula provides approximately an average state share for all districts of approximately 50 percent, while providing for a minimum state share of 10 percent.

**A Primer on Public School Capital Outlay Funding in New Mexico**

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Also in 2003, the legislature created the Public School Facilities Authority (PSFA) to serve as staff to the PSCOC and, under PSCOC oversight, to administer the public school capital outlay standards-based program, which was implemented for the first time in 2004. The PSCOC developed the New Mexico Condition Index (NMCI), which ranks every facility in every school district based upon relative need, from the greatest to the least. The current NMCI database includes all 89 school districts, approximately 800 public school buildings in these districts, and 65,000 separate, distinct systems in those buildings. In all, about 200,000 specific line items feed into nine weighted categories. Working with PSFA staff, each school district is responsible for updating its respective buildings' database as projects are funded.

Each year, the PSCOC updates and publishes the NMCI-ranked list, which includes the estimated cost of repair or replacement of each need on the list. In 2010, the total cost of repair or replacement for all of the state's school district facilities was about \$3.4 billion for existing facilities. It did not include estimated costs for constructing new facilities in high-growth areas. Since the state lacks the resources to fund all facilities' needs at once, each year, the PSCOC works down from the top of the list to fund needs as available revenues allow. Once the need has been funded, it drops down to the bottom of the ranked list, and lower level needs accordingly move up in priority.

Within the ranked needs database, deficiencies are divided into categories. Categories with higher importance, including life, safety, or health needs, get higher relative weights, placing those projects higher on the priority list.

**NMCI Ranking Categories and Weights:**

	<i>Data Category</i>	<i>Weight</i>
<b>1</b>	<b>Adequacy, life, safety, health</b>	<b>3.50</b>
<b>2</b>	<b>Potential mission impact/degraded</b>	<b>1.50</b>
<b>3</b>	<b>Mitigate additional damage</b>	<b>2.00</b>
<b>4</b>	<b>Beyond expected life</b>	<b>0.25</b>
<b>5</b>	<b>Grandfathered or state/district recommended</b>	<b>0.50</b>
<b>6</b>	<b>Adequacy: facility</b>	<b>1.00</b>
<b>7</b>	<b>Adequacy: space</b>	<b>3.00</b>
<b>8</b>	<b>Adequacy: equipment</b>	<b>0.50</b>
<b>9</b>	<b>Normal—within lifecycle</b>	<b>0.25</b>

In addition, adequacy of space is highly weighted so that districts' needs generated by population growth also move those projects higher on the priority list.

The primary source of state funding for the standards-based process is the issuance of Supplemental Severance Tax Bonds (SSTBs). These bonds are issued by the state Board of

# Appendix 1

## A Primer on Public School Capital Outlay Funding in New Mexico

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Finance and paid for with revenue realized from taxes levied upon the extraction of oil and natural gas. Legislative reauthorization for the issuance of Supplemental Severance Tax Bonds on a year-to-year basis is not required, a condition that makes SSTBs a dedicated funding stream for public school capital outlay. Since its beginning in 2003, the standards-based funding process has provided over \$1.4 billion in state funding for public school capital outlay.

**Lease Assistance Payments:**

State statute authorizes the PSCOC to make grants to school districts and charter schools from the Public School Capital Outlay Fund to assist with lease payments for classroom space. The grants amount to the lesser of the actual lease payment or \$700 per student (adjusted yearly based on the Consumer Price Index (CPI)).

**Direct Legislative Appropriations:**

Sponsored by individual legislators, direct legislative appropriations are capital outlay project funding targeted for specific projects within the school district. Revenue sources can include the general fund, severance tax bonds, or statewide general obligation bonds. For FY 09, the legislature appropriated approximately \$39 million (which was reduced to approximately \$25.9 million after executive vetoes) from the general fund and from the sale of severance tax bonds for capital outlay projects and equipment in public school districts.

In response to state district court findings related to the Zuni Lawsuit regarding the disequalizing effect of direct legislative appropriations for capital outlay expenditures for school districts or individual schools, the 2003 legislature enacted a measure to require that an offset be applied against the state share of funds awarded to a school district by the PSCOC for all capital outlay projects (including those for educational technology) beginning with the 2003 legislative session. The offset is an amount based on the state share formula equaling 100 percent minus the state share percentage calculated by the formula, times the amount of the legislative appropriation, as shown in the example below:

**Example of How the Legislative Offset Works:**

Legislative appropriation to a school	\$1,000
PSCOC award to that school's district	\$2,000
That district's local match percent	40%
Offset reduction in district's PSCOC award calculation ( $\$1,000 \times 40\%$ )	(\$400)
District's net PSCOC award amount ( $\$2,000 - \$400$ )	\$1,600
<b>Total funds received by district (<math>\\$1,000 + \\$1,600</math>)</b>	<b>\$2,600</b>

*The most significant effect of the offset is not to reduce total funds that the district receives, but to potentially reduce funds available for higher priority needs, if the direct appropriation was for a lower-priority project than projects for which the district had applied for PSCOC award funding. In this case, the higher priority projects would have funding levels reduced by the amount of the offset.*

**A Primer on Public School Capital Outlay Funding in New Mexico***By Sharon Ball, New Mexico Legislative Council Service***DETAILS ON LOCAL SOURCES OF REVENUES:*****Local General Obligation (GO) Bonds:***

GO bonds allow local school districts to seek voter approval to raise revenues to erect, remodel, make additions to, or furnish school buildings; to purchase or improve school grounds; to purchase computer hardware or software for student use in the classroom; or any combination of these purposes. Each district's issuance of bonds is subject to the constitutional (Article IX, Section 11, NM Constitution) limit of six percent of the assessed valuation of the district. Prior to the bond election, the district must request that the Public Education Department (PED) verify the district's remaining bonding capacity.

If the election is successful, the local school board, subject to the approval of the Attorney General, may begin to issue the bonds. The authorized bonds must be sold within four years of voter approval.

***Public School Capital Improvements Act:***

Commonly referred to as "SB9" or the "two-mill levy," this funding mechanism allows school districts to ask voters to approve a levy of up to two mills for a maximum of six years.

Funds generated through imposition of the two-mill levy may only be used to:

- Erect, remodel, make additions to, provide equipment for, or furnish public buildings;
- Purchase or improve public school grounds;
- Maintain public school buildings or public school grounds, including the purchase or repair of maintenance equipment, participation in the facility information management system (FIMS), make payments under contracts with regional education cooperatives (RECs) for maintenance support services and expenditures for technical training and certification for maintenance and facilities managements personnel, excluding salaries of school district employees;
- Purchase student activity buses for transporting students to and from extracurricular activities; and/or
- Purchase computer software and hardware for student use in classrooms.

***The Public School Buildings Act:***

Often referred to as HB33, the Public School Buildings Act allows districts to ask voters to approve the imposition of up to 10 mills for a maximum of six years on the net taxable value of property in the district.

HB33 funds may only be used to:

- Erect, remodel, and make additions to, provide equipment for, or furnish public school buildings;
- Make payments in accordance with a financing agreement entered into by a school district or a charter school to lease a building or other real property with an option to purchase for a price that is reduced according to payments made;

**A Primer on Public School Capital Outlay Funding in New Mexico**

*By Sharon Ball, New Mexico Legislative Council Service*

- Purchase or improve school grounds;
- Purchase activity vehicles to transport students to and from extracurricular activities (This authorization does not apply to the Albuquerque school district); and
- Pay for administration of public school capital outlay projects up to five percent of total project costs.

A limitation to the use of HB33 requires that the voter-authorized HB33 tax rate, when added to the tax rates for servicing the debt of the school district and the rate authorized under the Public School Capital Improvements Act (SB9), cannot exceed a total of 15 mills. If so, the HB33 rate would be adjusted downward to compensate. This funding mechanism is most useful for districts with high assessed valuation and low bonded indebtedness.

***Educational Technology Equipment Act:***

Enacted in 1997, the *Educational Technology Equipment Act* provides the enabling legislation to implement a constitutional amendment approved by voters in 1996 to allow school districts to create debt, without submitting the question to voters, to enter into a lease-purchase agreement to acquire educational technology equipment.

***Public Building Energy Efficiency and Water Conservation Act:***

This is a self-funded program that allows school districts to enter into a guaranteed utility savings contract with a qualified provider to reduce energy, water, or conservation-related operating costs, if the cost of the program does not exceed the cost savings over a period of not more than ten years.

**DETAILS ON FEDERAL SOURCES OF REVENUES**

***Impact Aid Funds:***

The federal government provides certain funds to school districts in lieu of local property taxes for children residing on federal lands or children having parents working on federal property.

***Forest Reserve Funds:***

Fifty-seven school districts in 22 New Mexico counties receive Forest Reserve funds. The counties in which these school districts are located receive 25 percent of the net receipts from operations (primarily timber sales) within their respective reserve areas.

**DETAILS ON MISCELLANEOUS SOURCES OF REVENUES**

Districts can also derive capital outlay funds from such sources as donations, earnings from investments, rent, and sale of real property and equipment. The legislature can also appropriate limited funds for capital outlay emergencies to the Public Education Department (PED) for distribution to public school districts, based upon need.

## ARTICLE 24

### Public School Capital Outlay

#### Section

- 22-24-1 Short title.
- 22-24-2 Purpose of act.
- 22-24-3 Definitions.
- 22-24-4 Public school capital outlay fund created; use.
- 22-24-4.1 Outstanding deficiencies; assessment; correction.
- 22-24-4.2 Repealed.
- 22-24-4.3 Roof repair and replacement initiative.
- 22-24-4.4 Serious roof deficiencies; correction.
- 22-24-5 Public school capital outlay projects; application; grant assistance.
- 22-24-5.1 Council assistance and oversight.
- 22-24-5.2 Repealed.
- 22-24-5.3 Preventive maintenance plans; guidelines; approval.
- 22-24-5.4 Recalcitrant school districts; court action to enforce constitutional compliance; imposition of property tax.
- 22-24-5.5 Preventive maintenance plans; participation in facility information management system.
- 22-24-5.6 Outstanding deficiencies at certain state educational institutions.
- 22-24-5.7 Local match provisions for qualified high priority projects.
- 22-24-5.8 Adequacy standards; constitutional special schools.
- 22-24-6 Council created; organization; duties.
- 22-24-6.1 Procedures for a state-chartered charter school.
- 22-24-6.2 Repealed.
- 22-24-7 Public school capital outlay oversight task force; creation; staff.
- 22-24-8 Public school capital outlay oversight task force; duties.
- 22-24-9 Public school facilities authority; creation; powers and duties.
- 22-24-10 Public facilities to be used by charter schools; assessment.
- 22-24-11 Recompiled.

#### 22-24-1. Short title.

Chapter 22, Article 24 NMSA 1978 may be cited as the "Public School Capital Outlay Act".

**History:** 1953 Comp., § 77-24-9, enacted by Laws 1975, ch. 235, § 1; 1978, ch. 152, § 1; 2000 (2nd S.S.), ch. 19, § 1.

**Cross references.** — For public school finances generally, see 22-8-1 NMSA 1978 et seq.

For public school capital improvements, see 22-25-1 NMSA 1978 et seq.

**The 2000 amendment**, effective April 12, 2000, substituted "Chapter 22, Article 24 NMSA 1978" for "Sections 22-24-1 through 22-24-6 NMSA 1978".

## ANNOTATIONS

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For article, "No Cake For Zuni: The Constitutionality of New Mexico's Public School Capital Finance System," see 37 N.M.L. Rev. 307 (2007).

### **22-24-2. Purpose of act.**

The purpose of the Public School Capital Outlay Act is to ensure that, through a standards-based process for all school districts, the physical condition and capacity, educational suitability and technology infrastructure of all public school facilities in New Mexico meet an adequate level statewide and the design, construction and maintenance of school sites and facilities encourage, promote and maximize safe, functional and durable learning environments in order for the state to meet its educational responsibilities and for New Mexico's students to have the opportunity to achieve success.

History: 1953 Comp., § 77-24-10, enacted by Laws 1975, ch. 235, § 2; 1978, ch. 152, § 2; 1994, ch. 88, § 1; 2004, ch. 125, § 6.

**The 2004 amendment**, effective May 19, 2004, replaced the previous purpose to "meet critical school district capital outlay which cannot be met by the school district after it has exhausted available resources" with the purpose that follows "is to" at the beginning of the section.

**The 1994 amendment**, effective May 18, 1994 deleted "all" preceding "available" near the end of the section.

### **22-24-3. Definitions.**

As used in the Public School Capital Outlay Act:

A. "constitutional special schools" means the New Mexico school for the blind and visually impaired and the New Mexico school for the deaf;

B. "constitutional special schools support spaces" means all facilities necessary to support the constitutional special schools' educational mission that are not included in the constitutional special schools' educational adequacy standards, including, but not limited to, performing arts centers, facilities for athletic competition, school district administration and facility and vehicle maintenance;

C. "council" means the public school capital outlay council;

D. "fund" means the public school capital outlay fund; and

E. "school district" includes state-chartered charter schools and the constitutional special schools.

History: 1953 Comp., § 77-24-11, enacted by Laws 1975, ch. 235, § 3; 1978, ch. 152, § 3; 2006, ch. 94, § 58; 2012, ch. 53, § 1.

**The 2012 amendment**, effective May 16, 2012, made the school for the blind and visually impaired

and the school for the deaf, including all facilities that are necessary for their educational missions, eligible for public school capital outlay funding; added Subsections A and B; and in Subsection E, after "charter schools", added "and the constitutional special schools".

The 2006 amendment, effective May 17, 2006, added Subsection C to define school district.

#### **22-24-4. Public school capital outlay fund created; use.**

A. The "public school capital outlay fund" is created. Balances remaining in the fund at the end of each fiscal year shall not revert.

B. Except as provided in Subsections G and I through L of this section, money in the fund may be used only for capital expenditures deemed necessary by the council for an adequate educational program.

C. The council may authorize the purchase by the public school facilities authority of portable classrooms to be loaned to school districts to meet a temporary requirement. Payment for these purchases shall be made from the fund. Title to and custody of the portable classrooms shall rest in the public school facilities authority. The council shall authorize the lending of the portable classrooms to school districts upon request and upon finding that sufficient need exists. Application for use or return of state-owned portable classroom buildings shall be submitted by school districts to the council. Expenses of maintenance of the portable classrooms while in the custody of the public school facilities authority shall be paid from the fund; expenses of maintenance and insurance of the portable classrooms while in the custody of a school district shall be the responsibility of the school district. The council may authorize the permanent disposition of the portable classrooms by the public school facilities authority with prior approval of the state board of finance.

D. Applications for assistance from the fund shall be made by school districts to the council in accordance with requirements of the council. Except as provided in Subsection K of this section, the council shall require as a condition of application that a school district have a current five-year facilities plan, which shall include a current preventive maintenance plan to which the school adheres for each public school in the school district.

E. The council shall review all requests for assistance from the fund and shall allocate funds only for those capital outlay projects that meet the criteria of the Public School Capital Outlay Act.

F. Money in the fund shall be disbursed by warrant of the department of finance and administration on vouchers signed by the secretary of finance and administration following certification by the council that an application has been approved or an expenditure has been ordered by a court pursuant to Section 22-24-5.4 NMSA 1978. At the discretion of the council, money for a project shall be distributed as follows:

(1) up to ten percent of the portion of the project cost funded with distributions from the fund or five percent of the total project cost, whichever is greater, may be paid to the school

district before work commences with the balance of the grant award made on a cost-reimbursement basis; or

(2) the council may authorize payments directly to the contractor.

G. Balances in the fund may be annually appropriated for the core administrative functions of the public school facilities authority pursuant to the Public School Capital Outlay Act, and, in addition, balances in the fund may be expended by the public school facilities authority, upon approval of the council, for project management expenses; provided that:

(1) the total annual expenditures from the fund for the core administrative functions pursuant to this subsection shall not exceed five percent of the average annual grant assistance authorized from the fund during the three previous fiscal years; and

(2) any unexpended or unencumbered balance remaining at the end of a fiscal year from the expenditures authorized in this subsection shall revert to the fund.

H. Up to ten million dollars (\$10,000,000) of the fund may be allocated annually by the council for expenditure in fiscal years 2010 through 2015 for a roof repair and replacement initiative with projects to be identified by the council pursuant to Section 22-24-4.3 NMSA 1978; provided that money allocated pursuant to this subsection shall be expended within two years of the allocation.

I. The fund may be expended annually by the council for grants to school districts for the purpose of making lease payments for classroom facilities, including facilities leased by charter schools. The grants shall be made upon application by the school districts and pursuant to rules adopted by the council; provided that an application on behalf of a charter school shall be made by the school district, but, if the school district fails to make an application on behalf of a charter school, the charter school may submit its own application. The following criteria shall apply to the grants:

(1) the amount of a grant to a school district shall not exceed:

(a) the actual annual lease payments owed for leasing classroom space for schools, including charter schools, in the district; or

(b) seven hundred dollars (\$700) multiplied by the number of MEM using the leased classroom facilities; provided that in fiscal year 2009 and in each subsequent fiscal year, this amount shall be adjusted by the percentage change between the penultimate calendar year and the immediately preceding calendar year of the consumer price index for the United States, all items, as published by the United States department of labor;

(2) a grant received for the lease payments of a charter school may be used by that charter school as a state match necessary to obtain federal grants pursuant to the federal No Child Left Behind Act of 2001;

(3) at the end of each fiscal year, any unexpended or unencumbered balance of the appropriation shall revert to the fund;

(4) no grant shall be made for lease payments due pursuant to a financing agreement under which the facilities may be purchased for a price that is reduced according to the lease payments made unless:

(a) the agreement has been approved pursuant to the provisions of the Public School Lease Purchase Act [Chapter 22, Article 26A NMSA 1978]; and

(b) the facilities are leased by a charter school;

(5) if the lease payments are made pursuant to a financing agreement under which the facilities may be purchased for a price that is reduced according to the lease payments made, neither a grant nor any provision of the Public School Capital Outlay Act creates a legal obligation for the school district or charter school to continue the lease from year to year or to purchase the facilities nor does it create a legal obligation for the state to make subsequent grants pursuant to the provisions of this subsection; and

(6) as used in this subsection:

(a) "MEM" means: 1) the average full-time-equivalent enrollment using leased classroom facilities on the eightieth and one hundred twentieth days of the prior school year; or 2) in the case of an approved charter school that has not commenced classroom instruction, the estimated full-time-equivalent enrollment that will use leased classroom facilities in the first year of instruction, as shown in the approved charter school application; provided that, after the eightieth day of the school year, the MEM shall be adjusted to reflect the full-time-equivalent enrollment on that date; and

(b) "classroom facilities" or "classroom space" includes the space needed, as determined by the minimum required under the statewide adequacy standards, for the direct administration of school activities.

J. In addition to other authorized expenditures from the fund, up to one percent of the average grant assistance authorized from the fund during the three previous fiscal years may be expended in each fiscal year by the public school facilities authority to pay the state fire marshal, the construction industries division of the regulation and licensing department and local jurisdictions having authority from the state to permit and inspect projects for expenditures made to permit and inspect projects funded in whole or in part under the Public School Capital Outlay Act. The authority may enter into contracts with the state fire marshal, the construction industries division or the appropriate local authorities to carry out the provisions of this subsection. Such a contract may provide for initial estimated payments from the fund prior to the expenditures if the contract also provides for additional payments from the fund if the actual expenditures exceed the initial payments and for repayments back to the fund if the initial payments exceed the actual expenditures. Money distributed from the fund to the state fire marshal or the construction industries division pursuant to this subsection shall be used to supplement, rather than supplant, appropriations to those entities.

K. Pursuant to guidelines established by the council, allocations from the fund may be made

to assist school districts in developing and updating five-year facilities plans required by the Public School Capital Outlay Act; provided that:

(1) no allocation shall be made unless the council determines that the school district is willing and able to pay the portion of the total cost of developing or updating the plan that is not funded with the allocation from the fund. Except as provided in Paragraph (2) of this subsection, the portion of the total cost to be paid with the allocation from the fund shall be determined pursuant to the methodology in Paragraph (5) of Subsection B of Section 22-24-5 NMSA 1978; or

(2) the allocation from the fund may be used to pay the total cost of developing or updating the plan if:

(a) the school district has fewer than an average of six hundred full-time-equivalent students on the eightieth and one hundred twentieth days of the prior school year; or

(b) the school district meets all of the following requirements: 1) the school district has fewer than an average of one thousand full-time-equivalent students on the eightieth and one hundred twentieth days of the prior school year; 2) the school district has at least seventy percent of its students eligible for free or reduced-fee lunch; 3) the state share of the total cost, if calculated pursuant to the methodology in Paragraph (5) of Subsection B of Section 22-24-5 NMSA 1978, would be less than fifty percent; and 4) for all educational purposes, the school district has a residential property tax rate of at least seven dollars (\$7.00) on each one thousand dollars (\$1,000) of taxable value, as measured by the sum of all rates imposed by resolution of the local school board plus rates set to pay interest and principal on outstanding school district general obligation bonds.

L. Upon application by a school district, allocations from the fund may be made by the council for the purpose of demolishing abandoned school district facilities, provided that:

(1) the costs of continuing to insure an abandoned facility outweigh any potential benefit when and if a new facility is needed by the school district;

(2) there is no practical use for the abandoned facility without the expenditure of substantial renovation costs; and

(3) the council may enter into an agreement with the school district under which an amount equal to the savings to the district in lower insurance premiums are used to reimburse the fund fully or partially for the demolition costs allocated to the district.

History: 1953 Comp., § 77-24-12, enacted by Laws 1975, ch. 235, § 4; 1978, ch. 152, § 4; 1983, ch. 301, § 70; 1993, ch. 226, § 50; 1994, ch. 88, § 2; 2001, ch. 338, § 5; 2001, ch. 339, § 1; 2002, ch. 65, § 1; 2003, ch. 147, § 3; 2004, ch. 125, § 7; 2005, ch. 274, § 5; 2006, ch. 95, § 4; 2007, ch. 366, § 3; 2008, ch. 90, § 1; 2009, ch. 258, § 2; 2010, ch. 104, § 1.

**Cross references.** — For the federal No Child Left Behind Act of 2001, see 20 U.S.C. § 6301.

For the public school facilities authority, see 22-24-9 NMSA 1978.

**The 2010 amendment**, effective March 9, 2010, in Subsection C, in the third sentence, after "Title", added "to" and after "custody" deleted "to"; in Subsection H, after "fund may be allocated", added "annually" and after "fiscal years 2010 through", changed "2012" to "2015"; and in Subsection J, in the second sentence, after "The authority", changed "shall" to "may"; and added the last sentence.

**The 2009 amendment**, effective April 8, 2009, in Subsection B, added the reference to Subsection I; in Paragraph (1) of Subsection G, after "expenditures from the fund", added "for the core administrative functions"; in Subsection H, after "Up to", deleted "thirty million dollars (\$30,000,000)" and added "ten million dollars (\$10,000,000)"; after "allocated", deleted "annually"; after "by the council", changed "in fiscal years 2006 and 2007" to "for expenditure in fiscal years 2010 through 2012"; and after "subsection shall be expended", deleted "prior to September 1, 2008" and added "within two years of the allocation"; in Subsection I, after "annually by the council", deleted "in fiscal years 2006 through 2020"; in Subparagraph (b) of Paragraph (1) of Subsection I, after "percentage", deleted "increase" and added "change"; and after "department of labor", deleted the remainder of the sentence, which provided for a rate if the total grants awarded exceed the total annual amount available; added Paragraph (4) of Subsection I; deleted former Subparagraph (a) of Paragraph (5) of Subsection I, which provided that a grant shall not be made unless the facilities met the statewide adequacy standards; and deleted former Paragraph (5) of Subsection I, which provided limitations on the amounts expended from the fund.

**The 2008 amendment**, effective May 14, 2008, in Subsection J, provided that the contract may provide for initial estimated payments from the fund prior to the expenditures if the contract provides for additional payments from the fund if the actual expenditures exceed the initial payments and for repayments to the fund if the initial payments exceed the actual expenditures.

**The 2007 amendment**, effective July 1, 2007, provided that, except as permitted in 22-24-5.8 NMSA 1978, money in the fund shall be used for capital expenditures for an adequate educational program; eliminated the \$7,500,000 limitation on expenditures for lease payments; increased the maximum amount of a grant to a school district to \$700,000,000; provided a formula for adjustment of the maximum amount of grants; added Paragraphs (4) and (5) of Subsection I; and added Subparagraph (b) of Paragraph (6) of Subsection I.

**The 2006 amendment**, effective March 6, 2006, added the qualification "except as provided in Subsection K" in Subsection D; deleted former Subsection H, which provided for expenditure of balances in the fund in fiscal years 2003 and 2004; in Subsection I (formerly Subsection J), changed four million dollars to seven million five hundred thousand dollars, changed "2005" to "2006" and changed "2009" to "2010"; in Subparagraph (b) of Paragraph (1) of Subsection I (formerly Subsection J), deleted three hundred dollars for fiscal year 2005 and deleted fiscal years 2006 through 2006 after six hundred dollars; in Subparagraph (b) of Paragraph (4) of Subsection I (formerly Subsection J), changed "fortieth" to "eightieth"; added a new Subsection K to provide for allocations for five-year facilities plans; added Paragraphs (1) and (2) of Subsection K to provide criteria for allocations for five-year facilities plans; added Subsection L to provide for allocations for demolishing abandoned school district facilities; and added Paragraphs (1) through (3) of Subsection L to provide criteria for allocations for demolishing abandoned school district facilities.

**The 2005 amendment**, effective April 6, 2005, changed the statutory reference in Subsection F from Section 22-24-5.5 NMSA 1978 to Section 22-24-5.4 NMSA 1978; deleted former Subsection I, which provided an appropriation to the council for core administrative functions of the deficiencies corrections program; deleted former Subsection J, which provided for the expenditures by the council for the core administrative functions of the public school facilities authority; provided in Subsection I for the allocation of funds for a roof repair and replacement initiative; provided in Subsection J that an application on behalf of a charter school shall be made by the school district, but if the school district fails to make an

application, the charter school may submit its own application; provided in Subsection J(1)(b) that the amount of the grant shall not exceed \$300 for fiscal year 2005 and \$600 for fiscal years 2006 through 2009; changed "total" to "average" and "final funded prior school year" to "fortieth, eightieth and one hundred twentieth days of the prior school year" in Subsection J(4)(a); added Subsection J(4)(b) to define "MEM" in the case of a charter school that has not commenced classroom instruction; and added Subsection K to provide for the reimbursement of the state fire marshal, the construction industries division and local jurisdiction of costs incurred to permit and inspect projects.

**The 2004 amendment**, effective May 19, 2004, amended Subsection B to substitute "through K" for "and H", Subsection C to substitute in three places "public school facilities authority" for "property control division of the general services department" and to change in three places "property" to "portable classrooms", Subsection F to insert after "approved" "or an expenditure has been ordered by a court pursuant to Section 22-24-5.5 NMSA 1978" and Paragraph (2) to change "make" to "authorize", Subsection G to delete the present subsection and add new Subsection G, amended Subsection I to change "fiscal year 2004" to "fiscal years 2004 through 2007", and added new Subsection K.

**The 2003 amendment**, effective April 4, 2003, in Subsection F, inserted the second sentence and added Paragraphs F(1) and (2); rewrote Subsections G and H pertaining to distribution of money for projects; and added Subsections I and J.

**The 2002 amendment**, effective May 15, 2002, inserted the exception clause in Subsection B; and added Subsections G and H.

**The 2001 amendment**, effective July 1, 2001, added the last sentence of Subsection D; deleted "that cannot be financed by the school district from other sources and" following "capital outlay projects" in Subsection E; and added Subsection F.

**The 1994 amendment**, effective May 18, 1994, deleted "and the capital expenditures are limited to the purchase or construction of temporary or permanent classrooms" following "educational program" in Subsection B, and deleted "public" preceding "school" near the end of the fifth sentence of Subsection C.

**The 1993 amendment**, effective July 1, 1993, deleted "Annual" from the beginning of the fourth sentence of Subsection C.

## ANNOTATIONS

**Disposal of portable classrooms not limited to sale.** — The discretion of the council to authorize the disposal of portable classrooms purchased by the fund is not limited to sale for consideration or exchange. 1980 Op. Att'y Gen. No. 80-05.

**When gratis transfer of classrooms proper.** — A gratis transfer by the public school capital outlay council of portable classrooms to local school boards does not violate N.M. Const., art. IX, § 14, since the prohibition there does not apply as between the state and one of its subordinate agencies. 1980 Op. Att'y Gen. No. 80-05.

**Veto power over gratis transfer.** — Section 13-6-2C NMSA 1978 (now Section 13-6-2D NMSA 1978) gives the secretary of finance and administration or the state board of finance (now the state budget division) veto power over any gratis transfer of school property. 1980 Op. Att'y Gen. No. 80-05.

### 22-24-4.1. Outstanding deficiencies; assessment; correction.

A. No later than September 1, 2001, the council shall define and develop guidelines, consistent with the codes adopted by the construction industries commission pursuant to the Construction Industries Licensing Act [Chapter 60, Article 13 NMSA 1978 NMSA 1978], for school districts to use to identify outstanding serious deficiencies in public school buildings and grounds, including buildings and grounds of charter schools, that may adversely affect the health or safety of students and school personnel.

B. A school district shall use these guidelines to complete a self-assessment of the outstanding health or safety deficiencies within the school district and provide cost projections to correct the outstanding deficiencies.

C. The council shall develop a methodology for prioritizing projects that will correct the deficiencies.

D. After a public hearing and to the extent that money is available in the fund for such purposes, the council shall approve allocations from the fund on the established priority basis and, working with the school district and pursuant to the Procurement Code [13-1-28 through 13-1-199 NMSA 1978], enter into construction contracts with contractors to correct the deficiencies.

E. In entering into construction contracts to correct deficiencies pursuant to this section, the council shall include such terms and conditions as necessary to ensure that the state money is expended in the most prudent manner possible and consistent with the original purpose.

F. Any deficiency that may adversely affect the health or safety of students or school personnel may be corrected pursuant to this section, regardless of the local effort or percentage of indebtedness of the school district.

G. It is the intent of the legislature that all outstanding deficiencies in public schools and grounds that may adversely affect the health or safety of students and school personnel be identified and awards made pursuant to this section no later than June 30, 2005, and that funds be expended no later than June 30, 2007, provided that the council may extend the expenditure period upon a determination that a project requires the additional time because existing buildings need to be demolished or because of other extenuating circumstances.

History: 1978 Comp., § 22-24-4.1, enacted by Laws 2001, ch. 338, § 6; 2003, ch. 147, § 4; 2004, ch. 125, § 8; 2007, ch. 366, § 4.

**The 2007 amendment**, effective July 1, 2007, amended Subsection G to authorize the council to extend the expenditure period for a project.

**The 2004 amendment**, effective May 19, 2004, amended Subsection B to add "school" before "district" and amended Subsection G to change "June 30, 2004" to "June 30, 2005" and "June 30, 2005" to "June 30, 2007".

**The 2003 amendment**, effective April 4, 2003, deleted "local" preceding "school district" in Subsection B; in Subsection G, substituted "awards made" for "funded" and added "and that funds be

expended no later than June 30, 2006" at the end of the sentence.

#### **22-24-4.2. Repealed.**

**Repeals.** — Laws 2003, ch. 147, § 14 repealed 22-24-4.2 NMSA 1978, as enacted by Laws 2001, ch. 338, § 7, regarding the deficiencies correction unit, effective July 1, 2003. For provisions of former section, see the 2002 NMSA 1978 on *NMONESOURCE.COM*. For provisions of present law, see 22-24-9 NMSA 1978.

#### **22-24-4.3. Roof repair and replacement initiative.**

A. The council shall develop guidelines for a roof repair and replacement initiative pursuant to the provisions of this section.

B. A school district, desiring a grant award pursuant to this section, shall submit an application to the council. The application shall include an assessment of the roofs on district school buildings that, in the opinion of the school district, create a threat of significant property damage.

C. The public school facilities authority shall verify the assessment made by the school district and rank the application with similar applications pursuant to a methodology adopted by the council.

D. After a public hearing and to the extent that money is available in the fund for such purposes, the council shall approve roof repair or replacement projects on the established priority basis; provided that no project shall be approved unless the council determines that the school district is willing and able to pay the portion of the total cost of the project that is not funded with grant assistance from the fund. In order to pay its portion of the total project cost, a school district may use state distributions made to the school district pursuant to the Public School Capital Improvements Act [Chapter 22, Article 25 NMSA 1978] or, if within the scope of the authorizing resolution, proceeds of the property tax imposed pursuant to that act.

E. The state share of the cost of an approved roof repair or replacement project shall be calculated pursuant to the methodology in Paragraph (5) of Subsection B of Section 22-24-5 NMSA 1978.

F. A grant made pursuant to this section shall be expended by the school district within two years of the grant allocation.

History: Laws 2005, ch. 274, § 6; 2009, ch. 258, § 3.

**The 2009 amendment**, effective April 8, 2009, in Subsection E, after "cost of an approved", added "roof repair or replacement"; and in Subsection F, after "school district", deleted "prior to September 1, 2008" and added "within two years of the grant allocation".

#### **22-24-4.4. Serious roof deficiencies; correction.**

A. To complete the program to correct outstanding deficiencies, those serious deficiencies in the roofs of public school facilities identified pursuant to Section 22-24-4.1 NMSA 1978 as adversely affecting the health or safety of students and school personnel shall be corrected pursuant to this section, regardless of the local effort or percentage of indebtedness of the school district, subject to the following provisions:

(1) if the council determines that the school district has excess capital improvement funds received pursuant to the Public School Capital Improvements Act [Chapter 22, Article 25 NMSA 1978], the cost of correcting the deficiencies shall first come from the school district's excess funds, and if the excess funds are insufficient to correct the deficiencies, the difference shall be paid from the public school capital outlay fund; and

(2) if the school district refuses to pay its share of the cost of correcting deficiencies as determined pursuant to Paragraph (1) of this subsection, future distributions from the public school capital improvements fund pursuant to Section 22-25-9 NMSA 1978 shall not be made to the school district but shall be made to the public school capital outlay fund until the public school capital outlay fund is reimbursed in full for the school district's share.

B. It is the intent of the legislature that all awards for correcting outstanding deficiencies in public school roofs that may adversely affect the health and safety of students and school personnel be made pursuant to this section no later than September 30, 2005 and that funds be expended no later than September 30, 2008.

History: Laws 2005, ch. 274, § 7; 2007, ch. 366, § 5.

**The 2007 amendment**, effective July 1, 2007, changed the deadline for expenditure of funds to September 30, 2008.

#### **22-24-5. Public school capital outlay projects; application; grant assistance.**

A. Applications for grant assistance, approval of applications, prioritization of projects and grant awards shall be conducted pursuant to the provisions of this section.

B. Except as provided in Sections 22-24-4.3, 22-24-5.4 and 22-24-5.6 NMSA 1978, the following provisions govern grant assistance from the fund for a public school capital outlay project not wholly funded pursuant to Section 22-24-4.1 NMSA 1978:

(1) all school districts are eligible to apply for funding from the fund, regardless of percentage of indebtedness;

(2) priorities for funding shall be determined by using the statewide adequacy standards developed pursuant to Subsection C of this section; provided that:

(a) the council shall apply the standards to charter schools to the same extent that they are applied to other public schools;

(b) the council shall adopt and apply adequacy standards appropriate to the unique

needs of the constitutional special schools; and

(c) in an emergency in which the health or safety of students or school personnel is at immediate risk or in which there is a threat of significant property damage, the council may award grant assistance for a project using criteria other than the statewide adequacy standards;

(3) the council shall establish criteria to be used in public school capital outlay projects that receive grant assistance pursuant to the Public School Capital Outlay Act. In establishing the criteria, the council shall consider:

(a) the feasibility of using design, build and finance arrangements for public school capital outlay projects;

(b) the potential use of more durable construction materials that may reduce long-term operating costs;

(c) concepts that promote efficient but flexible utilization of space; and

(d) any other financing or construction concept that may maximize the dollar effect of the state grant assistance;

(4) no more than ten percent of the combined total of grants in a funding cycle shall be used for retrofitting existing facilities for technology infrastructure;

(5) except as provided in Paragraph (6), (8), (9) or (10) of this subsection, the state share of a project approved and ranked by the council shall be funded within available resources pursuant to the provisions of this paragraph. No later than May 1 of each calendar year, a value shall be calculated for each school district in accordance with the following procedure:

(a) the final prior year net taxable value for a school district divided by the MEM for that school district is calculated for each school district;

(b) the final prior year net taxable value for the whole state divided by the MEM for the state is calculated;

(c) excluding any school district for which the result calculated pursuant to Subparagraph (a) of this paragraph is more than twice the result calculated pursuant to Subparagraph (b) of this paragraph, the results calculated pursuant to Subparagraph (a) of this paragraph are listed from highest to lowest;

(d) the lowest value listed pursuant to Subparagraph (c) of this paragraph is subtracted from the highest value listed pursuant to that subparagraph;

(e) the value calculated pursuant to Subparagraph (a) of this paragraph for the subject school district is subtracted from the highest value listed in Subparagraph (c) of this paragraph;

(f) the result calculated pursuant to Subparagraph (e) of this paragraph is divided by the result calculated pursuant to Subparagraph (d) of this paragraph;

(g) the sum of the property tax mill levies for the prior tax year imposed by each school district on residential property pursuant to Chapter 22, Article 18 NMSA 1978, the Public

School Capital Improvements Act [Chapter 22, Article 25 NMSA 1978], the Public School Buildings Act [Chapter 22, Article 26 NMSA 1978], the Education Technology Equipment Act [Chapter 6, Article 15A NMSA 1978] and Paragraph (2) of Subsection B of Section 7-37-7 NMSA 1978 is calculated for each school district;

(h) the lowest value calculated pursuant to Subparagraph (g) of this paragraph is subtracted from the highest value calculated pursuant to that subparagraph;

(i) the lowest value calculated pursuant to Subparagraph (g) of this paragraph is subtracted from the value calculated pursuant to that subparagraph for the subject school district;

(j) the value calculated pursuant to Subparagraph (i) of this paragraph is divided by the value calculated pursuant to Subparagraph (h) of this paragraph;

(k) if the value calculated for a subject school district pursuant to Subparagraph (j) of this paragraph is less than five-tenths, then, except as provided in Subparagraph (n) or (o) of this paragraph, the value for that school district equals the value calculated pursuant to Subparagraph (f) of this paragraph;

(l) if the value calculated for a subject school district pursuant to Subparagraph (j) of this paragraph is five-tenths or greater, then that value is multiplied by five-hundredths;

(m) if the value calculated for a subject school district pursuant to Subparagraph (j) of this paragraph is five-tenths or greater, then the value calculated pursuant to Subparagraph (l) of this paragraph is added to the value calculated pursuant to Subparagraph (f) of this paragraph. Except as provided in Subparagraph (n) or (o) of this paragraph, the sum equals the value for that school district;

(n) in those instances in which the calculation pursuant to Subparagraph (k) or (m) of this paragraph yields a value less than one-tenth, one-tenth shall be used as the value for the subject school district;

(o) in those instances in which the calculation pursuant to Subparagraph (k) or (m) of this paragraph yields a value greater than one, one shall be used as the value for the subject school district;

(p) except as provided in Section 22-24-5.7 NMSA 1978 and except as adjusted pursuant to Paragraph (6), (8), (9) or (10) of this subsection, the amount to be distributed from the fund for an approved project shall equal the total project cost multiplied by a fraction the numerator of which is the value calculated for the subject school district in the current year plus the value calculated for that school district in each of the two preceding years and the denominator of which is three; and

(q) as used in this paragraph: 1) "MEM" means the average full-time-equivalent enrollment of students attending public school in a school district on the eightieth and one hundred twentieth days of the prior school year; 2) "total project cost" means the total amount necessary to complete the public school capital outlay project less any insurance reimbursement received by the school district for the project; and 3) in the case of a state-chartered charter

school that has submitted an application for grant assistance pursuant to this section, the "value calculated for the subject school district" means the value calculated for the school district in which the state-chartered charter school is physically located;

(6) the amount calculated pursuant to Subparagraph (p) of Paragraph (5) of this subsection shall be reduced by the following procedure:

(a) the total of all legislative appropriations made after January 1, 2003 for nonoperating purposes either directly to the subject school district or to another governmental entity for the purpose of passing the money through directly to the subject school district, and not rejected by the subject school district, is calculated; provided that: 1) an appropriation made in a fiscal year shall be deemed to be accepted by a school district unless, prior to June 1 of that fiscal year, the school district notifies the department of finance and administration and the public education department that the district is rejecting the appropriation; 2) the total shall exclude any educational technology appropriation made prior to January 1, 2005 unless the appropriation was on or after January 1, 2003 and not previously used to offset distributions pursuant to the Technology for Education Act [Chapter 22, Article 15A NMSA 1978]; 3) the total shall exclude any appropriation previously made to the subject school district that is reauthorized for expenditure by another recipient; 4) the total shall exclude one-half of the amount of any appropriation made or reauthorized after January 1, 2007 if the purpose of the appropriation or reauthorization is to fund, in whole or in part, a capital outlay project that, when prioritized by the council pursuant to this section either in the immediately preceding funding cycle or in the current funding cycle, ranked in the top one hundred fifty projects statewide; 5) the total shall exclude the proportionate share of any appropriation made or reauthorized after January 1, 2008 for a capital project that will be jointly used by a governmental entity other than the subject school district. Pursuant to criteria adopted by rule of the council and based upon the proposed use of the capital project, the council shall determine the proportionate share to be used by the governmental entity and excluded from the total; and 6) unless the grant award is made to the state-chartered charter school or unless the appropriation was previously used to calculate a reduction pursuant to this paragraph, the total shall exclude appropriations made after January 1, 2007 for nonoperating purposes of a specific state-chartered charter school, regardless of whether the charter school is a state-chartered charter school at the time of the appropriation or later opts to become a state-chartered charter school;

(b) the applicable fraction used for the subject school district and the current calendar year for the calculation in Subparagraph (p) of Paragraph (5) of this subsection is subtracted from one;

(c) the value calculated pursuant to Subparagraph (a) of this paragraph for the subject school district is multiplied by the amount calculated pursuant to Subparagraph (b) of this paragraph for that school district;

(d) the total amount of reductions for the subject school district previously made pursuant to Subparagraph (e) of this paragraph for other approved public school capital outlay

projects is subtracted from the amount calculated pursuant to Subparagraph (c) of this paragraph; and

(e) the amount calculated pursuant to Subparagraph (p) of Paragraph (5) of this subsection shall be reduced by the amount calculated pursuant to Subparagraph (d) of this paragraph;

(7) as used in this subsection:

(a) "governmental entity" includes an Indian nation, tribe or pueblo; and

(b) "subject school district" means the school district that has submitted the application for funding and in which the approved public school capital outlay project will be located;

(8) the amount calculated pursuant to Subparagraph (p) of Paragraph (5) of this subsection, after any reduction pursuant to Paragraph (6) of this subsection, may be increased by an additional five percent if the council finds that the subject school district has been exemplary in implementing and maintaining a preventive maintenance program. The council shall adopt such rules as are necessary to implement the provisions of this paragraph;

(9) the council may adjust the amount of local share otherwise required if it determines that a school district has used all of its local resources. Before making any adjustment to the local share, the council shall consider whether:

(a) the school district has insufficient bonding capacity over the next four years to provide the local match necessary to complete the project and, for all educational purposes, has a residential property tax rate of at least ten dollars (\$10.00) on each one thousand dollars (\$1,000) of taxable value, as measured by the sum of all rates imposed by resolution of the local school board plus rates set to pay interest and principal on outstanding school district general obligation bonds;

(b) the school district: 1) has fewer than an average of eight hundred full-time-equivalent students on the eightieth and one hundred twentieth days of the prior school year; 2) has at least seventy percent of its students eligible for free or reduced-fee lunch; 3) has a share of the total project cost, as calculated pursuant to provisions of this section, that would be greater than fifty percent; and 4) for all educational purposes, has a residential property tax rate of at least seven dollars (\$7.00) on each one thousand dollars (\$1,000) of taxable value, as measured by the sum of all rates imposed by resolution of the local school board plus rates set to pay interest and principal on outstanding school district general obligation bonds; or

(c) the school district: 1) has an enrollment growth rate over the previous school year of at least two and one-half percent; 2) pursuant to its five-year facilities plan, will be building a new school within the next two years; and 3) for all educational purposes, has a residential property tax rate of at least ten dollars (\$10.00) on each one thousand dollars (\$1,000) of taxable value, as measured by the sum of all rates imposed by resolution of the local school board plus rates set to pay interest and principal on outstanding school district general obligation bonds;

(10) the local match for the constitutional special schools shall be set at fifty percent for projects that qualify under the educational adequacy category and one hundred percent for projects that qualify in the support spaces category; provided that the council may adjust or waive the amount of any direct appropriation offset to or local share required for the constitutional special schools if an applicant constitutional special school has insufficient or no local resources available; and

(11) no application for grant assistance from the fund shall be approved unless the council determines that:

(a) the public school capital outlay project is needed and included in the school district's five-year facilities plan among its top priorities;

(b) the school district has used its capital resources in a prudent manner;

(c) the school district has provided insurance for buildings of the school district in accordance with the provisions of Section 13-5-3 NMSA 1978;

(d) the school district has submitted a five-year facilities plan that includes: 1) enrollment projections; 2) a current preventive maintenance plan that has been approved by the council pursuant to Section 22-24-5.3 NMSA 1978 and that is followed by each public school in the district; 3) the capital needs of charter schools located in the school district; and 4) projections for the facilities needed in order to maintain a full-day kindergarten program;

(e) the school district is willing and able to pay any portion of the total cost of the public school capital outlay project that, according to Paragraph (5), (6), (8) or (9) of this subsection, is not funded with grant assistance from the fund; provided that school district funds used for a project that was initiated after September 1, 2002 when the statewide adequacy standards were adopted, but before September 1, 2004 when the standards were first used as the basis for determining the state and school district share of a project, may be applied to the school district portion required for that project;

(f) the application includes the capital needs of any charter school located in the school district or the school district has shown that the facilities of the charter school have a smaller deviation from the statewide adequacy standards than other district facilities included in the application; and

(g) the school district has agreed, in writing, to comply with any reporting requirements or conditions imposed by the council pursuant to Section 22-24-5.1 NMSA 1978.

C. After consulting with the public school capital outlay oversight task force and other experts, the council shall regularly review and update statewide adequacy standards applicable to all school districts. The standards shall establish the acceptable level for the physical condition and capacity of buildings, the educational suitability of facilities and the need for technological infrastructure. Except as otherwise provided in the Public School Capital Outlay Act, the amount of outstanding deviation from the standards shall be used by the council in evaluating and prioritizing public school capital outlay projects.

D. The acquisition of a facility by a school district or charter school pursuant to a financing agreement that provides for lease payments with an option to purchase for a price that is reduced according to lease payments made may be considered a public school capital outlay project and eligible for grant assistance under this section pursuant to the following criteria:

(1) no grant shall be awarded unless the council determines that, at the time of exercising the option to purchase the facility by the school district or charter school, the facility will equal or exceed the statewide adequacy standards and the building standards for public school facilities;

(2) no grant shall be awarded unless the school district and the need for the facility meet all of the requirements for grant assistance pursuant to the Public School Capital Outlay Act;

(3) the total project cost shall equal the total payments that would be due under the agreement if the school district or charter school would eventually acquire title to the facility;

(4) the portion of the total project cost to be paid from the fund may be awarded as one grant, but disbursements from the fund shall be made from time to time as lease payments become due;

(5) the portion of the total project cost to be paid by the school district or charter school may be paid from time to time as lease payments become due; and

(6) neither a grant award nor any provision of the Public School Capital Outlay Act creates a legal obligation for the school district or charter school to continue the lease from year to year or to purchase the facility.

E. In order to encourage private capital investment in the construction of public school facilities, the purchase of a privately owned school facility that is, at the time of application, in use by a school district may be considered a public school capital outlay project and eligible for grant assistance pursuant to this section if the council finds that:

(1) at the time of the initial use by the school district, the facility to be purchased equaled or exceeded the statewide adequacy standards and the building standards for public school facilities;

(2) at the time of application, attendance at the facility to be purchased is at seventy-five percent or greater of design capacity and the attendance at other schools in the school district that the students at the facility would otherwise attend is at eighty-five percent or greater of design capacity; and

(3) the school district and the capital outlay project meet all of the requirements for grant assistance pursuant to the Public School Capital Outlay Act; provided that, when determining the deviation from the statewide adequacy standards for the purposes of evaluating and prioritizing the project, the students using the facility shall be deemed to be attending other schools in the school district.

F. It is the intent of the legislature that grant assistance made pursuant to this section allows every school district to meet the standards developed pursuant to Subsection C of this section; provided, however, that nothing in the Public School Capital Outlay Act or the development of standards pursuant to that act prohibits a school district from using other funds available to the district to exceed the statewide adequacy standards.

G. Upon request, the council shall work with, and provide assistance and information to, the public school capital outlay oversight task force.

H. The council may establish committees or task forces, not necessarily consisting of council members, and may use the committees or task forces, as well as existing agencies or organizations, to conduct studies, conduct surveys, submit recommendations or otherwise contribute expertise from the public schools, programs, interest groups and segments of society most concerned with a particular aspect of the council's work.

I. Upon the recommendation of the public school facilities authority, the council shall develop building standards for public school facilities and shall promulgate other such rules as are necessary to carry out the provisions of the Public School Capital Outlay Act.

J. No later than December 15 of each year, the council shall prepare a report summarizing its activities during the previous fiscal year. The report shall describe in detail all projects funded, the progress of projects previously funded but not completed, the criteria used to prioritize and fund projects and all other council actions. The report shall be submitted to the public education commission, the governor, the legislative finance committee, the legislative education study committee and the legislature.

History: 1953 Comp., § 77-24-13, enacted by Laws 1975, ch. 235, § 5; 1977, ch. 247, § 205; 1978, ch. 152, § 5; 1987, ch. 326, § 1; 1994, ch. 88, § 3; 2000 (2nd S.S.), ch. 19, § 2; 2001, ch. 338, § 8; 2003, ch. 147, § 10; 2004, ch. 125, § 9; 2005, ch. 274, § 8; 2006, ch. 95, § 5; 2007, ch. 366, § 6; 2008, ch. 90, § 2; 2009, ch. 258, § 5; 2010, ch. 104, § 2; 2012, ch. 53, § 2.

**Cross references.** — For PL 874 funds, see 20 USCS § 7701 et seq.

**The 2012 amendment**, effective May 16, 2012, made the school for the blind and visually impaired and the school for the deaf, including facilities that are necessary for their educational missions, eligible for public school capital outlay funding; permitted the council to waive local matching if the schools have insufficient or no local resources available; and in Subsection B, in Paragraph (2), added Subparagraph (b); in Paragraph (5), in the first sentence, after the paragraph number "(9)", added "or (10)"; in Paragraph (5), in Subparagraph (p), after the paragraph number "(9)", added "or (10)"; in Paragraph (6), deleted former Subparagraph (b), which required that the amount to be distributed for a project be reduced by the amount of federal money received by the school district for nonoperating purposes; in Paragraph (6), deleted former Subparagraph (c), which required that the amount to be distributed for a project be reduced by the amount of state appropriations to the school district for nonoperating purposes; and added Paragraph (10).

**Laws 2010, ch. 104, § 2**, effective March 9, 2010, would have amended 22-24-5 NMSA 1978 as follows: in Subsection B(5), after "Paragraph (6), (8), (9)", added "or (11)"; in Subsection B(5)(p), after

"Paragraph (6), (8), (9)", added "or (11)"; and added Subsection B(11), including Subparagraphs (a) and (b). These changes were line-item vetoed by the governor.

**The 2009 amendment**, effective April 8, 2009, in Paragraph (5) of Subsection B, added the reference to Paragraph (11); in Subparagraph (p) of Paragraph (5) of Subsection B, added the reference to Paragraph (11); added Subparagraphs (b) and (c) of Paragraph (6) of Subsection B; added Paragraph (11) of Subsection B; in Paragraph (1) of Subsection D, after "awarded unless the council", deleted "finds that, prior to the purchase of" and added "determines that, at the time of exercising the option to purchase"; and in Subsection F, after "prohibits a school district from using" changed "local funds to exceed" to "other funds available to the district to exceed".

**The 2008 amendment**, effective May 14, 2008, added the reference to Paragraph (9) of Subsection B in Paragraph (5), Subparagraph (p) of Paragraph (5) and Subparagraph (e) of Paragraph (10) of Subsection B; added item 5) of Subparagraph (a) of Paragraph (6) of Subsection B; and added Subparagraph (a) of Paragraph (7) and Paragraph (8) of Subsection B.

**The 2007 amendment**, effective July 1, 2007, amended Subsection B to: add Subparagraph (c) of Paragraph (3); add item (3) of Subparagraph (q) of Paragraph (5) of Subsection B to define "value calculated for the subject school district"; and add items (2) through (5) of Subparagraph (a) of Paragraph (6); and, added new Subsections D and E.

**The 2006 amendment**, effective March 6, 2006, deleted the provision in Subsection A that provided an order of priority and funding of projects in the two years beginning July 1, 2004; in Subsection B, deleted the reference to Subsection A of this section; in Subparagraph (p) of Paragraph (5) of Subsection B, added the exception in Section 22-24-5.7 NMSA 1978 and deleted the provision that provided for a formula to determine the distribution for calendar year 2005; and in Subparagraph (b) of Paragraph (7) of Subsection B, deleted "fortieth" before "eightieth".

**The 2005 amendment**, effective April 6, 2005, changed "three years" to "two years" and changed "projects" to "specific projects" in Subsection A; provided in Subsection A that the order of projects that were partially funded shall exclude any expansion of the scope of the projects; changed the statutory reference in Subsection B and revised the funding priorities in Subsection B. For funding criteria of former law, see *NMONESOURCE.COM*.

**The 2004 amendment**, effective May 19, 2004, replaced Subsections A and B with new Subsection A; designated former Subsection C as the last sentence of new Subsection A and added new language prior to Paragraph (1) of former Subsection C, now Subsection B; redesignated former Subsection D as Subsection C; redesignated former Subsections E through I as Subsections D through H; amended Subsection G to add the requirement of recommendation of the authority at the beginning of the subsection; and in Subsection H, changed "state board" to "public education commission" and deleted "each member of" preceding "the legislature".

**The 2003 amendment**, effective April 4, 2003, inserted Paragraph B(2) and redesignated former Paragraph B(2) as B(3); rewrote Paragraph C(5); inserted present Paragraphs C(6) and C(7), and redesignated the remaining paragraphs accordingly; substituted "that has been approved by the council pursuant to Section 22-24-5.3 NMSA 1978 and that is followed by" for "to which the school adheres for" in Subparagraph C(9)(d); substituted "(6) or (8) of this subsection" for "established by law" in Subparagraph C(9)(e); and in Subsection D, deleted "no later than September 1, 2002"; inserted "and regularly review and update" preceding "statewide adequacy standards" in the first sentence and substituted "December 15" for "December 1" in Subsection I.

**The 2001 amendment**, effective April 5, 2001, rewrote the section.

**The 2000 amendment**, effective April 12, 2000, inserted "school" at the beginning of Subsection A(4) and in the second sentence of Subsection B; in Subsection A(6), added "unless a determination and certification have been made pursuant to Subsection D of this section" to the preliminary language, designated the existing provisions of the subsection as Subparagraph (a) and added Subparagraph (b); in Subsection B, added Subsection B(1) and designated part of former Subsection B as Paragraph (2); and added Subsections D and E.

**The 1994 amendment**, effective May 18, 1994, deleted "all" preceding "available resources" in Paragraph A(2) and added Paragraphs A(6) and A(7), making related stylistic changes.

### **22-24-5.1. Council assistance and oversight.**

In providing grant assistance pursuant to Section 22-24-5 NMSA 1978, the council shall:

A. assist school districts in identifying critical capital outlay needs and in preparing grant applications;

B. take such actions as are necessary to assist school districts in implementing the projects for which grants are made, including assistance with the preparation of requests for bids or proposals, contract negotiations and contract implementation;

C. take such actions as are necessary to ensure cost savings and efficiencies for those school districts that are not large enough to maintain their own construction management staff; and

D. include such reporting requirements and conditions and take such actions as are necessary to ensure that the grants are expended in the most prudent manner possible and consistent with the original purpose for which they were made. In order to ensure compliance with the intent of this subsection, the council may:

(1) access the premises of a project and review any documentation relating to a project;

(2) withhold all or part of the amount of grant assistance available for a project for grounds established by rule of the council; and

(3) if it determines that a project is repeatedly in substantial noncompliance with any reporting requirement or condition, take over the direct administration of the project until the project is completed.

**History:** 1978 Comp., § 22-24-5.1, enacted by Laws 2001, ch. 338, § 9.

### **22-24-5.2. Repealed.**

**Repeal.** — Laws 2004, ch. 125, § 20 repealed 22-24-5.2 NMSA 1978, as enacted by Laws 2001, ch. 328, § 3, relating to effect upon school district indebtedness requirement, effective May 19, 2004. For provisions of former section, see the 2003 NMSA 1978 on *NMONESOURCE.COM*.

### **22-24-5.3. Preventive maintenance plans; guidelines; approval.**

A. The council shall adopt guidelines that will assist school districts in the development and implementation of preventive maintenance plans. In developing the guidelines, the council shall ensure that they are not overly complex, that they are user-friendly and that they take into account the geographic and size variations of the districts throughout the state. The guidelines shall include the major requirements for:

- (1) establishing and implementing a preventive maintenance plan;
- (2) necessary budgets, personnel and staff support;
- (3) staff training; and
- (4) evaluation and auditing.

B. The council shall develop, implement and maintain a uniform web-based facility information management system. Within available appropriations, the council shall develop a schedule and procedure for phasing all school districts into the system, including those school districts not applying for grant assistance pursuant to the Public School Capital Outlay Act. The facility information management system shall:

- (1) provide a centralized database of maintenance activities to allow for monitoring, supporting and evaluating school-level and districtwide maintenance efforts;
- (2) provide comprehensive maintenance request and expenditure information to the school districts and the council; and
- (3) facilitate training of facilities maintenance and management personnel.

C. To the extent resources are available, the council shall provide assistance to districts in developing and implementing a preventive maintenance plan.

D. For project allocation cycles beginning after September 1, 2003, a school district shall not be eligible for funding pursuant to Section 22-24-5 NMSA 1978 unless:

- (1) the school district has a preventive maintenance plan that has been approved by the council; and
- (2) if applicable, the school district is participating in the implementation of the facility information management system.

E. As used in this section, "preventive maintenance" means the regularly scheduled repair and maintenance needed to keep a building component operating at peak efficiency and to extend its useful life. "Preventive maintenance" includes scheduled activities intended to prevent breakdowns and premature failures, including periodic inspections, lubrication, calibrations and replacement of expendable components of equipment.

**History:** 1978 Comp., § 22-24-5.3, enacted by Laws 2003, ch. 147, § 5; 2005, ch. 274, § 9.

The **2005 amendment**, effective April 6, 2005, added Subsections B(1) through (3) to provide that the council shall develop, implement and maintain a uniform web-based facility information management system; and added Subsection D(2) to provide that a school district shall not be eligible for funding unless, if applicable, the school district is participating in the implementation of the facility information management system.

**22-24-5.4. Recalcitrant school districts; court action to enforce constitutional compliance; imposition of property tax.**

A. The council may bring an action against a school district pursuant to the provisions of this section if, based upon information submitted to the council by the public school facilities authority, the council determines that:

(1) the physical condition of a public school facility in the school district is so inadequate that the facility or the education received by students attending the facility is below the minimum required by the constitution of New Mexico;

(2) the school district is not taking the necessary steps to bring the facility up to the constitutionally required minimum; and

(3) either:

(a) the school district has not applied for the grant assistance necessary to bring the facility up to minimum constitutional standards; or

(b) the school district is unwilling to meet all of the requirements for the approval of an application for grant assistance pursuant to Paragraph (10) of Subsection B of Section 22-24-5 NMSA 1978.

B. An action brought pursuant to this section shall be brought by the council in the name of the state against the school district in the district court for Santa Fe county.

C. After a hearing and consideration of the evidence, if the court finds that the council's determination pursuant to Subsection A of this section was correct, the court shall:

(1) order the council to expend sufficient resources necessary to bring the facility up to the minimum level required by the constitution of New Mexico;

(2) order the school district to comply with Paragraph (10) of Subsection B of Section 22-24-5 NMSA 1978 and to take all other actions necessary to facilitate the completion of the project ordered pursuant to Paragraph (1) of this subsection; and

(3) enter a judgment against the school district for court costs and attorney fees and the necessary amount to satisfy the school district share, as determined by the formula prescribed by Subsection B of Section 22-24-5 NMSA 1978, for the project ordered pursuant to Paragraph (1) of this subsection.

D. The amount of a judgment entered against a school district pursuant to Paragraph (3) of Subsection C of this section is a public debt of the school district. If the court finds that the debt

cannot be satisfied with available school district funds, other than funds needed for the operation of the public schools and other existing obligations, the court shall order the imposition of a property tax on all taxable property allocated to the school district at a rate sufficient to pay the judgment, with accrued interest, within a reasonable time as determined by the court. After paying court costs and attorney fees, amounts received pursuant to this subsection shall be deposited by the council into the fund.

History: Laws 2004, ch. 125, § 10; 2008, ch. 90, § 3.

**The 2008 amendment**, effective May 14, 2008, changed the reference from Paragraph (9) to Paragraph (10) of Subsection B of Section 22-24-5 NMSA 1978 in Subparagraph (b) of Paragraph (3) of Subsection A and in Paragraph (2) of Subsection C.

#### **22-24-5.5. Preventive maintenance plans; participation in facility information management system.**

Each school district shall:

A. develop and implement a preventive maintenance plan following guidelines adopted by the public school capital outlay council pursuant to Section 22-24-5.3 NMSA 1978; and

B. participate in the facility information management system pursuant to the schedule adopted by the public school capital outlay council.

History: Laws 2005, ch. 274, § 16.

**Effective dates.** — Laws 2005, ch. 274, § 20 made the act effective April 6, 2005.

#### **22-24-5.6. Outstanding deficiencies at certain state educational institutions.**

A. In consultation with the higher education department and the applicable board of regents, and after reviewing the existing five-year facilities plan and the facilities condition assessment, the public school facilities authority shall verify the assessed outstanding health, safety or infrastructure deficiencies at the constitutional special schools and shall develop a plan to correct the deficiencies.

B. The council may approve allocations from the fund and, working with the higher education department and the applicable board of regents, enter into construction contracts to correct the deficiencies.

C. The council shall establish oversight functions for the public school facilities authority and such other guidelines and conditions as it deems necessary to ensure that the allocations from the fund pursuant to this section are expended in the most prudent manner possible and consistent with the original purpose.

D. As used in the Public School Capital Outlay Act, "public school capital outlay project",

"capital outlay project" or "project" includes a program for the correction of deficiencies at the constitutional special schools pursuant to this section.

History: Laws 2006, ch. 95, § 6; 2009, ch. 37, § 1; 2012, ch. 53, § 3.

**The 2012 amendment**, effective May 16, 2012, included the school for the blind and visually impaired and the school for the deaf in the defined term "constitutional special schools"; in Subsection A, after "deficiencies at the", deleted "New Mexico school for the blind and visually impaired and the New Mexico school for the deaf" and added "constitutional special schools"; in Subsection D, after "deficiencies at the", deleted "New Mexico school for the blind and visually impaired and the New Mexico school for the deaf" and added "constitutional special schools"; and deleted former Subsection E, which defined "school district" for purposes of Sections 22-24-5.1, 22-24-5.3, 22-24-5.5, and Paragraph (10) of 22-24-5 NMSA 1978 to be the school for the blind and visually impaired and the school for the deaf.

**The 2009 amendment**, effective March 31, 2009, in Subsection B, deleted "To the extent that money has been appropriated for such purposes"; in Subsection D, changed "handicapped" to "impaired"; and added Subsection E.

#### **22-24-5.7. Local match provisions for qualified high priority projects.**

A. For a qualified high priority project, if money has been specifically appropriated for the purposes of this section, and if the school district so requests, the money may be used to pay both the state share, as calculated by Paragraphs (5) and (6) of Subsection B of Section 22-24-5 NMSA 1978 and all or a portion of the district share, subject to the following criteria:

(1) the amount paid as the district's share plus any amount added pursuant to Paragraph (3) of this subsection shall be recouped by offsetting future allocations that otherwise would be made from the fund for the state share of projects qualifying for a grant award pursuant to Subsections B and C of Section 22-24-5 NMSA 1978;

(2) except as provided in Paragraph (6) of this subsection, once a project within a district has been funded pursuant to the provisions of this section, then, until the amount paid as the district's share plus any amount added pursuant to Paragraph (3) of this subsection is fully recouped, no standard-based grant awards from the fund shall be made to the district and the district shall be solely responsible for using its local resources to bring those facilities, that would otherwise be eligible for allocations from the fund pursuant to Section 22-24-5 NMSA 1978, up to the statewide adequacy standards;

(3) in determining the amount to be recouped pursuant to Paragraphs (1) and (2) of this subsection, any legislative appropriations for nonoperating purposes made either directly to the school district or to another governmental entity for the purpose of passing the money directly to the school district and not rejected by the school district shall be added to the amount advanced from the fund as the district's share for a project;

(4) the amount to be recouped pursuant to Paragraph (1) of this subsection may be reduced by payments from the school district with cash balances and other available district resources that may legally be used for such payments;

(5) allocations from the fund for the district share shall only be made if the council finds that the school district is likely to complete the project within thirty-six months after the allocation for the district share is made available to the district; and

(6) notwithstanding the requirements of Paragraph (2) of this section, two projects within a school district may be funded pursuant to this section before the recoupment process under that paragraph commences, if:

(a) both projects qualify pursuant to the provisions of Paragraph (2) of Subsection B of this section; or

(b) both projects qualify during the same awards cycle, beginning on or after July 1, 2006.

B. As used in this section, "qualified high priority project" means a project:

(1) that is approved for a grant award pursuant to Section 22-24-5 NMSA 1978 during an awards cycle occurring in 2006 and subsequent award cycles and:

(a) is located in a high-growth area, as designated by the council;

(2) that was approved for a grant award pursuant to Section 22-24-5 NMSA 1978 during the 2004-2005 or 2005-2006 awards cycle but for which the school district, as of July 1, 2006, has not obtained funding for the district share and:

(a) is located in a high-growth area, as designated by the council.

C. The council may designate an area that equals a contiguous attendance area of one or more existing schools as a "high-growth area" if the council determines that:

(1) within five years of the grant allocation decision, the estimated occupancy rate of the proposed new school would be seventy percent or more of the design capacity;

(2) at the time of the application, the attendance at the existing schools in the high-growth area from which students at the new school will be drawn is above design capacity; and

(3) for the period of five years after the grant allocation decision the attendance at those existing schools will be maintained at ninety-five percent or greater of design capacity.

History: Laws 2006, ch. 95, § 7.

**Emergency clause.** — Laws 2006, ch. 95, § 15 contained an emergency clause and was approved March 6, 2006.

#### **22-24-5.8. Adequacy standards; constitutional special schools.**

Until July 1, 2018, the council may apply the adequacy standards to the constitutional special schools on a building-by-building basis rather than the entire campus. After that time, the adequacy standards rankings shall be based on the facilities condition of the entire campus.

History: Laws 2012, ch. 53, § 4.

**Effective dates.** — Laws 2012, ch. 53 contained no effective date provision, but, pursuant to N.M. Const., art. IV, § 23, was effective May 16, 2012, 90 days after the adjournment of the legislature.

**22-24-6. Council created; organization; duties.**

- A. There is created the "public school capital outlay council", consisting of the:
- (1) secretary of finance and administration or his designee;
  - (2) state superintendent [secretary] or his designee;
  - (3) the governor or his designee;
  - (4) president of the New Mexico school boards association or his designee;
  - (5) the director of the construction industries division of the regulation and licensing department or his designee;
  - (6) the president of the state board or his designee;
  - (7) the director of the legislative education study committee or his designee;
  - (8) the director of the legislative finance committee or his designee; and
  - (9) the director of the legislative council service or his designee.
- B. The council shall investigate all applications for assistance from the fund and shall certify the approved applications to the secretary of finance and administration for distribution of funds.
- C. The council shall elect a chairman from among the members. The council shall meet at the call of the chairman.
- D. The department of education [public education department] shall account for all distributions and shall make annual reports to the legislative education study committee and to the legislative finance committee.

**History:** 1953 Comp., § 77-24-14, enacted by Laws 1975, ch. 235, § 6; 1977, ch. 247, § 206; 1978, ch. 152, § 6; 1980, ch. 151, § 51; 1988, ch. 64, § 43; 1993, ch. 226, § 51; 1994, ch. 88, § 4.

**Bracketed material.** — The bracketed material was inserted by the compiler and is not part of the law.

Laws 2004, ch. 25, § 27, provided that all references to the superintendent of public instruction shall be deemed references to the secretary of public education and all references to the former state board of education or state department of education shall be deemed references to the public education department. See 9-24-15 NMSA 1978.

**The 1994 amendment,** effective May 18, 1994, substituted "state superintendent" for "superintendent of public instruction" in Paragraph A(2), deleted "of education" following "state board" in Paragraph A(6), and added Paragraphs A(8) and (9), making related stylistic changes.

**The 1993 amendment**, effective July 1, 1993, in Subsection A, added "or his designee" at the end of Paragraphs (1), (2) and (5) and deleted "state" preceding "superintendent" at the beginning of Paragraph (2).

**The 1988 amendment**, effective May 18, 1988, substituted "the governor or his designee" for "director of the public school finance division" in Subsection A(3); made a minor stylistic change in Subsection A(4); substituted "regulation and licensing department" for "commerce and industry department" in Subsection A(5); added Subsections A(6) and (7); inserted "shall" in Subsection B; and substituted "department of education" for "council shall employ a staff director who" in Subsection D.

### **22-24-6.1. Procedures for a state-chartered charter school.**

All of the provisions of the Public School Capital Outlay Act apply to an application by a state-chartered charter school for grant assistance for a capital project except:

A. the portion of the cost of the project to be paid from the fund shall be calculated pursuant to Paragraph (5) of Subsection B of Section 22-24-5 NMSA 1978 using data from the school district in which the state-chartered charter school is located;

B. in calculating a reduction pursuant to Paragraph (6) of Subsection B of Section 22-24-5 NMSA 1978:

(1) the amount to be used in Subparagraph (a) of that paragraph shall equal the total of all legislative appropriations made after January 1, 2007 for nonoperating expenses either directly to the charter school or to another governmental entity for the purpose of passing the money through directly to the charter school, regardless of whether the charter school was a state-chartered charter school at the time of the appropriation or later opted to become a state-chartered charter school, except that the total shall not include any such appropriation if, before the charter school became a state-chartered charter school, the appropriation was previously used to calculate a reduction pursuant to Paragraph (6) of Subsection B of Section 22-24-5 NMSA 1978; and

(2) the amount to be used in Subparagraph (b) of that paragraph shall equal the total of all federal money received by the charter school for nonoperating purposes pursuant to Title XIV of the American Recovery and Reinvestment Act of 2009, regardless of whether the charter school was a state-chartered charter school at the time of receiving the federal money or later opted to become a state-chartered charter school, except that the total shall not include any such federal money if, before the charter school became a state-chartered charter school, the money was previously used to calculate a reduction pursuant to Paragraph (6) of Subsection B of Section 22-24-5 NMSA 1978; and

C. if the council determines that the state-chartered charter school does not have the resources to pay all or a portion of the total cost of the capital outlay project that is not funded with grant assistance from the fund, to the extent that money is available in the charter school capital outlay fund, the council shall make an award from that fund for the remaining amount necessary to pay for the project. The council may establish, by rule, a procedure for determining

the amount of resources available to the charter school and the amount needed from the charter school capital outlay fund.

History: Laws 2007, ch. 214, § 1; 2009, ch. 258, § 6.

**The 2009 amendment**, effective April 8, 2009, added Paragraph (2) of Subsection B.

### **22-24-6.2. Repealed.**

**Repeals.** — Laws 2007, ch. 214, § 4 repealed 22-24-6.2 NMSA 1978, as enacted by Laws 2007, ch. 214, § 2, relating to public facilities for charter schools, effective July 1, 2012. For provisions of former section, see the 2011 NMSA 1978 on *NMONESOURCE.COM*.

### **22-24-7. Public school capital outlay oversight task force; creation; staff.**

A. The "public school capital outlay oversight task force" is created. The task force consists of twenty-five members as follows:

- (1) the secretary of finance and administration or the secretary's designee;
- (2) the secretary of public education or the secretary's designee;
- (3) the speaker of the house of representatives or the speaker's designee;
- (4) the president pro tempore of the senate or the president pro tempore's designee;
- (5) the chairs of the house appropriations and finance committee, the senate finance committee, the senate education committee and the house education committee or their designees;
- (6) two minority party members of the house of representatives, appointed by the New Mexico legislative council;
- (7) two minority party members of the senate, appointed by the New Mexico legislative council;
- (8) a member of the interim legislative committee charged with the oversight of Indian affairs, appointed by the New Mexico legislative council, provided that the member shall rotate annually between a senate member and a member of the house of representatives;
- (9) a member of the house of representatives and a member of the senate who represent districts with school districts receiving federal funds commonly known as "PL 874" funds or "impact aid", appointed by the New Mexico legislative council;
- (10) two public members who have expertise in education and finance appointed by the speaker of the house of representatives;
- (11) two public members who have expertise in education and finance appointed by the president pro tempore of the senate;

(12) three public members, two of whom are residents of school districts that receive grants from the federal government as assistance to areas affected by federal activity authorized in accordance with Title 20 of the United States Code, appointed by the governor; and

(13) three superintendents of school districts or their designees, two of whom are from school districts that receive grants from the federal government as assistance to areas affected by federal activity authorized in accordance with Title 20 of the United States Code, appointed by the New Mexico legislative council in consultation with the governor.

B. The chair of the public school capital outlay oversight task force shall be elected by the task force. The task force shall meet at the call of the chair, but no more than four times per calendar year.

C. Non-ex-officio members of the task force shall serve at the pleasure of their appointing authorities.

D. The public members of the public school capital outlay oversight task force shall receive per diem and mileage pursuant to the Per Diem and Mileage Act [10-8-1 through 10-8-8 NMSA 1978].

E. The legislative council service, with assistance from the public school facilities authority, the department of finance and administration, the public education department, the legislative education study committee and the legislative finance committee, shall provide staff for the public school capital outlay oversight task force.

History: Laws 2001, ch. 338, § 12; 2004, ch. 125, § 16; 2005, ch. 274, § 10; 2007, ch. 366, § 11; 2008, ch. 90, § 5.

**Cross references.** — For PL 874 funds, see 20 USCS § 7701 et seq.

**Temporary provisions.** — Laws 2010, ch. 104, § 5 provided that during calendar year 2010, the public school capital outlay oversight task force shall continue the working group studying issues relating to performance-based procurement for public school capital outlay projects, and shall report its findings and recommendations no later than December 15, 2010 to the governor and the legislature.

**The 2008 amendment,** effective May 14, 2008, in Subsection A, changed the number of members from twenty-six to twenty five and deleted the state investment officer or the state investment officer's designee.

**The 2007 amendment,** effective July 1, 2007, changed the number of members of the public school capital outlay oversight task force to twenty-six and added Paragraph (10) of Subsection A to provide new legislative members representing PL 874 school districts.

**The 2005 amendment,** effective April 6, 2005, changed the name of the task force to the public school capital outlay oversight task force and the number of members from twenty to twenty four in Subsection A; deleted the dean of the university of New Mexico school of law or the dean's designee as a member in Subsection A; added in Subsections A(3), (4) and (9) respectively, the speaker of the house of representatives or the speaker's designee, the president pro tempore of the senate or the president pro tempore's designee, and a member of the interim legislative committee charged with the oversight of

Indian affairs as members of the task force; provided in Subsection A(9) that the member who is a member of the committee charged with Indian affairs shall rotate annually between a senate member and a house of representatives member; deleted the former requirement in Subsection A(10) that three members be public members who have expertise in education and finance; provided in Subsection A(12) that two of the public members must reside in school districts that receive federal grants as assistance to areas affected by federal activity; provided in Subsection A(13) that two superintendents must be from school districts that receive federal grants as assistance to areas affected by federal activity; provided in Subsection B that the task force shall meet no more than four times per calendar year; deleted the former provision of Subsection C that members shall serve through June 30, 2005 and that the task force is terminated on July 1, 2005; and provided in Subsection C that non-ex-officio members shall serve at the pleasure of their appointing authorities.

### **22-24-8. Public school capital outlay oversight task force; duties.**

The public school capital outlay oversight task force shall:

A. monitor the overall progress of bringing all public schools up to the statewide adequacy standards developed pursuant to the Public School Capital Outlay Act;

B. monitor the progress and effectiveness of programs administered pursuant to the Public School Capital Outlay Act and the Public School Capital Improvements Act [Chapter 22, Article 25 NMSA 1978];

C. monitor the existing permanent revenue streams to ensure that they remain adequate long-term funding sources for public school capital outlay projects;

D. oversee the work of the public school capital outlay council and the public school facilities authority as they perform functions pursuant to the Public School Capital Outlay Act, particularly as they implement the statewide-based process for making grant awards;

E. appoint an advisory committee to study the feasibility of implementing a long-range planning process that will facilitate the interaction between charter schools and their school districts on issues relating to facility needs; and

F. before the beginning of each regular session of the legislature, report the results of its analyses and oversight and any recommendations to the governor and the legislature.

History: Laws 2001, ch. 338, § 13; 2004, ch. 125, § 17; 2005, ch. 274, § 11.

**Temporary provisions.** — Laws 2009, ch. 37, § 2 provided that during calendar year 2009, the public school capital outlay oversight task force shall study reasonable alternatives for determining the local matching funds to be required from the New Mexico school for the blind and visually impaired and the New Mexico school for the deaf for a grant award pursuant to the Public School Capital Outlay Act and shall report its findings and recommendations to the second session of the forty-ninth legislature.

**The 2005 amendment,** effective April 6, 2005, added Subsection A to provide that the task force shall monitor the progress of bringing public schools up to the statewide adequacy standards; deleted the former requirement in Subsection B that the task force review the condition index and the methodology used for ranking projects; provided in Subsection C that the task force monitor revenue streams to ensure that they remain adequate; provided in Subsection D that the task force oversee the work of the council

and the authority; added Subsection E to provide that the task force appoint an advisory committee to study the feasibility of a long-range planning process to facilitate interaction between charter schools and school districts.

### **22-24-9. Public school facilities authority; creation; powers and duties.**

A. The "public school facilities authority" is created under the council. The authority shall be headed by a director, selected by the council, who shall be versed in construction, architecture or project management. The director may hire no more than two deputies with the approval of the council, and, subject to budgetary constraints set out in Subsection G of Section 22-24-4 NMSA 1978, shall employ or contract with such technical and administrative personnel as are necessary to carry out the provisions of this section. The director, deputies and all other employees of the authority shall be exempt from the provisions of the Personnel Act [Chapter 10, Article 9 NMSA 1978].

B. The authority shall:

- (1) serve as staff to the council;
- (2) as directed by the council, provide those assistance and oversight functions required of the council by Section 22-24-5.1 NMSA 1978;
- (3) assist school districts with:
  - (a) the development and implementation of five-year facilities plans and preventive maintenance plans;
  - (b) procurement of architectural and engineering services;
  - (c) management and oversight of construction activities; and
  - (d) training programs;
- (4) conduct ongoing reviews of five-year facilities plans, preventive maintenance plans and performance pursuant to those plans;
- (5) as directed by the council, assist school districts in analyzing and assessing their space utilization options;
- (6) ensure that public school capital outlay projects are in compliance with applicable building codes;
- (7) conduct on-site inspections as necessary to ensure that the construction specifications are being met and periodically inspect all of the documents related to projects;
- (8) require the use of standardized construction documents and the use of a standardized process for change orders;
- (9) have access to the premises of a project and any documentation relating to the project;
- (10) after consulting with the department, recommend building standards for public

school facilities to the council and ensure compliance with building standards adopted by the council;

(11) notwithstanding the provisions of Subsection D of Section 22-24-6 NMSA 1978, account for all distributions of grant assistance from the fund for which the initial award was made after July 1, 2004, and make annual reports to the department, the governor, the legislative education study committee, the legislative finance committee and the legislature;

(12) maintain a database of the condition of school facilities and maintenance schedules;

(13) as a central purchasing office pursuant to the Procurement Code [13-1-28 through 13-1-199 NMSA 1978] and as directed by the council, select contractors and enter into and administer contracts for certain emergency projects funded pursuant to Subparagraph (b) of Paragraph (2) of Subsection B of Section 22-24-5 NMSA 1978; and

(14) ensure that outstanding deficiencies are corrected pursuant to Section 22-24-4.1 NMSA 1978. In the performance of this duty, the authority:

(a) shall work with school districts to validate the assessment of the outstanding deficiencies and the projected costs to correct the deficiencies;

(b) shall work with school districts to provide direct oversight of the management and construction of the projects that will correct the outstanding deficiencies;

(c) shall oversee all aspects of the contracts entered into by the council to correct the outstanding deficiencies;

(d) may conduct on-site inspections while the deficiencies correction work is being done to ensure that the construction specifications are being met and may periodically inspect all of the documents relating to the projects;

(e) may require the use of standardized construction documents and the use of a standardized process for change orders;

(f) may access the premises of a project and any documentation relating to the project; and

(g) shall maintain, track and account for deficiency correction projects separately from other capital outlay projects funded pursuant to the Public School Capital Outlay Act.

C. All actions taken by the authority shall be consistent with educational programs conducted pursuant to the Public School Code [Chapter 22 [except Article 5A] NMSA 1978]. In the event of any potential or perceived conflict between a proposed action of the authority and an educational program, the authority shall consult with the secretary.

D. A school district, aggrieved by a decision or recommendation of the authority, may appeal the matter to the council by filing a notice of appeal with the council within thirty days of the authority's decision or recommendation. Upon filing of the notice:

- (1) the decision or recommendation of the authority shall be suspended until the matter is decided by the council;
- (2) the council shall hear the matter at its next regularly scheduled hearing or at a special hearing called by the chair for that purpose;
- (3) at the hearing, the school district, the authority and other interested parties may make informal presentations to the council; and
- (4) the council shall finally decide the matter within ten days after the hearing.

History: Laws 2003, ch. 147, § 1; 2004, ch. 125, § 11; 2005, ch. 274, § 12; 2006, ch. 95, § 8; 2010, ch. 104, § 4.

**The 2010 amendment**, effective March 9, 2010, added Paragraph (13) of Subsection B and renumbered succeeding paragraphs.

**The 2006 amendment**, effective March 6, 2006, in Subsection A, added all other employees of the authority and deleted the provision that subjected all other employees to the Personnel Act after July 1, 2006.

**The 2005 amendment**, effective April 6, 2005, provided in Subsection A that the hiring of deputies is subject to the budgetary constraints set out in Subsection G of Section 22-24-4 NMSA 1978 and that the after July 1, 2006, all other employees shall be subject to the Personnel Act; and added Subsection B(11) to provide that the authority shall account for all distributions of grant assistance from the fund awarded after July 1, 2004 and make annual reports to the specified agencies or officers.

**The 2004 amendment**, effective May 19, 2004, amended Subsection A to delete "public school capital outlay" preceding "council", amended Subsection B to add new Paragraph (5), redesignated former Paragraphs (6) through (11) of Subsection B as Paragraphs (7) through (12), amended Paragraph (8) to delete "where appropriate" before "require" and amended Paragraph (10) to delete "of education, develop" following "education" and insert in its place "recommend", to add "to the council" after "facilities", to replace "those" with "building" preceding "standards" and to insert "adopted by the council at the end of the paragraph, amended Subsection C to substitute "secretary of public education" for "state superintendent", and added Subsection D.

#### **22-24-10. Public facilities to be used by charter schools; assessment.**

A. Prior to the occupancy of a public facility by a charter school, the charter school shall notify the council of the intended use, together with such other information as required by rule of the council.

B. Within sixty days of the notification to the council, the public school facilities authority shall assess the public facility in order to determine the extent of compliance with the statewide adequacy standards and the amount of outstanding deviation from those standards. The results of the assessment shall be submitted to the charter school, the school district in which the charter school is located and the council.

C. Once assessed pursuant to Subsection B of this section, the public facility shall be

prioritized and eligible for grants pursuant to the Public School Capital Outlay Act in the same manner as all other public schools in the state.

D. As used in this section, "public facility" means a building owned by the charter school, the school district, the state, an institution of the state, another political subdivision of the state, the federal government or a tribal government.

History: Laws 2005, ch. 274, § 13.

**Effective dates.** — Laws 2005, ch. 274, § 20 makes the act effective April 6, 2005.

### **22-24-11. Recompiled.**

**Recompilations.** — Laws 2007, ch. 366, § 25, effective July 1, 2007, recompiled former 22-24-11 NMSA 1978 as 22-8-48 NMSA 1978.

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**ARTICLE 25**  
**Public School Capital Improvements**

Section	
22-25-1	Short title.
22-25-2	Definitions.
22-25-3	Authorization for local school board to submit question of capital improvements tax imposition.
22-25-4	Authorizing resolution; time limitation.
22-25-5	Conduct of election; notice; ballot.
22-25-6	Election results; certification.
22-25-7	Imposition of tax; limitation on expenditures.
22-25-8	Tax to be imposed for a maximum of six years.
22-25-9	State distribution to school district imposing tax under certain circumstances.
22-25-10	Public school capital improvements fund created.
22-25-11	Expenditures by charter schools; reports to department.

**22-25-1. Short title.**

Chapter 22, Article 25 NMSA 1978 may be cited as the "Public School Capital Improvements Act".

History: 1953 Comp., § 77-25-1, enacted by Laws 1975 (S.S.), ch. 5, § 1; 2007, ch. 366, § 12.

**Cross references.** — For public school finances generally, see 22-8-1 NMSA 1978 et seq.

For public school emergency capital outlays, see 22-24-1 NMSA 1978 et seq.

**The 2007 amendment**, effective July 1, 2007, changed the statutory reference to the act.

**ANNOTATIONS**

**Revenues not to be used for teacher housing.** — Revenues generated by school district general obligation bonds or pursuant to the Public School Capital Improvements Act may not be spent to construct teacher housing. 1981 Op. Att'y Gen. No. 81-1.

For article, "No Cake For Zuni: The Constitutionality of New Mexico's Public School Capital Finance System," see 37 N.M.L. Rev. 307 (2007).

**22-25-2. Definitions.**

As used in the Public School Capital Improvements Act:

A. "program unit" means the product of the program element multiplied by the applicable cost differential factor, as defined in Section 22-8-2 NMSA 1978; and

B. "capital improvements" means expenditures, including payments made with

respect to lease-purchase arrangements as defined in the Education Technology Equipment Act [6-15A-1 through 6-15A-16 NMSA 1978] or the Public School Lease Purchase Act [Chapter 22, Article 26A NMSA 1978] but excluding any other debt service expenses, for:

(1) erecting, remodeling, making additions to, providing equipment for or furnishing public school buildings;

(2) purchasing or improving public school grounds;

(3) maintenance of public school buildings or public school grounds, including the purchasing or repairing of maintenance equipment, participating in the facility information management system as required by the Public School Capital Outlay Act [Chapter 22, Article 24 NMSA 1978] and including payments under contracts with regional education cooperatives for maintenance support services and expenditures for technical training and certification for maintenance and facilities management personnel, but excluding salary expenses of school district employees;

(4) purchasing activity vehicles for transporting students to extracurricular school activities; or

(5) purchasing computer software and hardware for student use in public school classrooms.

History: 1953 Comp., § 77-25-2, enacted by Laws 1975 (S.S.), ch. 5, § 2; 1981, ch. 314, § 1; 1989, ch. 159, § 1; 1996, ch. 67, § 2; 1999, ch. 89, § 2; 2004, ch. 125, § 12; 2006, ch. 95, § 9; 2007, ch. 366, § 13; 2009, ch. 258, § 8.

**The 2009 amendment**, effective April 8, 2009, in Subsection B, added the reference to the Public School Lease Purchase Act; deleted former Paragraph (2) of Subsection B, which excluded lease payments on a lease with option to purchase; and in Paragraph (3) of Subsection B, added the language between "public school grounds" and "including payments under contracts", and after "including payments under contracts", added "with regional education cooperatives".

**The 2007 amendment**, effective July 1, 2007, added Paragraph (2) of Subsection B to include within the definition of "capital improvements" payments made for lease purchases.

**The 2006 amendment**, effective March 6, 2006, in Paragraph (3) of Subsection B, included payments under contracts for maintenance support services.

**The 2004 amendment**, effective May 19, 2004, in Paragraph (3) of Subsection B, deleted "exclusive of" preceding "salary expenses" and added "including expenditures for technical training and certification for maintenance and facilities management personnel, but excluding".

**The 1999 amendment**, effective March 19, 1999, substituted the language beginning "including payments" and ending "any other" for "exclusive of any" in Subsection B.

**The 1996 amendment**, effective May 15, 1996, added Paragraph B(5).

**The 1989 amendment**, effective June 16, 1989, added Subsection B(4).

**22-25-3. Authorization for local school board to submit question of capital improvements tax imposition.**

A. A local school board may adopt a resolution to submit to the qualified electors of the school district the question of whether a property tax should be imposed upon the net taxable value of property allocated to the school district under the Property Tax Code [Chapter 7, Articles 35 through 38 NMSA 1978] at a rate not to exceed that specified in the resolution for the purpose of capital improvements in the school district. The resolution shall:

- (1) identify the capital improvements for which the revenue proposed to be produced will be used;
- (2) specify the rate of the proposed tax, which shall not exceed two dollars (\$2.00) on each one thousand dollars (\$1,000) of net taxable value of property allocated to the school district under the Property Tax Code;
- (3) specify the date an election will be held to submit the question of imposition of the tax to the qualified electors of the district; and
- (4) limit the imposition of the proposed tax to no more than six property tax years.

B. On or after July 1, 2009, a resolution submitted to the qualified electors pursuant to Subsection A of this section shall include capital improvements funding for a locally chartered or state-chartered charter school located within the school district if the charter school timely provides the necessary information to the school district for inclusion in the resolution that identifies the capital improvements of the charter school for which the revenue proposed to be produced will be used.

History: 1953 Comp., § 77-25-3, enacted by Laws 1975 (S.S.), ch. 5, § 3; 1986, ch. 32, § 21; 1997, ch. 138, § 1; 2003, ch. 147, § 6; 2009, ch. 258, § 9.

**The 2009 amendment**, effective April 8, 2009, added Subsection B.

**The 2003 amendment**, effective April 4, 2003, substituted "six property tax years" for "four property tax years" at the end of Subsection D.

**The 1997 amendment**, effective June 20, 1997, substituted "four" for "three" in Subsection D.

**22-25-4. Authorizing resolution; time limitation.**

The resolution authorized under Section 3 [22-25-3 NMSA 1978] of the Public School Capital Improvements Act shall be adopted no later than May 15 in the year in which the tax is proposed to be imposed.

**History:** 1953 Comp., § 77-25-4, enacted by Laws 1975 (S.S.), ch. 5, § 4.

### **22-25-5. Conduct of election; notice; ballot.**

A. An election on the question of imposing a tax under the Public School Capital Improvements Act may be held in conjunction with a regular school district election or may be conducted as or held in conjunction with a special school district election, but the election shall be held prior to July 1 of the property tax year in which the tax is proposed to be imposed. Conduct of the election shall be as prescribed in the School Election Law [1-22-1 through 1-22-19 NMSA 1978] for regular and special school district elections.

B. The proclamation required to be published as notice of the election under Section 1-22-4 or 1-22-5 NMSA 1978 shall include as the question to be submitted to the voters whether a property tax at a rate not to exceed the rate specified in the authorizing resolution should be imposed for the specified number of property tax years not exceeding six years upon the net taxable value of all property allocated to the school district for the capital improvements specified in the authorizing resolution.

C. The ballot shall include the information specified in Subsection B of this section and shall present the voter the choice of voting "for the public school capital improvements tax" or "against the public school capital improvements tax".

**History:** 1953 Comp., § 77-25-5, enacted by Laws 1975 (S.S.), ch. 5, § 5; 1986, ch. 32, § 22; 1997, ch. 138, § 2; 2003, ch. 147, § 7.

**The 2003 amendment,** effective April 4, 2003, substituted "proclamation" for "resolution" and "six years" for "four years" in Subsection B.

**The 1997 amendment,** effective June 20, 1997, substituted "four years" for "three years" in Subsection B.

### **22-25-6. Election results; certification.**

The certification of the results of an election held on the question of imposition of a public school capital improvements tax shall be made in accordance with Section 22-6-16 NMSA 1978 [repealed] and a copy of the certificate of results shall be mailed immediately to the director.

**History:** 1953 Comp., § 77-25-6, enacted by Laws 1975 (S.S.), ch. 5, § 6; 1977, ch. 246, § 66.

**Bracketed material.** — The bracketed material was inserted by the compiler and is not part of the law.

Laws 1985, ch. 168, § 22 repealed former 22-6-16 NMSA 1978, referred to in this section, effective June 16, 1985

### **22-25-7. Imposition of tax; limitation on expenditures.**

A. If as a result of an election held in accordance with the Public School Capital Improvements Act a majority of the qualified electors voting on the question votes in favor of the imposition of the tax, the tax rate shall be certified, unless the local school board requests by resolution that a rate be discontinued, by the department of finance and administration at the rate specified in the resolution authorized under Section 22-25-3 NMSA 1978 or at any lower rate required by operation of the rate limitation provisions of Section 7-37-7.1 NMSA 1978 upon the rate specified in the resolution and be imposed at the rate certified in accordance with the provisions of the Property Tax Code [Chapter 7, Articles 35 through 38 NMSA 1978].

B. The revenue produced by the tax and, except as provided in Subsection F, G or H of Section 22-25-9 NMSA 1978, any state distribution resulting to the district under the Public School Capital Improvements Act shall be expended only for the capital improvements specified in the authorizing resolution.

C. For resolutions approved by the electors on or after July 1, 2009, the amount of tax revenue to be distributed to each charter school that was included in the resolution shall be determined each year and shall be in the same proportion as the average full-time-equivalent enrollment of the charter school on the fortieth day of the prior school year is to the total such enrollment in the school district; provided that no distribution shall be made to an approved charter school that had not commenced classroom instruction in the prior school year and, provided further, that, in determining a school district's total enrollment, students attending a state-chartered charter school within that school district shall be included. Each year, the department shall certify to the county treasurer of the county in which the eligible charter schools in the school district are located the percentage of the revenue to be distributed to each charter school. The county treasurer shall distribute the charter school's share of the property tax revenue directly to the charter school.

History: 1953 Comp., § 77-25-7, enacted by Laws 1975 (S.S.), ch. 5, § 7; 1986, ch. 32, § 23; 2004, ch. 125, § 13; 2009, ch. 258, § 10.

**The 2009 amendment**, effective April 8, 2009, in Subsection B, added the reference to Subsections G and H; and added Subsection C.

**The 2004 amendment**, effective May 19, 2004, added "except as provided in Subsection F of Section 22-25-9 NMSA 1978," after "The revenue produced by the tax and,".

## ANNOTATIONS

**The "tax rate imposed in the district" under the Public School Capital Improvements Act** is that rate certified in accordance with this section which incorporates Section 7-37-7.1 NMSA 1978. This certified rate must be that which the voters approve unless the operation of the rate limitation provisions of Section 7-37-7.1 NMSA 1978 requires a lower rate, in which case the lower rate must be certified. 1987 Op. Att'y Gen. No. 87-52.

**22-25-8. Tax to be imposed for a maximum of six years.**

A tax imposed in a school district as a result of an election under the Public School Capital Improvements Act shall be imposed for a specified number of property tax years not exceeding six years commencing with the property tax year in which the election was held. The local school board may discontinue, by resolution, the Public School Capital Improvements Act tax levy at the end of any property tax year. The local school board shall direct that the Public School Capital Improvements Act tax levy be decreased by the amount required for any year in which the decrease is required by operation of the rate limitation provisions of Section 7-37-7.1 NMSA 1978.

**History:** 1953 Comp., § 77-25-8, enacted by Laws 1975 (S.S.), ch. 5, § 8; 1976 (S.S.), ch. 31, § 1; 1986, ch. 32, § 24; 1997, ch. 138, § 3; 2003, ch. 147, § 8.

**The 2003 amendment,** effective April 4, substituted "six years" for "four years" in the section heading; substituted "a specified number of property tax years not exceeding six years" for "one, two, three or four years" in the first sentence, and substituted "any property tax year" for "the first or second year of the levy" in the second sentence.

**The 1997 amendment,** effective June 20, 1997, substituted "four years" for "three years" in the section heading and "two, three or four years" for "two or three years" in the first sentence.

**22-25-9. State distribution to school district imposing tax under certain circumstances.**

A. Except as provided in Subsection C or G of this section, the secretary shall distribute to any school district that has imposed a tax under the Public School Capital Improvements Act an amount from the public school capital improvements fund that is equal to the amount by which the revenue estimated to be received from the imposed tax, at the rate certified by the department of finance and administration in accordance with Section 22-25-7 NMSA 1978, assuming a one hundred percent collection rate, is less than an amount calculated by multiplying the school district's first forty days' total program units by the amount specified in Subsection B of this section and further multiplying the product obtained by the tax rate approved by the qualified electors in the most recent election on the question of imposing a tax under the Public School Capital Improvements Act. The distribution shall be made each year that the tax is imposed in accordance with Section 22-25-7 NMSA 1978; provided that no state distribution from the public school capital improvements fund may be used for capital improvements to any administration building of a school district. In the event that sufficient funds are not available in the public school capital improvements fund to make the state distribution provided for in this section, the dollar per program unit figure shall be reduced as necessary.

B. In calculating the state distribution pursuant to Subsection A of this section, the following amounts shall be used:

- (1) the amount calculated pursuant to Subsection D of this section per program unit;

and

(2) an additional amount certified to the secretary by the public school capital outlay council. No later than June 1 of each year, the council shall determine the amount needed in the next fiscal year for public school capital outlay projects pursuant to the Public School Capital Outlay Act [Chapter 22, Article 24 NMSA 1978] and the amount of revenue, from all sources, available for the projects. If, in the sole discretion of the council, the amount available exceeds the amount needed, the council may certify an additional amount pursuant to this paragraph; provided that the sum of the amount calculated pursuant to this paragraph plus the amount in Paragraph (1) of this subsection shall not result in a total statewide distribution that, in the opinion of the council, exceeds one-half of the total revenue estimated to be received from taxes imposed pursuant to the Public School Capital Improvements Act.

C. For any fiscal year notwithstanding the amount calculated to be distributed pursuant to Subsections A and B of this section, except as provided in Subsection G of this section, a school district, the voters of which have approved a tax pursuant to Section 22-25-3 NMSA 1978, shall not receive a distribution less than the amount calculated pursuant to Subsection E of this section multiplied by the school district's first forty days' total program units and further multiplying the product obtained by the approved tax rate.

D. For purposes of calculating the distribution pursuant to Subsection B of this section, the amount used in Paragraph (1) of that subsection shall equal seventy dollars (\$70.00) in fiscal year 2008 and in each subsequent fiscal year shall equal the amount for the previous fiscal year adjusted by the percentage increase between the next preceding calendar year and the preceding calendar year of the consumer price index for the United States, all items, as published by the United States department of labor.

E. For purposes of calculating the minimum distribution pursuant to Subsection C of this section, the amount used in that subsection shall equal five dollars (\$5.00) through fiscal year 2005 and in each subsequent fiscal year shall equal the amount for the previous fiscal year adjusted by the percentage increase between the next preceding calendar year and the preceding calendar year of the consumer price index for the United States, all items, as published by the United States department of labor.

F. In expending distributions made pursuant to this section, school districts and charter schools shall give priority to maintenance projects, including payments under contracts with regional education cooperatives for maintenance support services. In addition, distributions made pursuant to this section may be expended by school districts and charter schools as follows:

(1) for the school district portion of the total project cost for roof repair or replacement required by Section 22-24-4.3 NMSA 1978; or

(2) for the school district portion of payments made under a financing agreement entered into by a school district or a charter school for the leasing of a building or other real property with an option to purchase for a price that is reduced according to the payments made, if

the school district has received a grant for the state share of the payments pursuant to Subsection D of Section 22-24-5 NMSA 1978.

G. If a serious deficiency in a roof of a public school facility has been corrected pursuant to Section 22-24-4.4 NMSA 1978 and the school district has refused to pay its share of the cost as determined by that section, until the public school capital outlay fund is reimbursed in full for the share attributed to the district, the distribution calculated pursuant to this section shall not be made to the school district but shall be made to the public school capital outlay fund.

H. A portion of each distribution made by the state pursuant to this section on or after July 1, 2009 shall be further distributed by the school district to each locally chartered or state-chartered charter school located within the school district. The amount to be distributed to each charter school shall be in the same proportion as the average full-time-equivalent enrollment of the charter school on the fortieth day of the prior school year is to the total such enrollment in the school district; provided that no distribution shall be made to an approved charter school that had not commenced classroom instruction in the prior school year. Each year, the department shall certify to the school district the amount to be distributed to each charter school. Distributions received by a charter school pursuant to this subsection shall be expended pursuant to the provisions of the Public School Capital Improvements Act; except that if capital improvements for the charter school were not identified in a resolution approved by the electors, the charter school may expend the distribution for any capital improvements, including those specified in Subsection F of this section.

I. In determining a school district's total program units pursuant to Subsections A and C of this section and a school district's total enrollment pursuant to Subsection H of this section, students attending a state-chartered charter school within the school district shall be included.

J. In making distributions pursuant to this section, the secretary shall include such reporting requirements and conditions as are required by rule of the public school capital outlay council. The council shall adopt such requirements and conditions as are necessary to ensure that the distributions are expended in the most prudent manner possible and are consistent with the original purpose as specified in the authorizing resolution. Copies of reports or other information received by the secretary in response to the requirements and conditions shall be forwarded to the council.

History: 1953 Comp., § 77-25-9, enacted by Laws 1975 (S.S.), ch. 5, § 9; 1976 (S.S.), ch. 31, § 2; 1977, ch. 246, § 67; 1981, ch. 314, § 2; 1986, ch. 32, § 25; 1988, ch. 64, § 44; 1988, ch. 66, § 2; 2001, ch. 338, § 10; 2003, ch. 147, § 9; 2004, ch. 125, § 14; 2005, ch. 274, § 15; 2006, ch. 95, § 10; 2007, ch. 366, § 14; 2009, ch. 258, § 11.

**Compiler's notes.** — Sections 22-24-7 and 22-24-8 NMSA 1978, Laws 2004, ch. 125, §§ 16 and 17, effective May 19, 2004, created the public school capital outlay oversight tax force; provided that the task force shall study and evaluate the progress and effectiveness of the programs administered pursuant to the Public School Capital Outlay Act and the Public School Capital Improvements Act; and provided that the task force shall report prior to the forty-seventh legislature.

**The 2009 amendment**, effective April 8, 2009, in Subsection F, in the first sentence, after "school districts", added "and charter schools", and after "payments under contracts", added "with regional education cooperatives"; in the second sentence, deleted "for the school district portion of", and added "and charter schools as follows"; in Paragraphs (1) and (2) of Subsection F, at the beginning of each sentence, added "for the school district portion of"; and added Subsections H and I.

**The 2007 amendment**, effective July 1, 2007, changed the amount used in Paragraph (1) of Subsection B from sixty dollars (\$60.00) in fiscal year 2006 to seventy dollars (\$70.00) in fiscal year 2008 and added Paragraph (2) of Subsection F relating to payments made by a district for leases until an option to purchase.

**The 2006 amendment**, effective March 6, 2006, in Paragraph (2) of Subsection B, deleted "for fiscal year 2006 and thereafter" at the beginning of the sentence and changed "June 1, 2005 and each June thereafter" to "June 1 of each year"; in Subsection C, changed "fiscal year 2004 and thereafter" to "any fiscal year"; in Subsection D, deleted the amount of fifty dollars through fiscal year 2005; and in Subsection F, included payments under contracts for maintenance support services.

**The 2005 amendment**, effective April 6, 2005, added the exception in Subsection G in Subsection A; added the exception in Subsection G in Subsection C; added the amount of \$60 for fiscal year 2006 in Subsection D; provided in Subsection F that distributions may be expended by school districts for the school district portion of the total project cost for roof repair or replacement; and added Subsection G to provide that if a roof deficiency has been corrected and the school district refuses to pay its share of the cost, until the school district reimbursed the capital outlay fund for its share of the cost, the distribution shall not be made to the school district but shall be made to the capital outlay fund.

**The 2004 amendment**, effective May 19, 2004, amended Subsection A to substitute "secretary of public education" for "state superintendent", amended Subsection B to substitute in Paragraph (1) "the amount calculated pursuant to Subsection D of this subsection" for "fifty dollars (\$50.00)" and to substitute in Paragraph (2) "secretary of public education" for "state superintendent", amended Subsection C to substitute "an amount equal to five dollars (\$5.00)" for "the amount calculated pursuant to Subsection E of this section", added new Subsections D through F, redesignated former Subsection C as Subsection G and substituted "secretary of public education" for "state superintendent" and "secretary" for "state superintendent".

**The 2003 amendment**, effective April 4, 2003, inserted Subsection C.

**The 2001 amendment**, effective April 5, 2001, redesignated the former section as Subsection A; inserted the exception at the beginning of Subsection A; substituted "by the dollar amount specified in Subsection B of this section" for "times thirty-five dollars"; and added Subsections B and D.

As vetoed by the governor April 5, 2001, Subsection C read: "Notwithstanding the amount calculated to be distributed pursuant to Subsections A and B of this section, no school district, the voters of which have approved a tax pursuant to Section 22-25-3 NMSA 1978, shall receive a distribution less than an amount equal to five dollars (\$5.00) multiplied by the school district's first forty days' total program units and further multiplying the product obtained by the approved tax rate."

**The 1988 amendments**, effective March 8, 1988, substituted "approved by the qualified electors in the most recent election on the question of imposing a tax" for "imposed in the district" near the end of the first sentence; deleted "by December 1" preceding "of each year" in the second sentence; and inserted the proviso at the end of the second sentence.

## ANNOTATIONS

The **"tax rate imposed in the district" under the Public School Capital Improvements Act** is that rate certified in accordance with Section 22-25-7 NMSA 1978 which incorporates Section 7-37-7.1 NMSA 1978. This certified rate must be that which the voters approve unless the operation of the rate limitation provisions of Section 7-37-7.1 NMSA 1978 requires a lower rate, in which case the lower rate must be certified. 1987 Op. Att'y Gen. No. 87-52.

**Administrative charge not to be used to reduce revenue estimate.** — The school district, not the state's public school capital improvements fund, must absorb the two percent (now one percent) administrative charge authorized by Section 7-38-38.1 NMSA 1978, and such fee may not be used to reduce the revenue estimate that this section requires. 1987 Op. Att'y Gen. No. 87-52 (rendered prior to 1988 amendment).

### **22-25-10. Public school capital improvements fund created.**

There is created a "public school capital improvements fund." Balances in the fund remaining at the end of a fiscal year shall not revert.

**History:** 1953 Comp., § 77-25-10, enacted by Laws 1975 (S.S.), ch. 5, § 10; 1976 (S.S.), ch. 31, § 3.

### **22-25-11. Expenditures by charter schools; reports to department.**

A. No later than December 1 of each year, each locally chartered or state-chartered charter school that expects a state distribution or a distribution of property taxes pursuant to the Public School Capital Improvements Act during the next calendar year shall submit a report to the department and its chartering authority showing the purposes for which the expected distribution will be expended. The department shall review the report and, no later than twenty days after receiving the report, shall advise the charter school if, in its opinion, the proposed expenditures are consistent with law and shall provide a copy of the advice to the local district.

B. No later than January 31 of each year, each locally chartered or state-chartered charter school that received a state distribution or a distribution of property taxes pursuant to the Public School Capital Improvements Act during the preceding calendar year shall submit a report to the department and its chartering authority showing the purposes for which the distribution was expended and the amount expended for each purpose.

History: Laws 2011, ch. 11, § 1.

**Effective dates.** — Laws 2011, ch. 11 contained no effective date provision, but, pursuant to N.M. Const., art. IV, § 23, was effective June 17, 2011, 90 days after the adjournment of the legislature.

## ARTICLE 26

### Public School Buildings

Section	
22-26-1	Short title.
22-26-2	Definition.
22-26-3	Authorization for local school board to submit question of capital improvements tax imposition.
22-26-4	Authorizing resolution; time limitation.
22-26-5	Conduct of election; notice; ballot.
22-26-6	Election results; certification.
22-26-7	Imposition of tax; limitations.
22-26-8	Tax to be imposed for a maximum of six years.
22-26-9	Charter schools; receipt of local property tax revenue.
22-26-10	Expenditures by charter schools; reports to department.

#### **22-26-1. Short title.**

Chapter 22, Article 26 NMSA 1978 may be cited as the "Public School Buildings Act".

History: Laws 1983, ch. 163, § 1; 2007, ch. 366, § 18.

**The 2007 amendment**, effective July 1, 2007, changed the statutory reference to the act.

### ANNOTATIONS

For article, "No Cake For Zuni: The Constitutionality of New Mexico's Public School Capital Finance System," see 37 N.M.L. Rev. 307 (2007).

#### **22-26-2. Definition.**

As used in the Public School Buildings Act, "capital improvements" means expenditures, including payments made with respect to lease-purchase arrangements as defined in the Education Technology Equipment Act [6-15A-1 through 6-15A-16 NMSA 1978] but excluding any other debt service expenses, for:

- A. erecting, remodeling, making additions to, providing equipment for or furnishing public school buildings;
- B. payments made pursuant to a financing agreement entered into by a school district or a charter school for the leasing of a building or other real property with an option to purchase for a price that is reduced according to payments made;
- C. purchasing or improving public school grounds;
- D. purchasing activity vehicles for transporting students to and from extracurricular

school activities, provided that this authorization for expenditure does not apply to school districts with a student MEM greater than sixty thousand; or

E. administering the projects undertaken pursuant to Subsections A and C of this section, including expenditures for facility maintenance software, project management software, project oversight and district personnel specifically related to administration of projects funded by the Public School Buildings Act; provided that expenditures pursuant to this subsection shall not exceed five percent of the total project costs.

History: Laws 1983, ch. 163, § 2; 1999, ch. 89, § 3; 2007, ch. 366, § 19; 2009, ch. 25, § 1.

**The 2009 amendment**, effective June 19, 2009, added Subsection D.

**The 2007 amendment**, effective July 1, 2007, added Subsections B and D.

**The 1999 amendment**, effective March 19, 1999, substituted the language beginning "including payments" and ending "any other" for "exclusive of any" in the introductory language.

### **22-26-3. Authorization for local school board to submit question of capital improvements tax imposition.**

A. A local school board may adopt a resolution to submit to the qualified electors of the school district the question of whether a property tax at a rate not to exceed the rate specified in the resolution should be imposed upon the net taxable value of property allocated to the school district under the Property Tax Code [Chapter 7, Articles 35 through 38 NMSA 1978] for the purpose of capital improvements to public schools in the school district. The resolution shall:

- (1) identify the capital improvements for which the revenue proposed to be produced will be used;
- (2) specify the rate of the proposed tax, which shall not exceed ten dollars (\$10.00) on each one thousand dollars (\$1,000) of net taxable value of property allocated to the school district under the Property Tax Code;
- (3) specify the date an election will be held to submit the question of imposition of the tax to the qualified electors of the district; and
- (4) limit the imposition of the proposed tax to no more than six property tax years.

B. After July 1, 2007, a resolution submitted to the qualified electors pursuant to Subsection A of this section shall include capital improvements funding for a locally chartered or state-chartered charter school located within the school district if:

- (1) the charter school timely provides the necessary information to the school district for inclusion on the resolution that identifies the capital improvements of the charter school for which the revenue proposed to be produced will be used; and
- (2) the capital improvements are included in the five-year facilities plan:
  - (a) of the school district, if the charter school is a locally chartered charter school; or

(b) of the charter school, if the charter school is a state-chartered charter school.

History: Laws 1983, ch. 163, § 3; 1986, ch. 32, § 26; 2007, ch. 366, § 20.

**The 2007 amendment**, effective July 1, 2007, added Paragraph (1) of Subsection A to require bond resolutions to identify the capital improvements and added Subsection B.

#### **22-26-4. Authorizing resolution; time limitation.**

The resolution authorized under Section 3 [22-26-3 NMSA 1978] of the Public School Buildings Act shall be adopted no later than May 15 in the year in which the tax is proposed to be imposed.

**History:** Laws 1983, ch. 163, § 4.

#### **22-26-5. Conduct of election; notice; ballot.**

A. An election on the question of imposing a tax under the Public School Buildings Act may be held in conjunction with a regular school district election or may be conducted as or held in conjunction with a special school district election, but the election shall be held prior to July 1 of the property tax year in which the tax is proposed to be imposed. Conduct of the election shall be as prescribed in the School Election Law [1-22-1 through 1-22-19 NMSA 1978] for regular and special school district elections.

B. The resolution required to be published as notice of the election under Section 1-22-4 or 1-22-5 NMSA 1978 shall include as the question to be submitted to the voters whether a property tax at a rate not to exceed the rate specified in the authorizing resolution should be imposed for the specified number of property tax years not exceeding six years upon the net taxable value of all property allocated to the school district for capital improvements.

C. The ballot shall include the information specified in Subsection B of this section and shall present the voter the choice of voting "for the public school buildings tax" or "against the public school buildings tax".

History: Laws 1983, ch. 163, § 5; 1986, ch. 32, § 27; 2007, ch. 366, §21.

**The 2007 amendment**, effective July 1, 2007, changed the maximum number of property tax years for imposing the tax from five to six years.

#### **22-26-6. Election results; certification.**

The certification of the results of an election held on the question of imposition of a public school buildings tax shall be made in accordance with the School Election Law [1-22-1 through 1-22-19 NMSA 1978], and a copy of the certificate of results shall be mailed immediately to the state superintendent [secretary].

**History:** Laws 1983, ch. 163, § 6; 1993, ch. 226, § 52.

**Bracketed material.** — The bracketed material was inserted by the compiler and is not part of the law.

Laws 2004, ch. 25, § 27, provided that all references to the superintendent of public instruction shall be deemed references to the secretary of public education and all references to the former state board of education or state department of education shall be deemed references to the public education department. See 9-24-15 NMSA 1978.

**The 1993 amendment**, effective July 1, 1993, substituted "the School Election Law" for "Section 22-6-16 NMSA 1978" and "state superintendent" for "director of public school finance".

### **22-26-7. Imposition of tax; limitations.**

If as a result of an election held in accordance with the Public School Buildings Act a majority of the qualified electors voting on the question votes in favor of the imposition of the tax, the tax rate shall be certified, unless the local school board directs that the tax levy not be made for the year, by the department of finance and administration at the rate specified in the authorizing resolution or at any lower rate required by operation of the rate limitation provisions of Section 7-37-7.1 NMSA 1978 upon the rate specified in the authorizing resolution or at any rate lower than the rate required by operation of the rate limitation provisions of Section 7-37-7.1 NMSA 1978 if directed by the local school board pursuant to Section 22-26-8 NMSA 1978, and the tax shall be imposed at the rate certified in accordance with the provisions of the Property Tax Code [Chapter 7, Articles 35 through 38 NMSA 1978]. If in any tax year the authorized tax rate under the Public School Buildings Act, when added to the tax rates for servicing debt of the school district and for capital improvements pursuant to the Public School Capital Improvements Act [Chapter 22, Article 25 NMSA 1978], exceeds fifteen dollars (\$15.00), or a lower amount that would be required by applying the rate limitation provisions of Section 7-37-7.1 NMSA 1978 to the amount of fifteen dollars (\$15.00), on each one thousand dollars (\$1,000) of net taxable value of property allocated to the school district under the Property Tax Code, the tax rate under the Public School Buildings Act shall be reduced to an amount that, when added to such additional rates, will equal fifteen dollars (\$15.00), or the lower amount that would be required by applying the rate limitation provisions of Section 7-37-7.1 NMSA 1978 to the amount of fifteen dollars (\$15.00), on each one thousand dollars (\$1,000) of net taxable value of property so allocated to the school district. The revenue produced by the tax and any state distribution resulting to the district under the Public School Buildings Act shall be expended only for capital improvements.

**History:** Laws 1983, ch. 163, § 7; 1986, ch. 32, § 28; 1996, ch. 63, § 1.

**The 1996 amendment**, effective May 15, 1996, substituted "fifteen dollars (\$15.00)" for "ten dollars (\$10.00)" throughout the section.

### **22-26-8. Tax to be imposed for a maximum of six years.**

A tax imposed in a school district as a result of an election under the Public School Buildings Act shall be imposed for one, two, three, four, five or six years commencing with the property tax year in which the election was held. The local school board may direct that such levy be decreased or not made for any year if, in its judgment, the total levy is not necessary for such year and shall direct that the levy be decreased by the amount required if a decrease is required by operation of the rate limitation provisions of Section 7-37-7.1 NMSA 1978.

History: Laws 1983, ch. 163, § 8; 1986, ch. 32, § 29; 2007, ch. 366, § 22.

**The 2007 amendment**, effective July 1, 2007, changed the maximum number of property tax years for imposing the tax from five to six years.

### **22-26-9. Charter schools; receipt of local property tax revenue.**

If, in an election held after July 1, 2007, the qualified electors of a school district have voted in favor of the imposition of a property tax as provided in Section 22-26-3 NMSA 1978, the amount of tax revenue to be distributed to each charter school that was included in the resolution shall be determined each year and shall be in the same proportion as the average full-time-equivalent enrollment of the charter school on the first reporting date of the prior school year is to the total such enrollment in the district; provided that, in the case of an approved charter school that had not commenced classroom instruction in the prior school year, the estimated full-time-equivalent enrollment in the first year of instruction, as shown in the approved charter school application, shall be used, subject to adjustment after the first reporting date. Each year, the department shall certify to the county treasurer of the county in which the eligible charter schools in the school district are located the percentage of the revenue to be distributed to each charter school. The county treasurer shall distribute the charter school's share of the property tax revenue directly to the charter school.

History: Laws 2007, ch. 366, § 23; 2010, ch. 116, § 8.

**The 2010 amendment**, effective May 19, 2010, in the first sentence, after "enrollment of the charter school on the", deleted "fortieth day" and added "first reporting date" and after "subject to adjustment after the", deleted "fortieth day" and added "first reporting date".

**Temporary provisions.** — Laws 2010, ch. 116, § 9 provided that references in the Public School Code pertaining to the fortieth-day or forty-day report of public school membership or enrollment shall be deemed to be references to the first reporting date, which is the second Wednesday in October; references pertaining to the eightieth-day or eighty-day report of public school membership or enrollment shall be deemed to be references to the second reporting date, which is the second Wednesday in December; and references pertaining to the one-hundred twentieth-day or one-hundred twenty-day report of public school membership or enrollment shall be deemed to be references to the third reporting date, which is the second Wednesday in February.

As the public schools transition from former reporting dates to new reporting dates, the public education department may use any combination of former and new reporting dates as necessary to develop membership and cost projections and budgets for the 2010-2011 school year.

**22-26-10. Expenditures by charter schools; reports to department.**

A. No later than December 1 of each year, each locally chartered or state-chartered charter school that expects a distribution of property taxes pursuant to the Public School Buildings Act during the next calendar year shall submit a report to the department and its chartering authority showing the purposes for which the expected distribution will be expended. The department shall review the report and, no later than twenty days after receiving the report, shall advise the charter school if, in its opinion, the proposed expenditures are consistent with law and shall provide a copy of the advice to the local district.

B. No later than January 31 of each year, each locally chartered or state-chartered charter school that received a distribution of property taxes pursuant to the Public School Buildings Act during the preceding calendar year shall submit a report to the department and its chartering authority showing the purposes for which the distribution was expended and the amount expended for each purpose.

History: Laws 2011, ch. 11, § 2.

**Effective dates.** — Laws 2011, ch. 11 contained no effective date provision, but, pursuant to N.M. Const., art. IV, § 23, was effective June 17, 2011, 90 days after the adjournment of the legislature.

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NEW MEXICO DEPARTMENT OF  
**FINANCE & ADMINISTRATION**

**LOCAL GOVERNMENT DIVISION**  
**PROPERTY TAX FACTS FOR TAX YEAR 2012**

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## Introduction

The Property Tax Facts (“Facts”) are intended to primarily help analysts, legislators and others understand the probable fiscal impact of proposed legislation changes to current New Mexico property tax statutes.

Information in this document is derived primarily from three sources: 1) rate certificates developed annually by the Local Government Division of New Mexico Department of Finance and Administration (DFA); 2) “Abstract” forms containing statistical summaries provided by county assessors; and 3) data supplied by the State Assessed Bureau, Property Tax Bureau<sup>1</sup> of the New Mexico Taxation and Revenue Department (TRD).

This publication provides a series of charts and tables depicting 1) distribution of New Mexico tax obligations or revenues, assuming 100 percent collection; 2) various statewide aggregates by county, such as net taxable value and tax obligations; 3) various types of rate data; 4) property tax information pertaining to municipalities. In some cases, the order of presentation of the charts and tables varies from the above due to space considerations.

Since readers of the report may not be familiar with New Mexico’s property tax system, explanatory notes pertaining to figures and tables in the document are provided, beginning on page 4.

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<sup>1</sup>The State Assessed Bureau of the Taxation and Revenue Department’s Property Tax Division is also sometimes called the “Central Assessed Bureau”. It assesses property that is complex and difficult by nature to appraise or is located in more than one county. Examples include railroad and mineral extraction property.

## Table and Chart Notes

### **Table 1: Net Taxable Value by County**

The net taxable value of New Mexico property is expected to total approximately \$54.1.1 billion in Tax Year 2012<sup>2</sup>. Approximately \$30.1 billion (57.7 percent) consists of residential property. Roughly 30.7 percent, \$16.4 billion consists of traditional nonresidential property. The remaining \$7.1 billion is property associated with mineral extraction property – commonly referred to as ad valorem production and production equipment.<sup>3</sup>

### **Table 2: Obligations by County**

In Tax Year 2012 the property tax system is expected to generate approximately \$1.541 billion in tax obligations – revenues assuming 100 percent collection.<sup>4</sup> The distribution within property categories is similar to that of net taxable value with 56.7 percent paid by owners of residential property and the remaining 32.7 percent paid by owners of nonresidential property.

### **Table 3: Distribution of Obligations by Recipient**

Recipients include counties, municipalities, school districts and other entities – hospitals, institutions of higher education and various special districts. Revenues have historically been distributed roughly as follows: 31.1 percent to counties and municipalities; 14.2 percent to municipalities and other entities. About 4.8 percent of the revenues have financed voter-approved capital construction projects administered by the State Board of Finance. The distributions vary annually in response to rate changes authorized by voters and governing bodies – primarily municipal councils and county commissions. Distributions also vary substantially with property location, as shown in later portions of this report.

### **Table 4: Uses of Property Tax Obligations by Major Recipients**

Data in this table depict the distribution of recipient uses calculated from figures in Table 3. Approximately 92.3 and 67.7 percent of revenues flowing to counties and municipalities respectively, fund ongoing operations. The remaining 7.7 and 32.3 percent of those governmental entities is to pay debt service and other obligations. A very small portion of school district revenues, approximately 4.0 percent, fund operations. Remaining school district revenues pay for capital construction projects.

### **Table 5, Distribution of Net Taxable Value in and Outside Municipalities**

The data in this table are a little difficult to interpret. As indicated in column 2, row 2, however, roughly 2/3rds of the statewide \$29,080 billion in net taxable value (Table 4) is within municipalities. Of the \$29,080 billion in net taxable value within municipalities, 69.5 percent is residential, and 30.5 percent is nonresidential. Of the \$54,130 billion in total net taxable value, 53.7 percent is residential, and 46.3 percent is nonresidential.

<sup>2</sup>Section 7-35-2 P, New Mexico Statutes Annotated, defines the term “tax year” as calendar year.

<sup>3</sup>For a description, please see the Taxation and Revenue Department web site. On the home page, click on “Tax Stats”, and then on “Ad Valorem Production and Equipment Taxes”.

<sup>4</sup>Please see Table 11.

**Table 6: Weighted Average Property Tax Rates by County in Mills**

The data displays average property tax rates for a particular class of property – residential or residential -- weighted in proportion to taxable value of the tax district in which the rates appear. The rate certificates serve to illustrate the calculation.

**Table 7: Approximate Property Tax Obligations -- Percent of Assessed Value**

Although not apparent, data in Table 7 are actually rates without the mill designation. Rates in many states are expressed as the ratio or tax obligations to assessed or market value. Assessed value in New Mexico is three times net taxable value, plus exemptions. Assuming no exemptions, and multiplying net taxable value by three, generates an estimate of assessed value. By adjusting the data for the state's \$2,000 head of household exemptions and \$4,000 veterans exemptions produces data smaller than, but similar to, those in Table 7. In any case, property tax obligations currently average slightly less than one or 0.95 percent of net taxable value, as shown in the final figure in Table 7.

**Table 8: County Operating Rates -- Imposed, Actual and Remaining Authority**

Article 8, Section 2 of New Mexico's constitution limits property tax rate totals that have not been approved by voters to 20 mills. New Mexico statutes distribute the rate totals as follows: 11.85 mills to counties, 7.65 mills to municipalities, and .5 mills to school districts ( $11.85 + 7.65 + .5 = 20$ ). Hence governing bodies of counties, municipalities and school districts may impose rates listed above without voter approval.<sup>5</sup> When entities impose the maximum authorized rates, they are said to possess no remaining rate authority. As shown in the final column of Table 8, where rates of counties with no remaining authority are indicated by bold print, 20 of the state's 33 counties, or 64.6 percent, have imposed the maximum rate authorized by law. The aggregate maximum mills allowed by statute are 391.05 mills. Rates imposed by counties shown in the next-to-final column of the table total 366.55 mills. It may be argued that New Mexico counties have imposed 93.7 percent ( $366.5/391.5 \times 100$ ) of the non-voter-approved rate authority allowed by law.

The first two columns of Table 8 display actual or "post yield control" county operating rates – rates resulting after the yield control mechanism has reduced them in response to reassessment. Since yield control has had a greater impact on residential rates than non-residential rates, nonresidential operating rates are almost always higher than their residential counterparts. Actual rates may not exceed imposed rates.

Ad Valorem Production and Equipment rates are essentially always the same as the imposed rates, because they are not subject to yield control. Ad valorem rates exceed traditional non-residential rates, unless the actual or post yield control rates are identical to imposed rates.

**Table 9: Per Capita Obligations by County**

Obligations per person average about \$746 statewide. High per capita figures for a particular jurisdiction typically reflect high rates or high taxable values of properties to which the rates are applied, although exceptions occur. High figures for Harding County, for example, reflect its extremely small population, coupled with relatively high ad valorem tax collections. The large Lincoln County tax per capital figure is probably due to absentee property ownership in Lincoln's resort areas. The tax per person is simply the total tax obligations associated with properties in a given area, divided by the

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<sup>5</sup>Voter-approved rates are used primarily to service debt on capital construction projects, although some are used for operating purposes. About half the state's existing rates were approved by voters.

Department of Finance and Administration  
 Local Government Division  
 2011 Property Tax Facts

population of permanent residents in the area. The figure is high when much of the property in a particular area is owned by individuals who do not live in the area.

**Table 10 County Collection Rates**

Counties collect all of the state's property tax revenues except payments against ad valorem production and ad valorem production equipment obligations. County collection ratios range from 99.39 percent in Harding County to 90.04 percent in Socorro County and average approximately 95.85 percent statewide. When tax bills are unpaid for three or more years, the associated properties are offered for sale by the TRD's Delinquent property Bureau. Proceeds of the sales, other than penalty and interest – which is retained by TRD – are distributed to property tax recipients, with remaining amounts returned to taxpayers.

**Tables 11 and 12: Net Taxable Value and Obligations by County – Percent of State Total**

Figures in Tables 11 and 12 are best understood when considered within the context of county population totals. Bernalillo County, for example, currently accounts for approximately 32 percent of the state's population. That county's total net taxable value of property taxpayers represents only 26.2

percent of the state's total. When ad valorem production and equipment value is excluded in the net taxable value total, however, Bernalillo County net taxable value totals approximately 30.1 percent of the statewide total, which is very close to the county's share of the state population. The largest shares of mineral extraction property are in Lea, Eddy, San Juan and Rio Arriba counties. Very small portions of the state's residential tax base are in these counties, however.

**Figure 1: County Population Estimates: Rank and Percent of State Total**

County	Population	Rank	Percent of State Total	County	Population	Rank	Percent of State Total
Bernalillo	664,639	1	32.17%	Luna	25,133	18	1.22%
Dona Ana	210,538	2	10.19%	Lincoln	20,500	19	0.99%
Santa Fe	144,606	3	7.00%	Roosevelt	20,050	20	0.97%
Sandoval	132,330	4	6.41%	Los Alamos	18,031	21	0.87%
San Juan	130,145	5	6.30%	Socorro	17,850	22	0.86%
Valencia	76,759	6	3.72%	Torrance	16,375	23	0.79%
McKinley	71,797	7	3.48%	Colfax	13,726	24	0.66%
Chaves	65,779	8	3.18%	Sierra	12,026	25	0.58%
Lea	64,698	9	3.13%	Quay	9,078	26	0.44%
Otero	64,284	10	3.11%	Mora	4,889	27	0.24%
Eddy	53,890	11	2.61%	Hidalgo	4,854	28	0.23%
Curry	48,949	12	2.37%	Guadalupe	4,693	29	0.23%
Rio Arriba	40,339	13	1.95%	Union	4,541	30	0.22%
Taos	32,957	14	1.60%	Catron	3,730	31	0.18%
Grant	29,399	15	1.42%	De Baca	2,022	32	0.10%
San Miguel	29,387	16	1.42%	Harding	691	33	0.03%
Cibola	27,247	17	1.32%	Total	2,065,932		100.00%

Source U.S. Census Bureau

Perhaps the most dramatic figure in Table 12 is the 46.7 percent of statewide residential property tax obligations accruing to Bernalillo County residents. That is due to the relatively high rates in that county. Taxpayers in Bernalillo, Dona Ana, Santa Fe and Sandoval counties account for about 56 percent of the state's population, but pay almost 75 percent of its residential property taxes.

**Tables 13 and 14: Net Taxable Value and Obligations by County, Percent of County Total**

The Tables 13 and 14 illustrate the dramatic differences between the distribution of property tax base and obligations among counties by property type. Almost 87 percent of net taxable value in Los Alamos County, for example, consists of residential property, compared to 4 percent in Harding County. Ad Valorem production and equipment represents more than 50 percent of net taxable value in Eddy, Lea and Rio Arriba counties. Differences in relative shares of obligations, compared to net taxable value among counties reflect 1) impacts of the yield control mechanism; 2) that a number of jurisdictions extend across state lines, and 3) that some tax collecting entities, such as community colleges, do not impose taxes in all jurisdictions within a particular county.

**Tables 15 and 16: Obligations for County Operating and Debt Service Purposes**

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Obligations for operating purposes range from \$115 million in Bernalillo County to \$669.5 thousand in DeBaca County. On a per capita basis, they average about \$331. Ten counties impose property tax rates for debt service purposes. The largest county debt service obligation total is Bernalillo County at \$12.7 million and Santa Fe is a close second at \$11.3 million.

**Figure 2: Rate Location Map (Page 16)**

Figure 2 illustrates the approximate location of “tax districts” within counties. It does not sketch municipal boundaries, though the map indicates approximate municipal locations. A more accurate and detailed map is currently being developed by TRD’s Information Systems Bureau.

**Table 17: Rates by Location**

As suggested by data in Table 17, over 500 rate totals exist in New Mexico. The highest traditional residential and nonresidential rates are in Albuquerque – 41.203 and 45.648 mills respectively. The lowest residential rate, in an unincorporated region of Catron County, totals 10.258 mills. The lowest nonresidential rate, 13.710 mills, is in an unincorporated portion of Catron County. The highest rate applicable to ad valorem production and equipment, 35.606 mills, applies to properties within the Eunice municipal boundaries in Lea County. The lowest, 14.174 mills, is applied to properties in an unincorporated area of Eddy County.

**Table 18: New Mexico’s 104 Municipalities – Their Associated Counties**

Although hardly analytical, this table is extremely useful for a number of purposes, including, for example, locating municipalities on Figure 2 (Rate Location Map).

**Table 19: Municipal Operating Rates – Imposed, Actual and Remaining Authority**

Thirty three of the 104 municipalities have imposed the maximum 7.65 mill rate allowed by New Mexico law. Multiplying the maximum 7.65 mill rate by 104 and comparing the result with the sum of rates imposed by municipalities suggests that 62 percent of the total rate authority has been imposed by the state’s municipal governments. That is probably due to significant reliance by municipalities on gross receipts taxes.

**Table 20: Net Taxable Value by Municipality**

Net taxable value of New Mexico’s municipalities totals \$26.8 billion, if Los Alamos is not included and \$29.8 billion if Los Alamos is included in the total. That value represents approximately 55 percent of the state’s total net taxable value. Los Alamos is the only entity in New Mexico that combines municipal and county governments.

Municipal net taxable values range from almost \$11.7 billion in Albuquerque, to \$433.4 thousand in Grenville. Net taxable value is less than \$1 million in each of 9 municipalities (Encino, Virden, Folsom, Dora, Mosquero, House, Floyd, Grady and Grenville). Net taxable value is between \$1 and \$10 million in 26 municipalities, between \$10 million and \$100 million in 34 municipalities and between \$100 million and \$1 billion plus in 35 municipalities.

**Tables 21 and 22: Obligations for Operating and Debt Service Purposes by Municipality**

Municipal operating revenues will total approximately \$148 million in 2012. The largest amount of operating revenue for any municipality is paid by Albuquerque property owners and will total \$76.4 million, over half of the \$148 million municipal total in 2012. Rio Rancho’s \$13.11 million in obligations for operating purposes was the state’s next largest figure in 2012. Four municipalities – Anthony, Edgewood, Los Ranchos de Albuquerque and Peralta – imposed no operating rates in Tax Year 2012.

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Only 12 of New Mexico's municipalities impose property rates for the purpose of funding debt service, 73 percent of which is paid by owners of residential property. The resulting approximately \$66 million in obligations represents about 4.31 percent of statewide property tax obligations.

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Table 1

Net Taxable Value for Property Tax Purposes by New Mexico County, 2012 Tax Year

County	Total	Residential	Nonresidential	Subtotal	Ad Valorem Production	Equipment	Subtotal
Bernalillo	\$14,160,594,588	\$10,441,353,758	\$3,719,240,830	\$14,160,594,588			
Catron	\$121,198,659	\$69,175,212	\$52,023,447	\$121,198,659			
Chaves	\$1,129,650,437	\$547,382,360	\$441,422,249	\$988,804,609	\$117,378,897	\$23,466,931	\$140,845,828
Cibola	\$310,122,584	\$110,003,169	\$200,119,415	\$310,122,584			
Colfax	\$644,937,588	\$368,295,160	\$220,285,054	\$588,580,214	\$47,758,851	\$8,598,523	\$56,357,374
Curry	\$734,467,704	\$443,963,698	\$290,504,006	\$734,467,704			
De Baca	\$58,744,182	\$12,747,570	\$45,996,612	\$58,744,182			
Dona Ana	\$3,826,117,423	\$2,590,165,489	\$1,235,951,934	\$3,826,117,423			
Eddy	\$3,937,238,388	\$488,243,201	\$1,111,254,134	\$1,599,497,335	\$1,945,501,153	\$392,239,900	\$2,337,741,053
Grant	\$702,741,153	\$379,673,376	\$203,627,587	\$583,300,963	\$119,440,190		\$119,440,190
Guadalupe	\$115,270,892	\$28,007,582	\$87,188,454	\$115,196,036	\$63,873	\$10,983	\$74,856
Harding	\$111,689,449	\$4,445,278	\$71,461,612	\$75,906,890	\$30,076,436	\$5,706,123	\$35,782,559
Hidalgo	\$147,658,795	\$21,269,140	\$126,389,655	\$147,658,795			
Lea	\$3,539,824,919	\$418,282,318	\$865,720,412	\$1,284,002,730	\$1,880,085,224	\$375,736,964	\$2,255,822,189
Lincoln	\$1,105,798,545	\$801,222,051	\$304,576,494	\$1,105,798,545			
Los Alamos	\$696,865,402	\$605,095,450	\$91,769,952	\$696,865,402			
Luna	\$518,987,665	\$233,446,834	\$285,540,831	\$518,987,665			
McKinley	\$756,912,235	\$263,623,542	\$491,573,328	\$755,196,870	\$1,426,695	\$288,670	\$1,715,365
Mora	\$114,377,633	\$62,126,999	\$52,250,634	\$114,377,633			
Otero	\$989,782,896	\$680,593,214	\$309,189,682	\$989,782,896			
Quay	\$183,103,935	\$86,266,156	\$92,603,225	\$178,869,381	\$3,597,604	\$636,951	\$4,234,554
Rio Arriba	\$1,651,095,304	\$473,239,720	\$292,535,363	\$765,775,083	\$736,396,305	\$148,923,916	\$885,320,221
Roosevelt	\$324,032,087	\$133,484,085	\$171,485,151	\$304,969,236	\$15,922,408	\$3,140,443	\$19,062,851
San Juan	\$4,063,851,736	\$1,252,434,573	\$1,646,580,156	\$2,899,014,729	\$973,295,757	\$191,541,250	\$1,164,837,007
San Miguel	\$522,275,901	\$345,159,110	\$177,116,791	\$522,275,901			
Sandoval	\$3,156,898,770	\$2,363,931,254	\$784,964,734	\$3,148,895,988	\$6,612,412	\$1,390,371	\$8,002,782
Santa Fe	\$6,878,101,797	\$5,288,665,467	\$1,589,436,330	\$6,878,101,797			
Sierra	\$282,972,417	\$173,018,508	\$109,953,909	\$282,972,417			
Socorro	\$236,787,993	\$125,802,832	\$110,985,161	\$236,787,993			
Taos	\$1,312,495,033	\$814,430,779	\$498,064,254	\$1,312,495,033			
Torrance	\$341,035,712	\$159,273,876	\$181,761,836	\$341,035,712			
Union	\$189,827,049	\$32,792,394	\$128,741,643	\$161,534,037	\$23,898,546	\$4,394,466	\$28,293,012
Valencia	\$1,264,212,404	\$883,514,742	\$380,697,662	\$1,264,212,404			
Total	\$54,129,671,276	\$30,701,128,897	\$16,371,012,537	\$47,072,141,434	\$5,901,454,351	\$1,156,075,491	\$7,057,529,842
Percent	100.0	56.7	30.2	87.0	10.9	2.1	13.0

Information source: compiled from rate certificate files issued by the NM Department of Finance and Administration.

Table 2

Property Tax Obligations<sup>1</sup> by New Mexico County, 2012 Tax Year

County	Total	Residential	Nonresidential	Subtotal	Ad Valorem Production	Equipment	Subtotal
Bernalillo	\$571,420,835	\$407,807,782	\$163,613,053	\$571,420,835			
Catron	\$1,691,961	\$856,584	\$835,377	\$1,691,961			
Chaves	\$28,163,622	\$13,422,519	\$11,937,120	\$25,359,639	\$2,336,467	\$467,516	\$2,803,983
Cibola	\$8,913,733	\$2,924,663	\$5,989,070	\$8,913,733			
Colfax	\$13,127,521	\$6,961,170	\$5,106,021	\$12,067,191	\$898,554	\$161,777	\$1,060,330
Curry	\$17,124,926	\$10,445,638	\$6,679,288	\$17,124,926			
De Baca	\$1,501,000	\$332,502	\$1,168,499	\$1,501,000			
Dona Ana	\$107,820,923	\$68,897,726	\$38,923,197	\$107,820,923			
Eddy	\$77,118,003	\$10,077,472	\$22,174,136	\$32,251,609	\$37,339,254	\$7,527,140	\$44,866,394
Grant	\$13,810,138	\$6,402,577	\$4,664,241	\$11,066,818	\$2,743,320		\$2,743,320
Guadalupe	\$3,146,527	\$701,238	\$2,443,625	\$3,144,863	\$1,421	\$244	\$1,665
Harding	\$2,061,381	\$76,778	\$1,323,188	\$1,399,966	\$555,945	\$105,470	\$661,415
Hidalgo	\$3,163,142	\$420,063	\$2,743,079	\$3,163,142			
Lea	\$94,432,083	\$10,404,787	\$23,650,676	\$34,055,463	\$50,331,190	\$10,045,431	\$60,376,620
Lincoln	\$25,143,999	\$17,111,056	\$8,032,944	\$25,143,999			
Los Alamos	\$15,534,567	\$13,197,737	\$2,336,830	\$15,534,567			
Luna	\$11,315,229	\$4,830,463	\$6,484,767	\$11,315,229			
McKinley	\$25,644,899	\$8,304,819	\$17,284,522	\$25,589,340	\$46,209	\$9,350	\$55,559
Mora	\$2,480,580	\$1,227,768	\$1,252,812	\$2,480,580			
Otero	\$23,440,196	\$14,888,232	\$8,551,964	\$23,440,196			
Quay	\$4,290,376	\$1,774,062	\$2,435,900	\$4,209,962	\$68,318	\$12,096	\$80,414
Rio Arriba	\$36,203,716	\$7,319,736	\$7,314,263	\$14,633,999	\$17,945,586	\$3,624,131	\$21,569,717
Roosevelt	\$7,402,095	\$3,293,302	\$3,765,586	\$7,058,888	\$286,673	\$56,533	\$343,206
San Juan	\$97,014,251	\$27,646,571	\$41,345,267	\$68,991,838	\$23,415,522	\$4,606,890	\$28,022,412
San Miguel	\$12,876,875	\$7,511,513	\$5,365,363	\$12,876,875			
Sandoval	\$104,629,188	\$76,807,386	\$27,583,999	\$104,391,385	\$196,488	\$41,315	\$237,803
Santa Fe	\$146,485,089	\$101,700,458	\$44,784,632	\$146,485,089			
Sierra	\$6,566,611	\$3,849,589	\$2,717,022	\$6,566,611			
Socorro	\$7,164,078	\$3,647,431	\$3,516,647	\$7,164,078			
Taos	\$21,445,116	\$11,563,766	\$9,881,351	\$21,445,116			
Torrance	\$7,407,679	\$3,524,189	\$3,883,490	\$7,407,679			
Union	\$3,569,955	\$604,138	\$2,477,479	\$3,081,617	\$412,489	\$75,848	\$488,337
Valencia	\$38,441,108	\$25,480,391	\$12,960,718	\$38,441,108			
Total	\$1,540,551,403	\$874,014,104	\$503,226,122	\$1,377,240,226	\$136,577,435	\$26,733,742	\$163,311,177
Percent	100.0	56.7	32.7	89.4	8.9	1.7	10.6

Information source: calculated from rate certificate files issued by the New Mexico Department of Finance and Administration.

<sup>1</sup>Obligations are the product of rates and net taxable value, or revenues assuming 100% collection. These are total property tax obligations of property tax owners within a particular county to all property tax recipients – school districts, municipalities, counties and other jurisdictions within a particular

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Table 3: Distribution of New Mexico Property Tax Obligations by Recipient, 2012 Tax Year

Recipient	Total	Residential	Non-Residential	Ad Valorem Production & Equipment	Percent of Total			
					Total	Residential	Non-Residential	Ad Valorem Production & Equipment
State Debt Service	\$73,550,144	\$41,692,686	\$22,259,217	\$9,598,241	4.8	2.7	1.4	0.6
County Operating	\$441,576,297	\$204,134,113	\$171,729,427	\$65,712,757	28.7	13.3	11.1	4.3
County Debt Service	\$31,244,530	\$22,853,254	\$8,202,659	\$188,617	2.0	1.5	0.5	0.0
County Other	\$5,549,372	\$3,111,831	\$1,848,770	\$588,770	0.4	0.2	0.1	0.0
<b>Total County</b>	<b>\$478,361,949</b>	<b>\$230,093,086</b>	<b>\$181,778,731</b>	<b>\$66,490,133</b>	<b>31.1</b>	<b>14.9</b>	<b>11.8</b>	<b>4.3</b>
Municipal Operating	\$147,918,182	\$101,022,415	\$46,253,312	\$642,454	9.6	6.6	3.0	0.0
Municipal Debt Service	\$66,390,013	\$48,301,185	\$18,086,877	\$1,950	4.3	3.1	1.2	0.0
Municipal Other	\$4,070,095	\$2,782,039	\$1,288,056	\$0	0.3	0.2	0.1	0.0
<b>Total Municipal</b>	<b>\$218,379,493</b>	<b>\$152,106,560</b>	<b>\$65,628,529</b>	<b>\$644,404</b>	<b>14.2</b>	<b>9.9</b>	<b>4.3</b>	<b>0.0</b>
School District Operating	\$19,276,135	\$7,935,886	\$7,831,222	\$3,509,063	1.3	0.5	0.5	0.2
School District Debt Service	\$232,959,238	\$139,773,082	\$74,929,277	\$18,257,143	15.1	9.1	4.9	1.2
School District Capital Improvement	\$101,659,523	\$58,264,958	\$30,872,358	\$12,522,358	6.6	3.8	2.0	0.8
School District HB-33	\$105,278,990	\$62,103,663	\$27,948,324	\$15,227,004	6.8	4.0	1.8	1.0
School District Educational Technology	\$25,880,618	\$15,127,277	\$8,270,231	\$2,483,109	1.7	1.0	0.5	0.2
<b>Total School District</b>	<b>\$485,048,235</b>	<b>\$283,197,468</b>	<b>\$149,852,204</b>	<b>\$51,998,562</b>	<b>31.5</b>	<b>18.4</b>	<b>9.7</b>	<b>3.4</b>
Higher Education Operating	\$119,206,328	\$62,577,008	\$37,574,042	\$19,055,277	7.7	4.1	2.4	1.2
Higher Education Debt Service	\$25,835,821	\$16,958,160	\$8,237,611	\$640,051	1.7	1.1	0.5	0.0
<b>Total Higher Education</b>	<b>\$145,092,012</b>	<b>\$79,566,830</b>	<b>\$45,829,629</b>	<b>\$19,695,553</b>	<b>9.4</b>	<b>5.2</b>	<b>3.0</b>	<b>1.3</b>
Hospital Operating	\$137,514,398	\$87,046,708	\$37,182,654	\$13,285,036	8.9	5.7	2.4	0.9
Hospital Debt Service	\$2,287,516	\$185,739	\$501,944	\$1,599,832	0.1	0.0	0.0	0.1
<b>Total Hospitals</b>	<b>\$139,801,914</b>	<b>\$87,232,447</b>	<b>\$37,684,598</b>	<b>\$14,884,869</b>	<b>9.1</b>	<b>5.7</b>	<b>2.4</b>	<b>1.0</b>
Conservancy Districts	\$318,881	\$125,221	\$193,660	\$0	0.0	0.0	0.0	0.0
<b>Grand Total</b>	<b>\$1,540,551,403</b>	<b>\$874,014,104</b>	<b>\$503,226,122</b>	<b>\$163,311,177</b>	<b>100.0</b>	<b>56.7</b>	<b>32.7</b>	<b>10.6</b>

Information source: compiled from New Mexico Department of Finance and Administration rate certificate files. Notes: 1) Sums do not necessarily equal totals due to rounding. 2) Some conservancy district obligations are not shown above because their rates apply to activity (e.g., water consumed) rather than net taxable value.

Table 4: Percentage Distribution -- Uses of Property Tax Obligations by Major Recipients -- 2012 Tax Year

	Total	Residential	Non-Residential	Ad Valorem Production & Equipment
<b>State Obligations</b>				
Percent Funding Debt Service	100.0	100.0	100.0	100.0
<b>County Obligations -- Percent Funding:</b>				
Operations	92.3	88.7	94.5	98.8
Debt Service	6.5	9.9	4.5	0.3
Other	1.2	1.4	1.0	0.9
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Municipal Obligations -- Percent Funding:</b>				
Operations	67.7	66.4	70.5	99.7
Debt Service	30.4	31.8	27.6	0.3
Other	1.9	1.8	2.0	0.0
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>School District Obligations -- Percent Funding:</b>				
Operations	4.0	2.8	5.2	6.7
Debt Service	48.0	49.4	50.0	35.1
Capital Improvement	21.0	20.6	20.6	24.1
School Building (HB-33)	21.7	21.9	18.7	29.3
Education Technology	5.3	5.3	5.5	4.8
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Higher Education Obligations -- Percent Funding:</b>				
Operations:	82.2	78.6	82.0	96.7
Debt Service	17.8	21.3	18.0	3.2
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>
<b>Hospital Obligations -- Percent Funding:</b>				
Operations:	98.4	99.8	98.7	89.3
Debt Service	1.6	0.2	1.3	10.7
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>	<b>100.0</b>

Information source: compiled from New Mexico Department of Finance and Administration rate certificate files. Note: figures in Table 2 were calculated from corresponding amounts in Table 1.

Table 5: Distribution of Net Taxable Value In and Outside of Municipalities 2012 Tax Year

Property Classification	Within Municipalities	Outside Municipalities	Total
Residential	\$20,205,611,319	\$10,495,517,578	\$30,701,128,897
Percent of Total Residential	65.8	34.2	100.0
Non-residential	\$8,874,895,984	\$14,553,646,395	\$23,428,542,379
Percent of Total Nonresidential	37.9	62.1	100.0
<b>Totals*</b>	<b>\$29,080,507,303</b>	<b>\$25,049,163,973</b>	<b>\$54,129,671,276</b>
Percent Residential	69.5	41.9	53.7
Percent Nonresidential	30.5	58.1	46.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>	

Information source: compiled from NM Department of Finance and Administration rate certificate files.

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**Table 6: Weighted Average Property Tax Rates by County in Mills<sup>1</sup>  
2012 Tax Year<sup>2</sup>**

County	Residential	Nonresidential	Ad Valorem	
			Production	Equipment
Bernalillo	39.057	43.991	N/A	N/A
Catron	12.383	16.058	N/A	N/A
Chaves	24.521	27.042	19.905	19.922
Cibola	26.587	29.927	N/A	N/A
Colfax	18.901	23.179	18.814	18.814
Curry	23.528	22.992	N/A	N/A
De Baca	26.084	25.404	N/A	N/A
Dona Ana	26.600	31.492	N/A	N/A
Eddy	20.640	19.954	19.193	19.190
Grant	16.863	22.906	22.968	N/A
Guadalupe	25.037	28.027	22.241	22.241
Harding	17.272	18.516	18.484	18.484
Hidalgo	19.750	21.703	N/A	N/A
Lea	24.875	27.319	26.771	26.735
Lincoln	21.356	26.374	N/A	N/A
Los Alamos	21.811	25.464	N/A	N/A
Luna	20.692	22.710	N/A	N/A
McKinley	31.503	35.162	32.389	32.389
Mora	19.762	23.977	N/A	N/A
Otero	21.875	27.659	N/A	N/A
Quay	20.565	26.305	18.990	18.990
Rio Arriba	15.467	25.003	24.369	24.335
Roosevelt	24.672	21.959	18.004	18.002
San Juan	22.074	25.110	24.058	24.052
San Miguel	21.762	30.293	N/A	N/A
Sandoval	32.491	35.140	29.715	29.715
Santa Fe	19.230	28.176	N/A	N/A
Sierra	22.250	24.711	N/A	N/A
Socorro	28.993	31.686	N/A	N/A
Taos	14.199	19.840	N/A	N/A
Torrance	22.127	21.366	N/A	N/A
Union	18.423	19.244	17.260	17.260
Valencia	28.840	34.045	N/A	N/A
Mean	28.468	30.739	23.143	23.125
Median	21.875	25.404	21.073	19.922

Information source: calculated from DFA rate certificate files. <sup>1</sup>Expressed in mills or \$ per \$1,000 in net taxable value. <sup>2</sup>Total obligations/total net taxable value or rate in each jurisdiction weighted by net taxable value in the jurisdiction. Grant County is Copper Production Only

**Table 7: Approximate Property Tax Obligations as a Percent of  
Assessed Value by County, 2012 Tax Year<sup>1</sup>**

County	Residential	Nonresidential	Ad Valorem		All Property Types
			Production	Equipment	
Bernalillo	1.302	1.466	N/A	N/A	1.345
Catron	0.413	0.535	N/A	N/A	0.465
Chaves	0.817	0.901	0.664	0.664	0.831
Cibola	0.886	0.998	N/A	N/A	0.958
Colfax	0.630	0.773	0.627	0.627	0.678
Curry	0.784	0.766	N/A	N/A	0.777
De Baca	0.869	0.847	N/A	N/A	0.852
Dona Ana	0.887	1.050	N/A	N/A	0.939
Eddy	0.688	0.665	0.640	0.640	0.653
Grant	0.562	0.764	0.766	N/A	0.655
Guadalupe	0.835	0.934	0.741	0.741	0.910
Harding	0.576	0.617	0.616	0.616	0.615
Hidalgo	0.658	0.723	N/A	N/A	0.714
Lea	0.829	0.911	0.892	0.891	0.889
Lincoln	0.712	0.879	N/A	N/A	0.758
Los Alamos	0.727	0.849	N/A	N/A	0.743
Luna	0.690	0.757	N/A	N/A	0.727
McKinley	1.050	1.172	1.080	1.080	1.129
Mora	0.659	0.799	N/A	N/A	0.723
Otero	0.729	0.922	N/A	N/A	0.789
Quay	0.685	0.877	0.633	0.633	0.781
Rio Arriba	0.516	0.833	0.812	0.811	0.731
Roosevelt	0.822	0.732	0.600	0.600	0.761
San Juan	0.736	0.837	0.802	0.802	0.796
San Miguel	0.725	1.010	N/A	N/A	0.822
Sandoval	1.083	1.171	0.991	0.991	1.105
Santa Fe	0.641	0.939	N/A	N/A	0.710
Sierra	0.742	0.824	N/A	N/A	0.774
Socorro	0.966	1.056	N/A	N/A	1.009
Taos	0.473	0.661	N/A	N/A	0.545
Torrance	0.738	0.712	N/A	N/A	0.724
Union	0.614	0.641	0.575	0.575	0.627
Valencia	0.961	1.135	N/A	N/A	1.014
Total	0.949	1.025	0.771	0.771	0.949

Information source: calculated from DFA rate certificate files  
<sup>1</sup>Obligations divided by net taxable value multiplied 3; does not account for exemptions because data on exemptions is not currently available.

**Table 8  
New Mexico County Operating Rates -- Imposed and  
Remaining Authority in Mills, 2012 Tax Year**

County	Residential	Nonresidential	Ad Valorem Production & Equipment	Imposed Operating Rate	Remaining Authority <sup>1</sup>
Bernalillo	7.208	10.750	N/A	10.750	1.100
<b>Catron</b>	<b>8.398</b>	<b>11.850</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>
Chaves	6.729	10.350	10.350	10.350	1.500
<b>Cibola</b>	<b>8.865</b>	<b>11.850</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>
Colfax	6.974	10.350	10.350	10.350	1.500
Curry	9.219	9.850	N/A	9.850	2.000
<b>De Baca</b>	<b>11.423</b>	<b>11.390</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>
<b>Dona Ana</b>	<b>8.844</b>	<b>11.850</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>
Eddy	6.500	7.500	7.500	7.500	4.350
<b>Grant</b>	<b>6.284</b>	<b>11.850</b>	<b>11.850</b>	<b>11.850</b>	<b>0.000</b>
<b>Guadalupe</b>	<b>8.576</b>	<b>11.850</b>	<b>11.850</b>	<b>11.850</b>	<b>0.000</b>
Harding	8.777	10.850	10.850	10.850	1.000
<b>Hidalgo</b>	<b>10.150</b>	<b>11.850</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>
Lea	7.734	10.600	10.600	10.600	1.250
Lincoln	4.860	8.850	N/A	11.600	0.250
Los Alamos	5.418	8.850	N/A	8.850	3.000
<b>Luna</b>	<b>9.651</b>	<b>11.850</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>
<b>McKinley</b>	<b>5.719</b>	<b>11.850</b>	<b>11.850</b>	<b>11.850</b>	<b>0.000</b>
<b>Mora</b>	<b>7.135</b>	<b>10.857</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>
<b>Otero</b>	<b>7.084</b>	<b>11.850</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>
<b>Quay</b>	<b>6.256</b>	<b>10.350</b>	<b>10.350</b>	<b>11.850</b>	<b>0.000</b>
<b>Rio Arriba</b>	<b>4.407</b>	<b>11.850</b>	<b>11.850</b>	<b>11.850</b>	<b>0.000</b>
Roosevelt	10.828	10.763	10.850	10.850	1.000
San Juan	5.826	8.000	8.500	8.500	3.350
<b>San Miguel</b>	<b>5.429</b>	<b>11.850</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>
Sandoval	5.964	10.030	10.350	10.350	1.500
<b>Santa Fe</b>	<b>5.022</b>	<b>11.850</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>
<b>Sierra</b>	<b>9.233</b>	<b>11.850</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>
<b>Socorro</b>	<b>8.699</b>	<b>11.850</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>
<b>Taos</b>	<b>5.592</b>	<b>10.423</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>
<b>Torrance</b>	<b>10.651</b>	<b>11.066</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>
Union	7.188	9.150	9.150	9.150	2.700
<b>Valencia</b>	<b>6.508</b>	<b>11.850</b>	<b>N/A</b>	<b>11.850</b>	<b>0.000</b>

<sup>1</sup>11.85 mill maximum allowed by law less the imposed rate.  
Information source: compiled from DFA rate certificate files.

Department of Finance and Administration  
2012 Property Tax Facts

**Table 9**  
**Per Capita Property Tax Obligations by New Mexico County, 2012 Tax Year**

County	Estimated Population, 2010 <sup>1</sup>	Per Capita Annual Property Tax Obligations <sup>2</sup>				Ad Valorem: <sup>3</sup>		
		Total	Residential	Non-residential	Subtotal	Production	Equipment	Subtotal
Bernalillo	664,639	\$860	\$614	\$246	\$860			
Catron	3,730	\$454	\$230	\$224	\$454			
Chaves	65,779	\$428	\$204	\$181	\$386	\$36	\$7	\$43
Cibola	27,247	\$327	\$107	\$220	\$327			
Colfax	13,726	\$956	\$507	\$372	\$879	\$65	\$12	\$77
Curry	48,949	\$350	\$213	\$136	\$350			
De Baca	2,022	\$742	\$164	\$578	\$742			
Dona Ana	210,538	\$512	\$327	\$185	\$512			
Eddy	53,890	\$1,431	\$187	\$411	\$598	\$693	\$140	\$833
Grant	29,399	\$470	\$218	\$159	\$376	\$93		\$93
Guadalupe	4,693	\$670	\$149	\$521	\$670	\$0	\$0	\$0
Harding	691	\$2,983	\$111	\$1,915	\$2,026	\$805	\$153	\$957
Hidalgo	4,854	\$652	\$87	\$565	\$652			
Lea	64,698	\$1,460	\$161	\$366	\$526	\$778	\$155	\$933
Lincoln	20,500	\$1,227	\$835	\$392	\$1,227			
Los Alamos	18,031	\$862	\$732	\$130	\$862			
Luna	25,133	\$450	\$192	\$258	\$450			
McKinley	71,797	\$357	\$116	\$241	\$356	\$1	\$0	\$1
Mora	4,889	\$507	\$251	\$256	\$507			
Otero	64,284	\$365	\$232	\$133	\$365			
Quay	9,078	\$473	\$195	\$268	\$464	\$8	\$1	\$9
Rio Arriba	40,339	\$897	\$181	\$181	\$363	\$445	\$90	\$535
Roosevelt	20,050	\$369	\$164	\$188	\$352	\$14	\$3	\$17
San Juan	130,145	\$745	\$212	\$318	\$530	\$180	\$35	\$215
San Miguel	29,387	\$438	\$256	\$183	\$438			
Sandoval	132,330	\$791	\$580	\$208	\$789	\$1	\$0	\$2
Santa Fe	144,606	\$1,013	\$703	\$310	\$1,013			
Sierra	12,026	\$546	\$320	\$226	\$546			
Socorro	17,850	\$401	\$204	\$197	\$401			
Taos	32,957	\$651	\$351	\$300	\$651			
Torrance	16,375	\$452	\$215	\$237	\$452			
Union	4,541	\$786	\$133	\$546	\$679	\$91	\$17	\$108
Valencia	76,759	\$501	\$332	\$169	\$501			
Total/Average	2,065,932	\$746	\$423	\$244	\$667	\$66	\$13	\$79

<sup>1</sup>Source: New Mexico County Populations from the Census Bureau, published by the University of New Mexico's Bureau of Business and Economic Research: <http://bber.unm.edu/demo/copopest.htm>.

<sup>2</sup>Source: New Mexico Department and Finance and Administration rate certificate files -- all data except population estimates. <sup>3</sup>Zero figures in the ad valorem columns indicate amounts less than \$1.

**Table 10**  
**Property Tax Collection Rate by County, 2012 Tax Year**

County	Collection Rate*	County	Collection Rate*
Bernalillo	97.42%	McKinley	97.33%
Catron	95.47%	Mora	94.42%
Chaves	98.13%	Otero	97.03%
Cibola	93.52%	Quay	95.36%
Colfax	93.98%	Rio Arriba	93.62%
Curry	98.32%	Roosevelt	97.02%
De Baca	97.99%	San Juan	96.62%
Dona Ana	97.08%	San Miguel	90.36%
Eddy	98.26%	Sandoval	96.60%
Grant	95.91%	Santa Fe	96.84%
Guadalupe	96.48%	Sierra	92.29%
Harding	99.39%	Socorro	90.04%
Hidalgo	95.71%	Taos	94.85%
Lea	98.00%	Torrance	92.48%
Lincoln	97.51%	Union	97.63%
Los Alamos	98.98%	Valencia	94.04%
Luna	94.48%	Average	95.85%

Information source: DFA rate certificate files.

\*Applicable to traditional residential and non-residential properties. Collection rates on ad valorem production and equipment taxes average close to 100%.

**Department of Finance and Administration  
2012 Property Tax**

**Table 11: Net Taxable Value by New Mexico County, 2012 Tax Year  
Percent of Statewide Total and Rank**

County	Total		Non-residential				Ad Valorem					
	Total	Rank	Residential	Rank	Non-residential	Rank	Subtotal	Rank	Production	Equipment	Subtotal	Rank
Bernalillo	26.2	1	34.0	1	22.7	1	30.1	1				N/A
Catron	0.2	29	0.2	27	0.3	32	0.3	29				N/A
Chaves	2.1	11	1.8	11	2.7	10	2.1	12	2.0	2.0	2.0	5
Cibola	0.6	23	0.4	25	1.2	19	0.7	22				N/A
Colfax	1.2	18	1.2	17	1.3	17	1.3	17	0.8	0.7	0.8	7
Curry	1.4	15	1.4	14	1.8	15	1.6	15				N/A
De Baca	0.1	33	0.0	32	0.3	33	0.1	33				N/A
Dona Ana	7.1	5	8.4	3	7.5	4	8.1	3				N/A
Eddy	7.3	4	1.6	12	6.8	5	3.4	6	33.0	33.9	33.1	1
Grant	1.3	16	1.2	16	1.2	18	1.2	18	2.0		1.7	6
Guadalupe	0.2	30	0.1	30	0.5	29	0.2	30	0.0	0.0	0.0	N/A
Harding	0.2	32	0.0	33	0.4	30	0.2	32	0.5	0.5	0.5	8
Hidalgo	0.3	28	0.1	31	0.8	24	0.3	28				N/A
Lea	6.5	6	1.4	15	5.3	6	2.7	8	31.9	32.5	32.0	2
Lincoln	2.0	12	2.6	8	1.9	13	2.3	10				N/A
Los Alamos	1.3	17	2.0	10	0.6	28	1.5	16				N/A
Luna	1.0	20	0.8	20	1.7	16	1.1	20				N/A
McKinley	1.4	14	0.9	19	3.0	9	1.6	14	0.0	0.0	0.0	13
Mora	0.2	31	0.2	28	0.3	31	0.2	31				N/A
Otero	1.8	13	2.2	9	1.9	12	2.1	11				N/A
Quay	0.3	27	0.3	26	0.6	27	0.4	26	0.1	0.1	0.1	12
Rio Arriba	3.1	8	1.5	13	1.8	14	1.6	13	12.5	12.9	12.5	4
Roosevelt	0.6	22	0.4	23	1.0	22	0.6	23	0.3	0.3	0.3	10
San Juan	7.5	3	4.1	5	10.1	2	6.2	5	16.5	16.6	16.5	3
San Miguel	1.0	19	1.1	18	1.1	21	1.1	19				N/A
Sandoval	5.8	7	7.7	4	4.8	7	6.7	4	0.1	0.1	0.1	11
Santa Fe	12.7	2	17.2	2	9.7	3	14.6	2				N/A
Sierra	0.5	24	0.6	21	0.7	26	0.6	24				N/A
Socorro	0.4	25	0.4	24	0.7	25	0.5	25				N/A
Taos	2.4	9	2.7	7	3.0	8	2.8	7				N/A
Torrance	0.6	21	0.5	22	1.1	20	0.7	21				N/A
Union	0.4	26	0.1	29	0.8	23	0.3	27	0.4	0.4	0.4	9
Valencia	2.3	10	2.9	6	2.3	11	2.7	9				N/A
Total	100.0		100.0		100.0		100.0		100.0	100.0	100.0	

Source: NM Department of Finance and Administration property tax rate certificate files.

**Table 12: Property Tax Obligations by New Mexico County, 2012 Tax Year  
Percent of Statewide Total and Rank**

County	Total		Non-residential				Ad Valorem					
	Total	Rank	Residential	Rank	Non-residential	Rank	Subtotal	Rank	Production	Equipment	Subtotal	Rank
Bernalillo	37.1	1	46.7	1	32.5	1	41.5	1				N/A
Catron	0.1	32	0.1	28	0.2	33	0.1	31				N/A
Chaves	1.8	10	1.5	9	2.4	10	1.8	10	1.7	1.7	1.7	5
Cibola	0.6	21	0.3	25	1.2	17	0.6	21				N/A
Colfax	0.9	18	0.8	18	1.0	19	0.9	18	0.7	0.6	0.6	7
Curry	1.1	15	1.2	12	1.3	15	1.2	14				N/A
De Baca	0.1	33	0.0	32	0.2	32	0.1	32				N/A
Dona Ana	7.0	3	7.9	4	7.7	4	7.8	3				N/A
Eddy	5.0	7	1.2	14	4.4	7	2.3	8	27.3	28.2	27.5	2
Grant	0.9	17	0.7	19	0.9	20	0.8	20	2.0		1.7	6
Guadalupe	0.2	29	0.1	29	0.5	27	0.2	28	0.0	0.0	0.0	N/A
Harding	0.1	31	0.0	33	0.3	30	0.1	33	0.4	0.4	0.4	8
Hidalgo	0.2	28	0.0	31	0.5	24	0.2	27				N/A
Lea	6.1	6	1.2	13	4.7	6	2.5	7	36.9	37.6	37.0	1
Lincoln	1.6	12	2.0	7	1.6	13	1.8	11				N/A
Los Alamos	1.0	16	1.5	10	0.5	29	1.1	15				N/A
Luna	0.7	20	0.6	20	1.3	16	0.8	19				N/A
McKinley	1.7	11	1.0	15	3.4	8	1.9	9	0.0	0.0	0.0	13
Mora	0.2	30	0.1	27	0.2	31	0.2	30				N/A
Otero	1.5	13	1.7	8	1.7	12	1.7	12				N/A
Quay	0.3	26	0.2	26	0.5	28	0.3	26	0.1	0.0	0.0	12
Rio Arriba	2.4	9	0.8	17	1.5	14	1.1	16	13.1	13.6	13.2	4
Roosevelt	0.5	23	0.4	24	0.7	22	0.5	24	0.2	0.2	0.2	10
San Juan	6.3	5	3.2	5	8.2	3	5.0	5	17.1	17.2	17.2	3
San Miguel	0.8	19	0.9	16	1.1	18	0.9	17				N/A
Sandoval	6.8	4	8.8	3	5.5	5	7.6	4	0.1	0.2	0.1	11
Santa Fe	9.5	2	11.6	2	8.9	2	10.6	2				N/A
Sierra	0.4	25	0.4	21	0.5	25	0.5	25				N/A
Socorro	0.5	24	0.4	22	0.7	23	0.5	23				N/A
Taos	1.4	14	1.3	11	2.0	11	1.6	13				N/A
Torrance	0.5	22	0.4	23	0.8	21	0.5	22				N/A
Union	0.2	27	0.1	30	0.5	26	0.2	29	0.3	0.3	0.3	9
Valencia	2.5	8	2.9	6	2.6	9	2.8	6				N/A
Total	100.0		100.0		100.0		100.0		100.0	100.0	100.0	

Source: NM Department of Finance and Administration property tax rate certificate files.

**Department of Finance and Administration  
2012 Property Tax**

**Table 13: Net Taxable Value by New Mexico County, 2012 Tax Year  
Percent of County Total**

County	Total	Non-			Ad Valorem		
		Residential	residential	Subtotal	Production	Equipment	Subtotal
Bernalillo	100.0	73.7	26.3	100.0	0.0	0.0	0.0
Catron	100.0	57.1	42.9	100.0	0.0	0.0	0.0
Chaves	100.0	48.5	39.1	87.5	10.4	2.1	12.5
Cibola	100.0	35.5	64.5	100.0	0.0	0.0	0.0
Colfax	100.0	57.1	34.2	91.3	7.4	1.3	8.7
Curry	100.0	60.4	39.6	100.0	0.0	0.0	0.0
De Baca	100.0	21.7	78.3	100.0	0.0	0.0	0.0
Dona Ana	100.0	67.7	32.3	100.0	0.0	0.0	0.0
Eddy	100.0	12.4	28.2	40.6	49.4	10.0	59.4
Grant	100.0	54.0	29.0	83.0	17.0	0.0	17.0
Guadalupe	100.0	24.3	75.6	99.9	0.1	0.0	0.1
Harding	100.0	4.0	64.0	68.0	26.9	5.1	32.0
Hidalgo	100.0	14.4	85.6	100.0	0.0	0.0	0.0
Lea	100.0	11.8	24.5	36.3	53.1	10.6	63.7
Lincoln	100.0	72.5	27.5	100.0	0.0	0.0	0.0
Los Alamos	100.0	86.8	13.2	100.0	0.0	0.0	0.0
Luna	100.0	45.0	55.0	100.0	0.0	0.0	0.0
McKinley	100.0	34.8	64.9	99.8	0.2	0.0	0.2
Mora	100.0	54.3	45.7	100.0	0.0	0.0	0.0
Otero	100.0	68.8	31.2	100.0	0.0	0.0	0.0
Quay	100.0	47.1	50.6	97.7	2.0	0.3	2.3
Rio Arriba	100.0	28.7	17.7	46.4	44.6	9.0	53.6
Roosevelt	100.0	41.2	52.9	94.1	4.9	1.0	5.9
San Juan	100.0	30.8	40.5	71.3	24.0	4.7	28.7
San Miguel	100.0	66.1	33.9	100.0	0.0	0.0	0.0
Sandoval	100.0	74.9	24.9	99.7	0.2	0.0	0.3
Santa Fe	100.0	76.9	23.1	100.0	0.0	0.0	0.0
Sierra	100.0	61.1	38.9	100.0	0.0	0.0	0.0
Socorro	100.0	53.1	46.9	100.0	0.0	0.0	0.0
Taos	100.0	62.1	37.9	100.0	0.0	0.0	0.0
Torrance	100.0	46.7	53.3	100.0	0.0	0.0	0.0
Union	100.0	17.3	67.8	85.1	12.6	2.3	14.9
Valencia	100.0	69.9	30.1	100.0	0.0	0.0	0.0
Average	100.0	56.7	30.2	87.0	10.9	2.1	13.0

Source: NM Department of Finance and Administration property tax rate certificate files.

**Table 14: Property Tax Obligations by New Mexico County, 2012 Tax Year  
Percent of County Total**

County	Total	Non-			Ad Valorem		
		Residential	residential	Subtotal	Production	Equipment	Subtotal
Bernalillo	100.0	71.4	28.6	100.0	0.0	0.0	0.0
Catron	100.0	50.6	49.4	100.0	0.0	0.0	0.0
Chaves	100.0	47.7	42.4	90.0	8.3	1.7	10.0
Cibola	100.0	32.8	67.2	100.0	0.0	0.0	0.0
Colfax	100.0	53.0	38.9	91.9	6.8	1.2	8.1
Curry	100.0	61.0	39.0	100.0	0.0	0.0	0.0
De Baca	100.0	22.2	77.8	100.0	0.0	0.0	0.0
Dona Ana	100.0	63.9	36.1	100.0	0.0	0.0	0.0
Eddy	100.0	13.1	28.8	41.8	48.4	9.8	58.2
Grant	100.0	46.4	33.8	80.1	19.9	0.0	19.9
Guadalupe	100.0	22.3	77.7	99.9	0.0	0.0	0.1
Harding	100.0	3.7	64.2	67.9	27.0	5.1	32.1
Hidalgo	100.0	13.3	86.7	100.0	0.0	0.0	0.0
Lea	100.0	11.0	25.0	36.1	53.3	10.6	63.9
Lincoln	100.0	68.1	31.9	100.0	0.0	0.0	0.0
Los Alamos	100.0	85.0	15.0	100.0	0.0	0.0	0.0
Luna	100.0	42.7	57.3	100.0	0.0	0.0	0.0
McKinley	100.0	32.4	67.4	99.8	0.2	0.0	0.2
Mora	100.0	49.5	50.5	100.0	0.0	0.0	0.0
Otero	100.0	63.5	36.5	100.0	0.0	0.0	0.0
Quay	100.0	41.3	56.8	98.1	1.6	0.3	1.9
Rio Arriba	100.0	20.2	20.2	40.4	49.6	10.0	59.6
Roosevelt	100.0	44.5	50.9	95.4	3.9	0.8	4.6
San Juan	100.0	28.5	42.6	71.1	24.1	4.7	28.9
San Miguel	100.0	58.3	41.7	100.0	0.0	0.0	0.0
Sandoval	100.0	73.4	26.4	99.8	0.2	0.0	0.2
Santa Fe	100.0	69.4	30.6	100.0	0.0	0.0	0.0
Sierra	100.0	58.6	41.4	100.0	0.0	0.0	0.0
Socorro	100.0	50.9	49.1	100.0	0.0	0.0	0.0
Taos	100.0	53.9	46.1	100.0	0.0	0.0	0.0
Torrance	100.0	47.6	52.4	100.0	0.0	0.0	0.0
Union	100.0	16.9	69.4	86.3	11.6	2.1	13.7
Valencia	100.0	66.3	33.7	100.0	0.0	0.0	0.0
Average	100.0	56.7	32.7	89.4	8.9	1.7	10.6

Source: NM Department of Finance and Administration property tax rate certificate files.

Department of Finance and Administration  
2012 Property Tax Facts

Table 15: Obligations for County Operating Purposes by County, 2012 Tax Year

County	Total	Residential	Nonresidential	Subtotal	Ad Valorem Production	Equipment	Subtotal
Bernalillo	\$115,243,117	\$75,261,278	\$39,981,839	\$115,243,117	\$0	\$0	\$0
Catron	\$1,197,411	\$580,933	\$616,478	\$1,197,411	\$0	\$0	\$0
Chaves	\$9,709,810	\$3,683,336	\$4,568,720	\$8,252,056	\$1,214,872	\$242,883	\$1,457,754
Cibola	\$3,346,593	\$975,178	\$2,371,415	\$3,346,593	\$0	\$0	\$0
Colfax	\$5,431,740	\$2,568,490	\$2,279,950	\$4,848,441	\$494,304	\$88,995	\$583,299
Curry	\$6,954,366	\$4,092,901	\$2,861,464	\$6,954,366	\$0	\$0	\$0
De Baca	\$669,517	\$145,615	\$523,901	\$669,517	\$0	\$0	\$0
Dona Ana	\$37,058,977	\$22,511,724	\$14,547,253	\$37,058,977	\$0	\$0	\$0
Eddy	\$29,041,045	\$3,173,581	\$8,334,406	\$11,507,987	\$14,591,259	\$2,941,799	\$17,533,058
Grant	\$6,214,221	\$2,385,867	\$2,412,987	\$4,798,854	\$1,415,366	\$0	\$1,415,366
Guadalupe	\$1,274,263	\$240,193	\$1,033,183	\$1,273,376	\$757	\$130	\$887
Harding	\$1,202,615	\$39,016	\$775,358	\$814,375	\$326,329	\$61,911	\$388,241
Hidalgo	\$1,713,599	\$215,882	\$1,497,717	\$1,713,599	\$0	\$0	\$0
Lea	\$36,323,347	\$3,234,995	\$9,176,636	\$12,411,632	\$19,928,903	\$3,982,812	\$23,911,715
Lincoln	\$6,589,441	\$3,893,939	\$2,695,502	\$6,589,441	\$0	\$0	\$0
Los Alamos	\$4,090,571	\$3,278,407	\$812,164	\$4,090,571	\$0	\$0	\$0
Luna	\$5,636,654	\$2,252,995	\$3,383,659	\$5,636,654	\$0	\$0	\$0
McKinley	\$7,353,134	\$1,507,663	\$5,825,144	\$7,332,807	\$16,906	\$3,421	\$20,327
Mora	\$1,010,561	\$443,276	\$567,285	\$1,010,561	\$0	\$0	\$0
Otero	\$8,485,220	\$4,821,322	\$3,663,898	\$8,485,220	\$0	\$0	\$0
Quay	\$1,541,952	\$539,681	\$958,443	\$1,498,124	\$37,235	\$6,592	\$43,828
Rio Arriba	\$16,043,156	\$2,085,567	\$3,466,544	\$5,552,111	\$8,726,296	\$1,764,748	\$10,491,045
Roosevelt	\$3,497,892	\$1,445,366	\$1,845,695	\$3,291,060	\$172,758	\$34,074	\$206,832
San Juan	\$29,788,021	\$7,296,684	\$13,172,641	\$20,469,325	\$7,786,366	\$1,532,330	\$9,318,696
San Miguel	\$3,972,703	\$1,873,869	\$2,098,834	\$3,972,703	\$0	\$0	\$0
Sandoval	\$22,054,511	\$14,098,486	\$7,873,196	\$21,971,682	\$68,438	\$14,390	\$82,829
Santa Fe	\$45,394,498	\$26,559,678	\$18,834,821	\$45,394,498	\$0	\$0	\$0
Sierra	\$2,900,434	\$1,597,480	\$1,302,954	\$2,900,434	\$0	\$0	\$0
Socorro	\$2,409,533	\$1,094,359	\$1,315,174	\$2,409,533	\$0	\$0	\$0
Taos	\$9,745,621	\$4,554,297	\$5,191,324	\$9,745,621	\$0	\$0	\$0
Torrance	\$3,707,803	\$1,696,426	\$2,011,376	\$3,707,803	\$0	\$0	\$0
Union	\$1,712,788	\$235,712	\$1,218,195	\$1,453,907	\$218,672	\$40,209	\$258,881
Valencia	\$10,261,181	\$5,749,914	\$4,511,267	\$10,261,181	\$0	\$0	\$0
Total	\$441,576,297	\$204,134,113	\$171,729,427	\$375,863,539	\$54,998,462	\$10,714,295	\$65,712,757

Information source: compiled from rate certificate files issued by the NM Department of Finance and Administration.

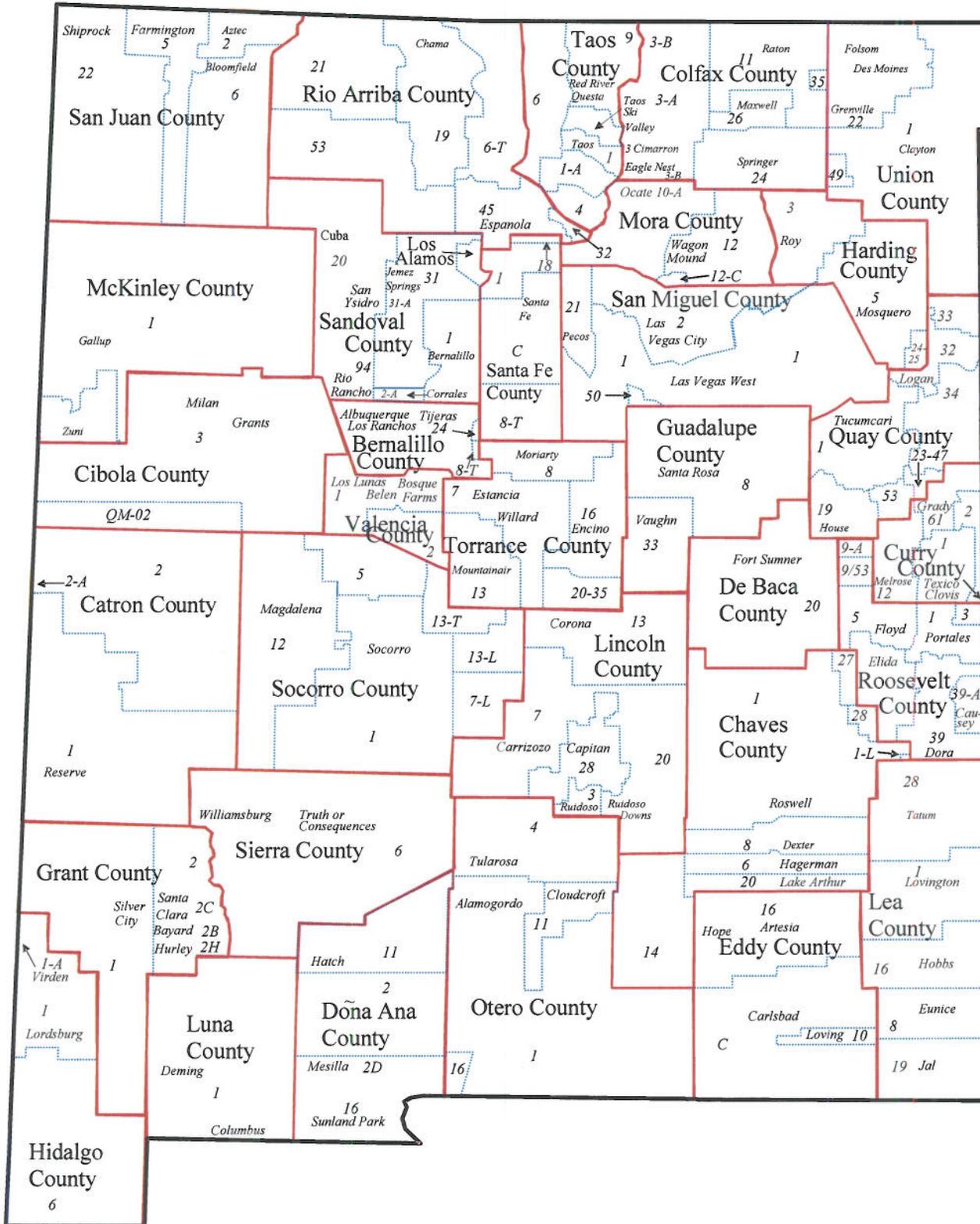
Table 16: Obligations for County Debt Service Purposes by County, 2012 Tax Year

County	Total	Residential	Nonresidential	Subtotal	Ad Valorem Production	Equipment	Subtotal
Bernalillo	\$12,697,360	\$9,362,433	\$3,334,926	\$12,697,360	\$0	\$0	\$0
Catron	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Chaves	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cibola	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Colfax	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Curry	\$533,173	\$322,287	\$210,886	\$533,173	\$0	\$0	\$0
De Baca	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dona Ana	\$547,689	\$369,490	\$178,199	\$547,689	\$0	\$0	\$0
Eddy	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grant	\$1,061,208	\$573,344	\$307,498	\$880,842	\$180,366	\$0	\$180,366
Guadalupe	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Harding	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Hidalgo	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lea	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Lincoln	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Los Alamos	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Luna	\$0	\$0	\$0	\$0	\$0	\$0	\$0
McKinley	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mora	\$196,756	\$106,873	\$89,883	\$196,756	\$0	\$0	\$0
Otero	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Quay	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rio Arriba	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Roosevelt	\$0	\$0	\$0	\$0	\$0	\$0	\$0
San Juan	\$0	\$0	\$0	\$0	\$0	\$0	\$0
San Miguel	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Sandoval	\$3,230,364	\$2,414,630	\$807,483	\$3,222,113	\$6,817	\$1,433	\$8,251
Santa Fe	\$11,282,318	\$8,675,127	\$2,607,191	\$11,282,318	\$0	\$0	\$0
Sierra	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Socorro	\$458,378	\$243,531	\$214,847	\$458,378	\$0	\$0	\$0
Taos	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Torrance	\$341,436	\$159,461	\$181,975	\$341,436	\$0	\$0	\$0
Union	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Valencia	\$895,848	\$626,078	\$269,771	\$895,848	\$0	\$0	\$0
Total	\$31,244,530	\$22,853,254	\$8,202,659	\$31,055,913	\$187,184	\$1,433	\$188,617

Information source: compiled from rate certificate files issued by the NM Department of Finance and Administration.

Figure 2: Rate Location Map

Source: TRD Information Technology Division



Department of Finance and Administration  
2012 Property Tax

Table 17  
Property Tax Rates by Location -- 2012 Property Tax Year

County	Municipality	Tax District				County	Municipality	Tax District	12.942	14.174	Production & Equipment	
			Residential	Non-Residential	Production & Equipment				Residential	Non-Residential		
Bernalillo	Albuquerque	12 In	41.203	45.648		Eddy	Artesia	16 In	21.243	22.721	22.721	
		Los Ranchos	12 In	30.683	35.128			(continued)	Hope	16D In	23.987	28.146
		Tijeras	12 In	30.536	36.353		Grant	Silver City	C Out	16.456	17.703	17.703
			Corrales	2A In	0.497	0.497				10 Out	12.942	14.174
	Rio Rancho	R1-A NR		N/A	40.904				16 Out	19.415	20.496	20.496
		12 Out	29.683	34.128		1 IN			17.011	23.874		
	Catron	Reserve	8T	26.429	30.108		Hurley	2H IN	20.804	25.740		
			24 Out	26.429	30.108		Bayard	2B IN	20.761	27.250		
			1 In	12.449	15.935		Santa Clara	2C IN	20.169	26.327		
			1 Out	10.258	13.710		1 OUT	15.613	21.321	21.321		
2 Out			13.182	17.529		2 OUT	19.468	25.025	25.025			
2A Out			13.182	17.529		Guadalupe	Santa Rosa	8 IN	26.685	31.429		
Chaves	Roswell	1 in	26.260	30.808		Vaughn	33 IN	28.625	31.901			
		Hagerman	6 in	19.593	23.857		8 OUT	22.404	26.491			
		Dexter	8 in	23.571	28.562		33 OUT	20.975	24.251			
			Lake Arthur	20 In R	16.670	20.550		Harding	Roy	3 IN	18.902	21.780
	1 Out R	18.942	22.886	21.886		Mosquero	5 IN	17.473	20.653			
	6 Out	18.752	22.632	21.632		3 OUT	17.366	19.555	19.555			
	8 Out	23.350	27.337	26.337		5 OUT	16.155	18.428	18.438			
	20 Out	14.562	18.327	18.417		24/25	15.763	17.990				
	14	15.508	19.210	19.210		Hidalgo	Lordsburg	1 IN	23.096	25.631		
	27/28	14.359	18.006			Virden	1A IN	21.802	24.721			
28	N/A	N/A	18.046		1 OUT	20.430	22.496					
1L	17.205	22.178			1A OUT	20.430	22.496					
Cibola	Grants	3 In	28.677	32.099		6	13.897	15.699				
		Milan	3A In	27.817	33.014		Lea	Lovington	1 IN	27.624	33.270	
	3 Out	24.122	27.544		Eunice	8 IN	29.734	35.606	35.606			
Colfax	Cimarron	Qmo2	17.899	21.779		Hobbs	16 IN	25.534	31.055	31.192		
		Eagle Nest	3 In	20.540	26.745		Jal	19 In	25.129	30.110	30.110	
	Angel Fire	3B In	17.218	21.712		Tatum	28 IN	25.598	30.653			
	Raton	3A In	20.272	25.714		1 OUT	23.300	27.620	27.620			
	Springer	11 in	17.835	23.568		8 OUT	23.578	27.956	27.956			
	Maxwell	24 In	30.635	37.732		16 OUT	21.225	25.637	25.637			
	3 Out	22.670	29.11		19 OUT	18.454	22.460	22.460				
	11 Out	15.551	19.095	19.095		28 OUT	22.187	26.428	26.428			
	24 Out	12.530	16.115	16.115		Lincoln	Ruidoso	3 IN	26.175	31.064		
	26 Out	25.781	30.082			Ruidoso Downs	35 IN	28.308	35.324			
35	17.205	21.460			Carrizozo	7 IN	25.639	27.641				
Curry	Clovis	1 In	24.132	25.172		Corona	13 IN	20.357	25.04			
		2 In	21.157	21.942		Capitan	28 IN	18.155	23.126			
	Melrose	12 In	20.067	20.946		3/35 OUT	21.333	25.787				
		Grady	61 In	28.080	29.091		7 OUT	19.177	23.148			
	1 Out	20.655	21.447		13 OUT	16.518	20.615					
	2 Out	19.077	19.717		20	21.247	25.329					
	12 Out	18.054	18.721		28 OUT	14.827	19.074					
	61 Out	20.809	21.441		Los Alamos	Los Alamos	1	21.811	25.464			
20 In	27.346	27.396		Luna	Deming	1 IN	21.807	24.261				
20 Out	25.219	25.198		Columbus	1A IN	22.773	27.917					
Dona Ana	Las Cruces	2 In	28.803	32.489		1 OUT	19.071	21.286				
		Mesilla	2D In	23.226	27.709		McKinley	Gallup	1 IN	33.172	41.756	
	Sunland Park	16 In	35.785	39.365		1 OUT	26.02	32.389	32.389			
	Hatch	11 In	30.649	33.560		Zuni	22.442	28.573				
	Anthony	18in	28.997	32.186		Mora	Wagon Mound	12 IN	24.239	28.308		
	2 Out	22.189	25.369		1	19.322	23.361					
11 Out	25.222	28.188		12 OUT	19.186	23.72						
16 Out	28.997	32.186		12C	25.321	29.958						
Eddy	Carlsbad	C In	22.347	23.928	23.928	1-A	19.186	23.72				
Loving	10 In	14.811	15.997									

Source: rate certificate files issued by the New Mexico Department of Finance and Administration's Local Government Division.

Department of Finance and Administration  
2012 Property Tax

Table 17  
Property Tax Rates by Location -- 2012 Property Tax Year (Continued)

County	Municipality	Tax District	10.623			15.804					
			Residential	Non-Residential	Production & Equipment	Residential	Non-Residential	Production & Equipment			
Otero	Alamogordo	1 IN	24.856	32.146		San Miguel (continued)	21 IN	12.716	20.021		
		4 IN	25.178	32.359			1 OUT	21.235	28.636		
	Cloudcroft	11 IN	16.110	22.555			2 OUT	21.895	29.231		
		1 OUT	18.345	23.626			21 OUT	12.259	18.751		
		4 OUT	19.711	24.709			50	15.007	22.241		
		11 OUT	15.181	20.330			Santa Fe	Santa Fe	C IN	20.091	29.581
	16	26.092	31.041		Espanola	18 IN		16.494	24.330		
Quay	Tucumcari	1 IN	25.372	33.514		Edgewood		8T IN	18.574	25.539	
		House	19 IN	21.171	28.788		C OUT	18.362	26.200		
	Logan	32 IN	21.440	25.403		1	19.747	26.899			
		San Jon	34 IN	21.536	27.512		8T	18.574	25.539		
		1 OUT	20.664	25.864		18 OUT	13.306	20.163			
		19 OUT	17.068	21.138		Sierra	T or C	6 IN	22.131	25.593	
		32 OUT	14.742	18.990	18.990		Williamsburg	6W IN	22.233	25.593	
		34 OUT	16.573	20.807			Elephant Butte	6 EB	24.894	27.593	
		23/47	18.620	22.715			6 OUT	20.709	23.368		
		33	14.742	18.990		Socorro	Socorro	1 IN	31.111	35.348	
	53	15.865	19.995		Magdalena		12 IN	24.930	28.866		
Rio Arriba	Chama	19 IN	21.515	30.434			1 OUT	26.166	29.535		
		Espanola	45 IN	17.276	26.940		12 OUT	24.123	27.351		
		19 OUT	18.035	26.799		5	28.905	32.421			
		21	16.104	25.635	25.635	7L	23.917	26.984			
		45 OUT	14.088	22.773		13L	21.258	24.451			
		53	12.407	21.338	21.338	13T	23.157	26.522			
Roosevelt	Portales	32	12.475	21.481		Taos	Taos	1 IN	15.897	21.857	
		1 IN	26.280	25.427			Questa	9 IN	16.108	22.529	
	Elida	2 IN	20.202	20.520		Red River	9RR IN	18.522	24.118		
		Floyd	5 IN	16.901	16.621		Taos Ski Valley	8-18 IN	21.006	24.027	
	Causey	39A IN	19.902	20.106			1 OUT	13.356	17.893		
		Dora	39 IN	19.518	20.106		1A	13.356	17.893		
		1 OUT	23.100	23.011		4	10.623	15.804			
		2 OUT	18.458	18.419	18.546	6	15.259	20.241			
		5 OUT	14.688	14.623	14.710	9 OUT	12.347	17.304			
		39 OUT	17.934	17.881	17.968	Torrance	Estancia	7 IN	19.558	18.860	
	3	19.960	19.904		Willard		7W IN	22.283	22.396		
	9/53	18.937	18.908		Moriarty		8 IN	25.708	25.351		
	9A	20.140	20.051		Mountainair		13 IN	25.068	25.780		
		20.140	20.051		Encino		16 IN	21.115	22.042		
Sandoval	Bernalillo	1 IN	27.287	34.367			7 OUT	18.132	18.458		
		Cuba	20 IN	28.656	37.045		8 OUT	23.564	24.116		
	Jemez Springs	31 IN	27.371	33.969			13 OUT	19.924	20.553		
		San Ysidro	31A IN	29.245	35.669		16 OUT	19.801	20.218		
	Corrales	2A IN	30.816	37.368			20 / 35	18.025	18.482		
		Rio Rancho	94 IN	35.341	37.840		Union	Clayton	1 IN	19.994	22.198
	1 OUT	24.245	28.642		Des Moines	22D IN		24.730	27.152		
	20 OUT	25.033	29.395	29.715	Folsom	22F IN		23.267	27.639		
	31 out	23.623	28.019		Grenville	22G IN		26.362	29.864		
	2AC IN	30.746	37.298		1 OUT	15.091		17.260	17.260		
	94 OUT	26.734	31.064		22 OUT	19.916	22.214				
San Juan	Aztec	2 IN	24.521	30.306	30.670	Valencia	Los Lunas	1 IN	34.902	40.861	
		Farmington	5 IN	22.450	26.929			26.929	Bosque Farms	1 IN	29.745
	Bloomfield	6 IN	27.181	32.996	33.131		Belen	2 IN	29.565	34.674	
		2 OUT	19.934	23.797	23.797		Peralta	PR IN	27.471	33.211	
		5 OUT	21.019	24.704	24.704			1 OUT	27.471	33.211	
		6 OUT	20.176	24.032	24.032			2 OUT	23.976	29.694	
	22	20.355	24.108	24.108		3LL OUT	27.471	33.211			
San Miguel	Las Vegas	1 IN	28.266	36.286			3BN OUT	23.976	29.694		
		2 IN	28.926	36.881			PR OUT	27.471	33.211		

Source: rate certificate files issued by the New Mexico Department of Finance and Administration's Local Government Division.

**Department of Finance and Administration  
2012 Property Tax**

**Table 18  
New Mexico's 104 Municipalities: Their Associated Counties**

Municipality	County	Municipality	County	Municipality	County
Alamogordo	Otero	Farmington	San Juan	Peralta	Valencia
Albuquerque	Bernalillo	Floyd	Roosevelt	Portales	Roosevelt
Angel Fire	Colfax	Folsom	Union	Questa	Taos
Anthony	Dona Ana	Fort Sumner	De Baca	Raton	Colfax
Artesia	Eddy	Gallup	McKinley	Red River	Taos
Aztec	San Juan	Grady	Curry	Reserve	Catron
Bayard	Grant	Grants	Cibola	Rio Rancho <sup>2</sup>	Sandoval
Belen	Valencia	Grenville	Union	Roswell	Chaves
Bernalillo	Sandoval	Hagerman	Chaves	Roy	Harding
Bloomfield	San Juan	Hatch	Dona Ana	Ruidoso	Lincoln
Bosque Farms	Valencia	Hobbs	Lea	Ruidoso Downs	Lincoln
Capitan	Lincoln	Hope	Eddy	San Jon	Quay
Carlsbad	Eddy	House	Quay	San Ysidro	Sandoval
Carrizozo	Lincoln	Hurley	Grant	Santa Clara	Grant
Causey	Roosevelt	Jal	Lea	Santa Fe	Santa Fe
Chama	Rio Arriba	Jemez Springs	Sandoval	Santa Rosa	Guadalupe
Cimarron	Colfax	Lake Arthur	Chaves	Silver City	Grant
Clayton	Union	Las Cruces	Dona Ana	Socorro	Socorro
Cloudcroft	Otero	Las Vegas	San Miguel	Springer	Colfax
Clovis	Curry	Logan	Quay	Sunland Park	Dona Ana
Columbus	Luna	Lordsburg	Hidalgo	T or C	Sierra
Corona	Lincoln	Los Alamos	Los Alamos	Taos	Taos
Corrales	Sandoval	Los Lunas	Valencia	Taos Ski Valley	Taos
Cuba	Sandoval	Los Ranchos	Bernalillo	Tatum	Lea
Deming	Luna	Loving	Eddy	Texico	Curry
Des Moines	Union	Lovington	Lea	Tijeras	Bernalillo
Dexter	Chaves	Magdalena	Socorro	Tucumcari	Quay
Dora	Roosevelt	Maxwell	Colfax	Tularosa	Otero
Eagle Nest	Colfax	Melrose	Curry	Vaughn	Guadalupe
Edgewood	Santa Fe	Mesilla	Dona Ana	Virден	Hidalgo
Elephant Butte	Sierra	Milan	Cibola	Wagon Mound	Mora
Elida	Roosevelt	Moriarty	Torrance	Willard	Torrance
Encino	Torrance	Mosquero	Harding	Williamsburg	Sierra
Espanola <sup>1</sup>	Rio Arriba	Mountainair	Torrance		
Estancia	Torrance	Pecos	San Miguel		
Eunice	Lea				

<sup>1</sup>A portion of Espanola containing roughly 25% of its net taxable value is in Rio Arriba County.

<sup>2</sup>A small portion -- less than 1% of Rio Rancho's net taxable value -- is in Bernalillo County.

Department of Finance and Administration  
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**Table 19**  
**Municipal Operating Rates Imposed and Remaining Authority, 2012 Tax Year**

Actual Rates:					Actual Rates:				
Municipality	Residential	Non-Residential	Rate Imposed	Remaining Authority <sup>1</sup>	Municipality	Residential	Non-Residential	Rate Imposed	Remaining Authority <sup>1</sup>
Alamogordo	5.055	7.064	7.064	0.586	Las Cruces	4.614	5.120	5.120	2.530
Albuquerque	6.544	6.544	6.544	1.106	<b>Las Vegas</b>	<b>7.031</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>
<b>Angel Fire</b>	<b>4.721</b>	<b>6.619</b>	<b>7.650</b>	<b>0.000</b>	<b>Logan</b>	<b>6.698</b>	<b>6.413</b>	<b>7.650</b>	<b>0.000</b>
Anthony*	0.000	0.000	0.000	7.650	Lordsburg	2.666	3.135	3.225	4.425
Artesia	<b>1.828</b>	2.225	2.225	5.425	Los Alamos	1.748	1.748	1.748	5.902
Aztec	4.587	6.509	6.873	0.777	<b>Los Lunas</b>	<b>7.431</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>
Bayard	1.293	2.225	2.225	5.425	Los Ranchos*	0.000	0.000	0.000	7.650
<b>Belen</b>	<b>5.589</b>	<b>4.980</b>	<b>7.650</b>	<b>0.000</b>	Loving	1.869	1.823	2.225	5.425
Bernalillo	3.042	5.725	5.725	1.925	Lovington	4.324	5.650	5.650	2.000
Bloomfield	4.906	6.865	7.000	0.650	Magdalena	0.807	1.515	2.225	5.425
Bosque Farms	2.274	1.743	3.725	3.925	<b>Maxwell</b>	<b>5.465</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>
Capitan	3.328	4.052	4.225	3.425	Melrose	2.013	2.225	2.225	5.425
Carlsbad	5.891	6.225	6.225	1.425	Mesilla	1.037	2.340	2.225	5.425
Carrizozo	6.462	4.493	5.225	2.425	<b>Milan</b>	<b>2.619</b>	<b>4.394</b>	<b>7.650</b>	<b>0.000</b>
Causey	1.968	2.225	2.225	5.425	Moriarty	2.144	1.235	2.225	5.425
<b>Chama</b>	<b>3.480</b>	<b>3.635</b>	<b>5.225</b>	<b>2.425</b>	Mosquero	1.318	2.225	2.225	5.425
<b>Cimarron</b>	<b>4.989</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>	<b>Mountainair</b>	<b>5.144</b>	<b>5.227</b>	<b>7.650</b>	<b>0.000</b>
Clayton	4.903	4.938	4.938	2.712	Pecos	0.457	1.270	2.225	5.425
Cloudcroft	0.929	2.225	2.225	5.425	Peralta*	0.000	0.000	0.000	7.650
<b>Clovis</b>	<b>3.477</b>	<b>3.725</b>	<b>3.725</b>	<b>3.925</b>	Portales	3.180	2.416	3.225	4.425
<b>Columbus</b>	<b>3.702</b>	<b>6.631</b>	<b>7.650</b>	<b>0.000</b>	Questa	3.761	5.225	5.225	2.425
Corona	3.839	4.425	4.425	3.225	<b>Raton</b>	<b>5.305</b>	<b>7.453</b>	<b>7.650</b>	<b>0.000</b>
Corrales	3.869	5.452	5.870	1.780	<b>Red River</b>	<b>6.175</b>	<b>6.814</b>	<b>7.650</b>	<b>0.000</b>
<b>Cuba</b>	<b>3.623</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>	Reserve	2.191	2.225	2.225	5.425
Deming	2.736	2.975	2.975	4.675	<b>Rio Rancho</b>	<b>6.990</b>	<b>0.000</b>	<b>7.650</b>	<b>0.000</b>
Des Moines	4.814	4.938	4.938	2.712	<b>Roswell</b>	<b>7.046</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>
Dexter	1.221	2.225	2.225	5.425	Roy	1.536	2.225	2.225	5.425
Dora	1.584	2.225	2.225	5.425	Ruidoso	4.842	5.277	6.368	1.282
Eagle Nest	1.667	2.617	2.225	4.425	<b>Ruidoso Downs</b>	<b>5.088</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>
Edgewood*	0.000	0.000	0.000	7.650	<b>San Jon</b>	<b>4.963</b>	<b>6.705</b>	<b>7.650</b>	<b>0.000</b>
Elephant Butte	4.185	4.225	2.225	5.425	<b>San Ysidro</b>	<b>5.622</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>
Elida	1.744	2.101	2.225	5.425	Santa Clara	0.701	1.302	2.225	5.425
Encino	1.314	1.824	2.225	5.425	Santa Fe	1.165	2.817	2.817	4.833
<b>Espanola</b>	<b>3.188</b>	<b>4.167</b>	<b>7.650</b>	<b>0.000</b>	Santa Rosa	4.281	4.938	4.938	2.712
Estancia	1.426	0.402	2.225	5.425	Silver City	1.070	2.225	2.225	5.425
<b>Eunice</b>	<b>6.156</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>	Socorro	4.945	5.813	5.813	1.837
Farmington	1.431	2.225	2.225	5.425	<b>Springer</b>	<b>4.854</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>
Floyd	2.213	1.998	2.225	5.425	Sunland Park	6.788	7.179	3.775	3.875
Folsom	3.351	5.425	5.425	2.225	T or C	1.422	2.225	2.225	5.425
Fort Sumner	2.127	2.198	2.225	5.425	Taos	2.541	3.964	4.225	3.425
<b>Gallup</b>	<b>5.435</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>	Taos Ski Valley	7.650	6.134	4.000	3.650
<b>Grady</b>	<b>7.271</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>	Tatum	3.411	4.225	4.225	3.425
Grants	4.555	4.555	4.555	3.095	Texico	2.080	2.225	2.225	5.425
<b>Grenville</b>	<b>6.446</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>	Tijeras	0.853	2.225	2.225	5.425
Hagerman	1.841	2.225	2.225	5.425	<b>Tucumcari</b>	<b>4.708</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>
Hatch	5.427	5.372	5.500	2.150	<b>Tularosa</b>	<b>5.467</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>
Hobbs	4.309	5.418	5.555	2.095	<b>Vaughn</b>	<b>7.650</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>
<b>Hope</b>	<b>4.572</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>	Virden	1.372	2.225	2.225	5.425
<b>House</b>	<b>4.103</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>	<b>Wagon Mound</b>	<b>5.053</b>	<b>4.588</b>	<b>7.650</b>	<b>0.000</b>
Hurley	1.336	0.715	2.225	5.425	Willard	4.151	3.938	5.225	2.425
<b>Jal</b>	<b>6.675</b>	<b>7.650</b>	<b>7.650</b>	<b>0.000</b>	Williamsburg	1.524	2.225	2.225	5.425
Jemez Springs	3.748	5.950	5.950	1.700					
Lake Arthur	2.108	2.223	2.225	5.425	Average (unweighted)	3.622	4.377	4.746	2.904

Information Source: New Mexico Department of Finance and Administration rate certificate files.

<sup>1</sup>The imposed rate less the 7.65 mill maximum rate allowed by New Mexico statutes.

<sup>2</sup>The municipality does not impose an operating rate.

\*Imposes no operating rate.

**Department of Finance and Administration  
2012 Property Tax Facts**

**Table 20  
Net Taxable Value by Municipality -- 2012 Tax Year**

Municipality	Total	Residential Values	Nonresidential Values	Subtotal	Ad Valorem Production	Equipment	Subtotal
Alamogordo	\$498,302,073	\$360,702,519	\$137,599,554	\$498,302,073			
Albuquerque	\$11,682,076,946	\$8,500,577,796	\$3,181,499,150	\$11,682,076,946			
Angel Fire	\$266,573,406	\$191,609,232	\$74,964,174	\$266,573,406			
Anthony	\$53,077,780	\$44,742,149	\$8,335,631	\$53,077,780			
Artesia	\$338,291,538	\$102,880,572	\$235,289,551	\$338,170,123	\$102,884	\$18,531	\$121,415
Aztec	\$112,353,073	\$75,666,954	\$34,518,953	\$110,185,907	\$1,832,015	\$335,151	\$2,167,166
Bayard	\$19,357,966	\$14,560,176	\$4,797,790	\$19,357,966			
Belen	\$127,468,756	\$65,831,831	\$61,636,925	\$127,468,756			
Bernalillo	\$179,226,776	\$110,380,300	\$68,846,476	\$179,226,776			
Bloomfield	\$106,986,671	\$65,825,886	\$40,231,603	\$106,057,489	\$787,315	\$141,867	\$929,182
Bosque Farms	\$80,920,654	\$66,749,580	\$14,171,074	\$80,920,654			
Capitan	\$21,413,510	\$15,888,054	\$5,525,456	\$21,413,510			
Carlsbad	\$374,452,023	\$236,087,931	\$135,408,139	\$371,496,070	\$2,347,856	\$608,097	\$2,955,953
Carrizozo	\$14,453,419	\$6,794,396	\$7,659,023	\$14,453,419			
Causey	\$1,052,832	\$221,119	\$831,713	\$1,052,832			
Chama	\$24,519,160	\$14,114,076	\$10,405,084	\$24,519,160			
Cimarron	\$11,727,497	\$8,375,011	\$3,352,486	\$11,727,497			
Clayton	\$28,188,432	\$15,803,547	\$12,384,885	\$28,188,432			
Cloudcroft	\$43,997,847	\$34,543,161	\$9,454,686	\$43,997,847			
Clovis	\$514,491,639	\$372,482,871	\$142,008,768	\$514,491,639			
Columbus	\$13,595,257	\$8,213,799	\$5,381,458	\$13,595,257			
Corona	\$2,893,461	\$1,376,902	\$1,516,559	\$2,893,461			
Corrales	\$337,709,406	\$295,612,210	\$42,097,196	\$337,709,406			
Cuba	\$8,841,582	\$3,182,046	\$5,659,536	\$8,841,582			
Deming	\$251,915,594	\$127,189,500	\$124,726,094	\$251,915,594			
Des Moines	\$1,990,009	\$700,324	\$1,289,685	\$1,990,009			
Dexter	\$8,608,659	\$6,483,287	\$2,125,372	\$8,608,659			
Dora	\$858,604	\$579,582	\$279,022	\$858,604			
Eagle Nest	\$16,015,254	\$10,005,464	\$6,009,790	\$16,015,254			
Edgewood	\$93,880,909	\$62,443,626	\$31,437,283	\$93,880,909			
Elephant Butte	\$57,819,552	\$42,130,667	\$15,688,885	\$57,819,552			
Elida	\$1,717,508	\$943,657	\$773,851	\$1,717,508			
Encino	\$978,241	\$425,584	\$552,657	\$978,241			
Espanola	\$168,509,656	\$97,168,387	\$71,341,269	\$168,509,656			
Estancia	\$24,208,031	\$6,578,084	\$17,629,947	\$24,208,031			
Eunice	\$32,630,869	\$12,755,247	\$6,800,124	\$19,555,371	\$11,231,774	\$1,843,724	\$13,075,498
Farmington	\$1,040,778,102	\$655,961,815	\$377,410,730	\$1,033,372,545	\$6,216,393	\$1,189,164	\$7,405,557
Floyd	\$651,208	\$395,283	\$255,925	\$651,208			
Folsom	\$766,744	\$415,030	\$351,714	\$766,744			
Fort Sumner	\$9,492,549	\$5,181,412	\$4,311,137	\$9,492,549			
Gallup	\$348,558,874	\$202,096,029	\$146,462,845	\$348,558,874			
Grady	\$613,799	\$371,278	\$242,521	\$613,799			
Grants	\$122,056,474	\$56,046,195	\$66,010,279	\$122,056,474			
Grenville	\$433,436	\$116,246	\$317,190	\$433,436			
Hagerman	\$5,447,136	\$3,649,069	\$1,798,067	\$5,447,136			
Hatch	\$15,688,584	\$6,951,688	\$8,736,896	\$15,688,584			
Hobbs	\$519,040,731	\$227,762,625	\$205,499,444	\$433,262,069	\$71,988,066	\$13,790,596	\$85,778,662
Hope	\$2,387,525	\$540,270	\$1,847,255	\$2,387,525			
House	\$753,772	\$409,447	\$344,325	\$753,772			
Hurley	\$10,406,716	\$9,118,744	\$1,287,972	\$10,406,716			
Jal	\$23,176,216	\$8,046,273	\$13,904,002	\$21,950,275	\$1,034,026	\$191,916	\$1,225,941
Jemez Springs	\$9,404,068	\$5,007,436	\$4,396,632	\$9,404,068			
Lake Arthur	\$1,609,095	\$1,157,201	\$451,894	\$1,609,095			

Information Source: New Mexico Department of Finance and Administration rate certificate files.

Department of Finance and Administration  
2012 Property Tax

**Table 20**  
**Net Taxable Value by Municipality -- 2012 Tax Year (Continued)**

Municipality	Total	Residential Values	Nonresidential Values	Subtotal	Ad Valorem* Production	Equipment	Subtotal
Las Cruces	\$2,035,047,397	\$1,391,019,343	\$644,028,054	\$2,035,047,397			
Las Vegas	\$188,917,381	\$117,474,010	\$71,443,371	\$188,917,381			
Logan	\$26,259,671	\$18,045,412	\$8,214,259	\$26,259,671			
Lordsburg	\$32,448,890	\$9,387,609	\$23,061,281	\$32,448,890			
Los Alamos	\$696,865,402	\$605,095,450	\$91,769,952	\$696,865,402			
Los Lunas	\$327,722,757	\$234,790,395	\$92,932,362	\$327,722,757			
Los Ranchos	\$219,296,766	\$193,875,310	\$25,421,456	\$219,296,766			
Loving	\$7,062,417	\$4,702,040	\$2,360,377	\$7,062,417			
Lovington	\$70,932,061	\$49,824,031	\$21,108,030	\$70,932,061			
Magdalena	\$6,488,952	\$3,747,074	\$2,741,878	\$6,488,952			
Maxwell	\$2,153,746	\$1,561,823	\$591,923	\$2,153,746			
Melrose	\$6,009,436	\$3,580,279	\$2,429,157	\$6,009,436			
Mesilla	\$59,122,512	\$46,747,396	\$12,375,116	\$59,122,512			
Milan	\$48,396,958	\$8,359,295	\$40,037,663	\$48,396,958			
Moriarty	\$40,199,207	\$16,013,648	\$24,185,559	\$40,199,207			
Mosquero	\$815,206	\$487,025	\$328,181	\$815,206			
Mountainair	\$9,765,155	\$6,179,874	\$3,585,281	\$9,765,155			
Pecos	\$19,027,878	\$15,284,773	\$3,743,105	\$19,027,878			
Peralta	\$53,809,383	\$48,147,147	\$5,662,236	\$53,809,383			
Portales	\$133,866,003	\$86,213,579	\$47,652,424	\$133,866,003			
Questa	\$24,453,009	\$17,208,940	\$7,244,069	\$24,453,009			
Raton	\$108,529,103	\$59,442,447	\$49,086,656	\$108,529,103			
Red River	\$53,027,649	\$32,315,038	\$20,712,611	\$53,027,649			
Reserve	\$5,698,402	\$2,440,396	\$3,258,006	\$5,698,402			
Rio Rancho	\$1,999,664,999	\$1,547,186,906	\$452,478,093	\$1,999,664,999			
Roswell	\$627,586,682	\$406,939,356	\$220,647,326	\$627,586,682			
Roy	\$1,821,536	\$1,055,110	\$766,426	\$1,821,536			
Ruidoso	\$478,259,491	\$369,412,536	\$108,846,955	\$478,259,491			
Ruidoso Downs	\$47,396,969	\$25,510,321	\$21,886,648	\$47,396,969			
San Jon	\$2,070,864	\$847,111	\$1,223,753	\$2,070,864			
San Ysidro	\$2,836,710	\$1,564,994	\$1,271,716	\$2,836,710			
Santa Clara	\$13,408,193	\$10,502,029	\$2,906,164	\$13,408,193			
Santa Fe	\$3,677,052,968	\$2,700,073,398	\$976,979,570	\$3,677,052,968			
Santa Rosa	\$45,335,373	\$14,327,890	\$31,007,483	\$45,335,373			
Silver City	\$198,795,685	\$125,472,572	\$73,323,113	\$198,795,685			
Socorro	\$105,247,517	\$69,558,053	\$35,689,464	\$105,247,517			
Springer	\$9,868,908	\$7,614,613	\$2,254,295	\$9,868,908			
Sunland Park	\$184,344,040	\$91,521,473	\$92,822,567	\$184,344,040			
T or C	\$94,234,941	\$59,095,095	\$35,139,846	\$94,234,941			
Taos	\$295,260,688	\$149,286,219	\$145,974,469	\$295,260,688			
Taos Ski Valley	\$62,338,041	\$27,110,722	\$35,227,319	\$62,338,041			
Tatum	\$6,878,939	\$3,103,911	\$3,775,028	\$6,878,939			
Texico	\$6,402,326	\$4,087,742	\$2,314,584	\$6,402,326			
Tijeras	\$11,394,598	\$7,555,200	\$3,839,398	\$11,394,598			
Tucumcari	\$55,854,947	\$26,126,485	\$29,728,462	\$55,854,947			
Tularosa	\$29,836,201	\$21,546,208	\$8,289,993	\$29,836,201			
Vaughn	\$6,884,731	\$2,171,917	\$4,712,814	\$6,884,731			
Virden	\$869,324	\$539,287	\$330,037	\$869,324			
Wagon Mound	\$4,427,558	\$2,282,156	\$2,145,402	\$4,427,558			
Willard	\$1,477,712	\$868,496	\$609,216	\$1,477,712			
Williamsburg	\$5,481,782	\$4,067,080	\$1,414,702	\$5,481,782			
<b>Totals</b>	<b>\$29,783,316,683</b>	<b>\$20,814,220,782</b>	<b>\$8,855,436,527</b>	<b>\$29,669,657,309</b>	<b>\$95,540,329</b>	<b>\$18,119,045</b>	<b>\$113,659,374</b>

Information source: compiled from rate certificate files issued by the New Mexico Department of Finance and Administration.

\*Blank values should be considered zero.

Department of Finance and Administration  
2012 Property Tax

**Table 21**  
**Obligations for Municipal Operating Purposes by Municipality, 2012 Tax Year**

Municipality	Total	Residential	Nonresidential	Subtotal	Ad Valorem		
					Production	Equipment	Subtotal
Alamogordo	\$2,795,354	\$1,823,351	\$972,003	\$2,795,354			
Albuquerque	\$76,447,512	\$55,627,781	\$20,819,730	\$76,447,512			
Angel Fire	\$1,400,775	\$904,587	\$496,188	\$1,400,775			
Anthony <sup>1</sup>							
Artesia	\$711,855	\$188,066	\$523,519	\$711,585	\$229	\$41	\$270
Aztec	\$586,663	\$347,084	\$224,684	\$571,768	\$12,591	\$2,303	\$14,895
Bayard	\$29,501	\$18,826	\$10,675	\$29,501			
Belen	\$674,886	\$367,934	\$306,952	\$674,886			
Bernalillo	\$729,923	\$335,777	\$394,146	\$729,923			
Bloomfield	\$599,425	\$322,942	\$269,979	\$592,921	\$5,511	\$993	\$6,504
Bosque Farms	\$176,489	\$151,789	\$24,700	\$176,489			
Capitan	\$75,265	\$52,875	\$22,389	\$75,265			
Carlsbad	\$2,252,110	\$1,390,794	\$842,916	\$2,233,710	\$14,615	\$3,785	\$18,401
Carrizozo	\$78,317	\$43,905	\$34,412	\$78,317			
Causey	\$2,286	\$435	\$1,851	\$2,286			
Chama	\$86,939	\$49,117	\$37,822	\$86,939			
Cimarron	\$67,429	\$41,783	\$25,647	\$67,429			
Clayton	\$138,641	\$77,485	\$61,157	\$138,641			
Cloudcroft	\$53,127	\$32,091	\$21,037	\$53,127			
Clovis	\$1,824,106	\$1,295,123	\$528,983	\$1,824,106			
Columbus	\$66,092	\$30,407	\$35,684	\$66,092			
Corona	\$11,997	\$5,286	\$6,711	\$11,997			
Corrales	\$1,373,238	\$1,143,724	\$229,514	\$1,373,238			
Cuba	\$54,824	\$11,529	\$43,295	\$54,824			
Deming	\$719,051	\$347,990	\$371,060	\$719,051			
Des Moines	\$9,740	\$3,371	\$6,368	\$9,740			
Dexter	\$12,645	\$7,916	\$4,729	\$12,645			
Dora	\$1,539	\$918	\$621	\$1,539			
Eagle Nest	\$32,407	\$16,679	\$15,728	\$32,407			
Edgewood <sup>1</sup>							
Elephant Butte	\$242,602	\$176,317	\$66,286	\$242,602			
Elida	\$3,272	\$1,646	\$1,626	\$3,272			
Encino	\$1,567	\$559	\$1,008	\$1,567			
Espanola	\$607,052	\$309,773	\$297,279	\$607,052			
Estancia	\$16,468	\$9,380	\$7,087	\$16,468			
Eunice	\$230,570	\$78,521	\$52,021	\$130,542	\$85,923	\$14,104	\$100,028
Farmington	\$1,794,898	\$938,681	\$839,739	\$1,778,420	\$13,831	\$2,646	\$16,477
Floyd	\$1,386	\$875	\$511	\$1,386			
Folsom	\$3,299	\$1,391	\$1,908	\$3,299			
Fort Sumner	\$20,497	\$11,021	\$9,476	\$20,497			
Gallup	\$2,218,833	\$1,098,392	\$1,120,441	\$2,218,833			
Grady	\$4,555	\$2,700	\$1,855	\$4,555			
Grants	\$555,967	\$255,290	\$300,677	\$555,967			
Grenville	\$3,176	\$749	\$2,427	\$3,176			
Hagerman	\$10,719	\$6,718	\$4,001	\$10,719			
Hatch	\$84,661	\$37,727	\$46,935	\$84,661			
Hobbs	\$2,571,326	\$981,429	\$1,113,396	\$2,094,825	\$399,894	\$76,607	\$476,500
Hope	\$16,602	\$2,470	\$14,132	\$16,602			
House	\$4,314	\$1,680	\$2,634	\$4,314			
Hurley <sup>2</sup>	\$13,104	\$12,183	\$921	\$13,104			
Jal	\$169,453	\$53,709	\$106,366	\$160,074	\$7,910	\$1,468	\$9,378
Jemez Springs	\$44,928	\$18,768	\$26,160	\$44,928			
Lake Arthur	\$3,444	\$2,439	\$1,005	\$3,444			

Information Source: New Mexico Department of Finance and Administration rate certificate files.

<sup>1</sup>Imposes no operating rate. <sup>2</sup>The extreme difference between residential and nonresidential obligations in Hurley results from very small nonresidential tax rates and net taxable value relative to residential rates and values.

Department of Finance and Administration  
2012 Property Tax

**Table 21**  
**Obligations for Municipal Operating Purposes by Municipality, 2012 Tax Year (Continued)**

Municipality	Total	Residential	Nonresidential	Subtotal	Ad Valorem		Subtotal
					Production	Equipment	
Las Cruces	\$9,715,587	\$6,418,163	\$3,297,424	\$9,715,587			
Las Vegas	\$1,372,502	\$825,960	\$546,542	\$1,372,502			
Logan	\$173,546	\$120,868	\$52,678	\$173,546			
Lordsburg	\$97,324	\$25,027	\$72,297	\$97,324			
Los Alamos	\$1,218,121	\$1,057,707	\$160,414	\$1,218,121			
Los Lunas	\$2,455,660	\$1,744,727	\$710,933	\$2,455,660			
Los Ranchos <sup>1</sup>							
Loving	\$13,091	\$8,788	\$4,303	\$13,091			
Lovington	\$334,699	\$215,439	\$119,260	\$334,699			
Magdalena	\$7,178	\$3,024	\$4,154	\$7,178			
Maxwell	\$13,064	\$8,535	\$4,528	\$13,064			
Melrose	\$12,612	\$7,207	\$5,405	\$12,612			
Mesilla	\$77,435	\$48,477	\$28,958	\$77,435			
Milan	\$197,818	\$21,893	\$175,925	\$197,818			
Moriarty	\$64,202	\$34,333	\$29,869	\$64,202			
Mosquero	\$1,372	\$642	\$730	\$1,372			
Mountainair	\$50,530	\$31,789	\$18,740	\$50,530			
Pecos	\$11,739	\$6,985	\$4,754	\$11,739			
Peralta <sup>1</sup>							
Portales	\$389,287	\$274,159	\$115,128	\$389,287			
Questa	\$102,573	\$64,723	\$37,850	\$102,573			
Raton	\$681,185	\$315,342	\$365,843	\$681,185			
Red River	\$340,681	\$199,545	\$141,136	\$340,681			
Reserve	\$12,596	\$5,347	\$7,249	\$12,596			
Rio Rancho	\$13,110,354	\$10,814,836	\$2,295,518	\$13,110,354			
Roswell	\$4,555,247	\$2,867,295	\$1,687,952	\$4,555,247			
Roy	\$3,326	\$1,621	\$1,705	\$3,326			
Ruidoso	\$2,363,081	\$1,788,695	\$574,385	\$2,363,081			
Ruidoso Downs	\$297,229	\$129,797	\$167,433	\$297,229			
San Jon	\$12,409	\$4,204	\$8,205	\$12,409			
San Ysidro	\$18,527	\$8,798	\$9,729	\$18,527			
Santa Clara	\$11,146	\$7,362	\$3,784	\$11,146			
Santa Fe	\$5,897,737	\$3,145,586	\$2,752,151	\$5,897,737			
Santa Rosa	\$214,453	\$61,338	\$153,115	\$214,453			
Silver City	\$297,400	\$134,256	\$163,144	\$297,400			
Socorro	\$551,427	\$343,965	\$207,463	\$551,427			
Springer	\$54,207	\$36,961	\$17,245	\$54,207			
Sunland Park	\$1,287,621	\$621,248	\$666,373	\$1,287,621			
T or C	\$162,219	\$84,033	\$78,186	\$162,219			
Taos	\$957,979	\$379,336	\$578,643	\$957,979			
Taos Ski Valley	\$423,481	\$207,397	\$216,084	\$423,481			
Tatum	\$26,537	\$10,587	\$15,949	\$26,537			
Texico	\$13,652	\$8,503	\$5,150	\$13,652			
Tijeras	\$14,987	\$6,445	\$8,543	\$14,987			
Tucumcari	\$350,426	\$123,003	\$227,423	\$350,426			
Tularosa	\$181,212	\$117,793	\$63,418	\$181,212			
Vaughn	\$52,668	\$16,615	\$36,053	\$52,668			
Virden	\$1,474	\$740	\$734	\$1,474			
Wagon Mound	\$21,375	\$11,532	\$9,843	\$21,375			
Willard	\$6,004	\$3,605	\$2,399	\$6,004			
Williamsburg	\$9,346	\$6,198	\$3,148	\$9,346			
<b>Totals</b>	<b>\$147,873,154</b>	<b>\$101,022,415</b>	<b>\$46,208,285</b>	<b>\$147,230,700</b>	<b>\$540,506</b>	<b>\$101,948</b>	<b>\$642,454</b>

Information source: compiled from rate certificate files issued by the New Mexico Department of Finance and Administration.

<sup>1</sup>Imposes no operating rate.

Department of Finance and Administration  
2012 Property Tax Facts

Table 22: Obligations for Municipal Debt Service Purposes , 2012 Tax Year

Municipality	Total	Residential	Nonresidential	Ad Valorem Production	Ad Valorem Equipment	Municipality	Total	Residential	Nonresidential	Ad Valorem Production	Ad Valorem Equipment
Alamogordo	\$725,357	\$525,059	\$200,298			Las Cruces					
Albuquerque	\$58,130,015	\$42,298,875	\$15,831,140			Las Vegas					
Angel Fire						Logan					
Anthony						Lordsburg					
Artesia						Los Alamos					
Aztec						Los Lunas					
Bayard						Los Ranchos*	\$219,198	\$193,788	\$25,410		
Belen						Loving					
Bernalillo						Lovington					
Bloomfield	\$224,549	\$138,159	\$84,440	\$1,652	\$298	Magdalena					
Bosque Farms						Maxwell					
Capitan						Melrose					
Carlsbad						Mesilla					
Carrizozo						Milan	\$52,065	\$8,993	\$43,072		
Causey						Moriarty					
Chama						Mosquero					
Cimarron						Mountainair					
Clayton						Pecos					
Cloudcroft						Peralta					
Clovis						Portales					
Columbus						Questa					
Corona						Raton					
Corrales	\$159,531	\$136,985	\$22,545			Red River					
Cuba						Reserve					
Deming						Rio Rancho	\$3,233,351	\$2,501,718	\$731,633		
Des Moines						Roswell	\$798,290	\$517,627	\$280,663		
Dexter						Roy					
Dora						Ruidoso					
Eagle Nest						Ruidoso Downs	\$89,444	\$48,141	\$41,303		
Edgewood*						San Jon					
Elephant Butte						San Ysidro					
Elida						Santa Clara					
Encino						Santa Fe	\$2,073,161	\$1,522,330	\$550,831		
Espanola						Santa Rosa					
Estancia						Silver City	\$65,246	\$41,181	\$24,065		
Eunice						Socorro					
Farmington						Springer					
Floyd						Sunland Park					
Folsom						T or C					
Fort Sumner						Taos					
Gallup	\$598,476	\$346,999	\$251,477			Taos Ski Valley					
Grady						Tatum					
Grants						Texico					
Grenville						Tijeras					
Hagerman						Tucuman					
Hatch						Tularosa					
Hobbs						Vaughn					
Hope						Virgen					
House						Wagon Mound					
Hurley1						Willard					
Jal						Williamsburg					
Jemez Springs											
Lake Arthur						Totals	\$66,368,682	\$48,279,855	\$18,086,877	\$1,652	\$298

Information Source: New Mexico Department of Finance and Administration rate certificate files.

Muni Debt \$66,368,682  
total obligations 1540551403

% of Muni Debt Obligations To Total Obligations 4.31%

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- 3 HEC/HB 660--Rep. Stewart--Provide Allocations from the Public School  
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- 6 HB 264--Rep. Gonzales--Allow the PSCOC To Make Grants for School  
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- 7 HB 291--Rep. Gonzales--Designate an Amount from the PSCOF for PSCOC to  
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HM 97-Rep. Jeff  
Santa Fe Indian School  
Funding Process  
(PASSED)



1 HOUSE MEMORIAL 97

2 51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

3 INTRODUCED BY

4 Sandra D. Jeff

5  
6  
7  
8  
9  
10 A MEMORIAL

11 REQUESTING A STUDY OF THE FEASIBILITY OF INCLUDING THE SANTA FE  
12 INDIAN SCHOOL IN THE PUBLIC SCHOOL CAPITAL OUTLAY STANDARDS-  
13 BASED FUNDING PROCESS.

14  
15 WHEREAS, the Santa Fe Indian school provides education to  
16 students from seventh through twelfth grades; and

17 WHEREAS, students attending the Santa Fe Indian school  
18 come from all nineteen Indian pueblos within the state of New  
19 Mexico; and

20 WHEREAS, the nineteen Indian pueblos in the state of New  
21 Mexico encompass land in numerous counties throughout the  
22 state; and

23 WHEREAS, in 2000, the attorney general opined that the  
24 Santa Fe Indian school is a statewide institution because it  
25 provides education to New Mexico students who would otherwise

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1 need to be educated in other New Mexico public schools; and

2 WHEREAS, the purpose of the Santa Fe Indian school is to  
3 provide a challenging, stimulating academic program of  
4 excellence that shares the responsibility with students and  
5 their parents in developing the students' potential to meet  
6 obligations to themselves and their communities within New  
7 Mexico; and

8 WHEREAS, students at the Santa Fe Indian school are  
9 provided with a place to explore, walk new paths and seek new  
10 experiences and career opportunities, while remaining true to  
11 their Native American identity; and

12 WHEREAS, the Santa Fe Indian school's importance and value  
13 to the state's Native American community and to the state in  
14 general are unquestioned; and

15 WHEREAS, the Santa Fe Indian school does not participate  
16 in the state's public school operational funding formula or the  
17 higher education funding process; and

18 WHEREAS, the Santa Fe Indian school has no state project  
19 review process through which it can prioritize and justify its  
20 capital outlay needs;

21 NOW, THEREFORE, BE IT RESOLVED BY THE HOUSE OF  
22 REPRESENTATIVES OF THE STATE OF NEW MEXICO that the public  
23 school capital outlay council be requested, in cooperation with  
24 representatives of the legislative finance committee, the  
25 legislative education study committee, the public education

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1 department and the department of finance and administration, to  
2 establish a work group to examine the feasibility of including  
3 the Santa Fe Indian school in the public school capital outlay  
4 standards-based funding process; and

5 BE IT FURTHER RESOLVED that the work group report the  
6 results of its study to the legislature and the executive prior  
7 to the beginning of the 2014 legislative session; and

8 BE IT FURTHER RESOLVED that copies of this memorial be  
9 transmitted to the chair of the public school capital outlay  
10 council, the directors of the legislative finance committee and  
11 legislative education study committee, the secretary of public  
12 education and the secretary of finance and administration.

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SEC/SB 147-Sen. Candelaria  
Amend Definitions of  
"Education Technology"  
and  
"Education Technology Equipment"  
(VETOED)



SENATE EDUCATION COMMITTEE SUBSTITUTE FOR  
SENATE BILL 147

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

AN ACT

RELATING TO EDUCATION; AMENDING THE DEFINITIONS OF "EDUCATION  
TECHNOLOGY" AND "EDUCATION TECHNOLOGY EQUIPMENT".

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 6-15A-3 NMSA 1978 (being Laws 1997,  
Chapter 193, Section 3, as amended) is amended to read:

"6-15A-3. DEFINITIONS.--As used in the Education  
Technology Equipment Act:

A. "debt" means an obligation payable from  
ad valorem property tax revenues or the general fund of a  
school district and that may be secured by the full faith and  
credit of a school district and a pledge of its taxing powers;

B. "education technology equipment" means tools  
used in the educational process that constitute learning and  
administrative resources and may include:

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[bracketed material] = delete

1                   ~~[(1) closed-circuit television systems,~~  
2 ~~educational television and radio broadcasting, cable~~  
3 ~~television, satellite, copper and fiber-optic transmission,~~  
4 ~~computer, network connection devices, digital communications~~  
5 ~~equipment (voice, video and data), servers, switches, portable~~  
6 ~~media such as discs and drives to contain data for electronic~~  
7 ~~storage and playback, software licenses or other technologies~~  
8 ~~and services, maintenance, equipment and computer~~  
9 ~~infrastructure information, techniques and tools used to~~  
10 ~~implement technology in schools and related facilities; and]~~

- 11                   (1) closed-circuit television systems;
- 12                   (2) educational television and radio  
13 broadcasting and cable television;
- 14                   (3) satellite, copper wire and fiber-optic  
15 transmission;
- 16                   (4) network connection devices and digital  
17 communications equipment, including voice, video and data  
18 equipment;
- 19                   (5) computer hardware and software, including  
20 software licenses, data storage fees and other technologies and  
21 services;
- 22                   (6) local and remote servers;
- 23                   (7) other computer infrastructure;
- 24                   (8) portable media such as discs and drives to  
25 contain data for electronic storage and playback;

underscored material = new  
[bracketed material] = delete

1                   (9) maintenance equipment;  
2                   (10) any other techniques and tools used to  
3 implement technology in schools and related facilities; and  
4                   ~~[(2)]~~ (11) improvements, alterations and  
5 modifications to, or expansions of, existing buildings or  
6 personal property necessary or advisable to house or otherwise  
7 accommodate any of the tools listed in [~~Paragraph (1) of~~] this  
8 subsection;

9                   C. "lease-purchase arrangement" means a financing  
10 arrangement constituting debt of a school district pursuant to  
11 which periodic lease payments composed of principal and  
12 interest components are to be paid to the holder of the lease-  
13 purchase arrangement and pursuant to which the owner of the  
14 education technology equipment may retain title to or a  
15 security interest in the equipment and may agree to release the  
16 security interest or transfer title to the equipment to the  
17 school district for nominal consideration after payment of the  
18 final periodic lease payment. "Lease-purchase arrangement"  
19 also means any debt of the school district incurred for the  
20 purpose of acquiring education technology equipment pursuant to  
21 the Education Technology Equipment Act whether designated as a  
22 general obligation lease, note or other instrument evidencing a  
23 debt of the school district;

24                   D. "local school board" means the governing body of  
25 a school district; and

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1           E. "school district" means an area of land  
2 established as a political subdivision of the state for the  
3 administration of public schools and segregated geographically  
4 for taxation and bonding purposes."

5           SECTION 2. Section 22-15A-2 NMSA 1978 (being Laws 1994,  
6 Chapter 96, Section 2) is amended to read:

7           "22-15A-2. DEFINITIONS.--As used in the Technology for  
8 Education Act:

9           A. "bureau" means the education technology bureau  
10 in the department [~~of education~~];

11           B. "chief" means the chief of the bureau;

12           C. "council" means the council on technology in  
13 education; and

14           D. "~~[educational]~~ education technology" means:  
15 [~~tools used in the educational process that constitute learning~~  
16 ~~resources and may include closed circuit television systems,~~  
17 ~~educational television and radio broadcasting, cable~~  
18 ~~television, satellite, copper and fiber optic transmission,~~  
19 ~~computer, video and audio laser and CD ROM discs, video and~~  
20 ~~audio tapes or other technologies and the training,~~  
21 ~~maintenance, equipment and computer infrastructure information,~~  
22 ~~techniques and tools used to implement technology in classrooms~~  
23 ~~and library and media centers]~~

24                           (1) equipment and tools used in the  
25 educational process that constitute learning and administrative

underscored material = new  
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1 resources to implement education technology in classrooms,  
2 library and media centers and other learning environments and  
3 may include:

4 (a) closed-circuit television systems;

5 (b) educational television and radio  
6 broadcasting and cable television;

7 (c) satellite, copper wire and  
8 fiber-optic transmission;

9 (d) network connection devices and  
10 digital communications equipment, including voice, video and  
11 data equipment;

12 (e) computer hardware and software,  
13 including software licenses, data storage fees and other  
14 technologies and services;

15 (f) local and remote servers;

16 (g) other computer infrastructure;

17 (h) portable media such as discs and  
18 drives to contain data for electronic storage and playback;

19 (i) maintenance equipment; and

20 (j) any other techniques and tools used  
21 to implement technology in schools and related facilities; and

22 (2) improvements, alterations and  
23 modifications to, or expansions of, existing buildings or  
24 personal property necessary or advisable to house or otherwise  
25 accommodate any of the equipment and tools listed in Paragraph

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1 (1) of this subsection."

2 SECTION 3. Section 22-25-2 NMSA 1978 (being Laws 1975  
3 (S.S.), Chapter 5, Section 2, as amended) is amended to read:

4 "22-25-2. DEFINITIONS.--As used in the Public School  
5 Capital Improvements Act:

6 A. "program unit" means the product of the program  
7 element multiplied by the applicable cost differential factor,  
8 as defined in Section 22-8-2 NMSA 1978; [~~and~~]

9 B. "capital improvements" means expenditures,  
10 including payments made with respect to lease-purchase  
11 arrangements as defined in the Education Technology Equipment  
12 Act or the Public School Lease Purchase Act but excluding any  
13 other debt service expenses, for:

14 (1) erecting, remodeling, making additions to,  
15 providing equipment for or furnishing public school buildings;

16 (2) purchasing or improving public school  
17 grounds;

18 (3) maintenance of public school buildings or  
19 public school grounds, including the purchasing or repairing of  
20 maintenance equipment and participating in the facility  
21 information management system as required by the Public School  
22 Capital Outlay Act and including payments under contracts with  
23 regional education cooperatives for maintenance support  
24 services and expenditures for technical training and  
25 certification for maintenance and facilities management

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1 personnel, but excluding salary expenses of school district  
2 employees;

3 (4) purchasing activity vehicles for  
4 transporting students to extracurricular school activities; or

5 (5) purchasing ~~computer software and hardware~~  
6 ~~for student use in public school classrooms~~ and installing  
7 education technology; provided that expenditures pursuant to  
8 this paragraph shall not exceed fifteen percent of the total  
9 revenue received from the annual levy; and

10 C. "education technology" means:

11 (1) equipment and tools used in the  
12 educational process that constitute learning and administrative  
13 resources and may include:

14 (a) closed-circuit television systems;

15 (b) educational television and radio  
16 broadcasting and cable television;

17 (c) satellite, copper wire and  
18 fiber-optic transmission;

19 (d) network connection devices and  
20 digital communications equipment, including voice, video and  
21 data equipment;

22 (e) computer hardware and software,  
23 including software licenses, data storage fees and other  
24 technologies and services;

25 (f) local and remote servers;

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- 1                   (g) other computer infrastructure;  
2                   (h) portable media such as discs and  
3 drives to contain data for electronic storage and playback;  
4                   (i) maintenance equipment; and  
5                   (j) any other techniques and tools used  
6 to implement technology in schools and related facilities; and  
7                   (2) improvements, alterations and  
8 modifications to, or expansions of, existing buildings or  
9 personal property necessary or advisable to house or otherwise  
10 accommodate any of the equipment and tools listed in Paragraph  
11 (1) of this subsection."

12           SECTION 4. Section 22-26-2 NMSA 1978 (being Laws 1983,  
13 Chapter 163, Section 2, as amended) is amended to read:

14           "22-26-2. ~~[DEFINITION]~~ DEFINITIONS.--As used in the  
15 Public School Buildings Act:

16           A. "capital improvements" means expenditures,  
17 including payments made with respect to lease-purchase  
18 arrangements as defined in the Education Technology Equipment  
19 Act but excluding any other debt service expenses, for:

20                   ~~[A.]~~ (1) erecting, remodeling, making  
21 additions to, providing equipment for or furnishing public  
22 school buildings;

23                   ~~[B.]~~ (2) payments made pursuant to a financing  
24 agreement entered into by a school district or a charter school  
25 for the leasing of a building or other real property with an

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1 option to purchase for a price that is reduced according to  
2 payments made;

3 ~~[C.]~~ (3) purchasing or improving public school  
4 grounds;

5 ~~[D.]~~ (4) purchasing activity vehicles for  
6 transporting students to and from extracurricular school  
7 activities; provided that this authorization for expenditure  
8 does not apply to school districts with a student MEM greater  
9 than sixty thousand; ~~[or~~

10 ~~E.]~~ (5) administering the projects undertaken  
11 pursuant to ~~[Subsections A and C of this section]~~ Paragraphs  
12 (1) and (3) of this subsection, including expenditures for  
13 facility maintenance software, project management software,  
14 project oversight and district personnel specifically related  
15 to administration of projects funded by the Public School  
16 Buildings Act; provided that expenditures pursuant to this  
17 subsection shall not exceed five percent of the total project  
18 costs; and

19 (6) education technology; provided that  
20 expenditures pursuant to this paragraph shall not exceed  
21 fifteen percent of the total revenue received from the annual  
22 levy; and

23 B. "education technology" means:

24 (1) equipment and tools used in the  
25 educational process that constitute learning and administrative

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1 resources and may include:

2 (a) closed-circuit television systems;

3 (b) educational television and radio

4 broadcasting and cable television;

5 (c) satellite, copper wire and

6 fiber-optic transmission;

7 (d) network connection devices and

8 digital communications equipment, including voice, video and

9 data equipment;

10 (e) computer hardware and software,

11 including software licenses, data storage fees and other

12 technologies and services;

13 (f) local and remote servers;

14 (g) other computer infrastructure;

15 (h) portable media such as discs and

16 drives to contain data for electronic storage and playback;

17 (i) maintenance equipment; and

18 (j) any other techniques and tools used

19 to implement technology in schools and related facilities; and

20 (2) improvements, alterations and

21 modifications to, or expansions of, existing buildings or

22 personal property necessary or advisable to house or otherwise

23 accommodate any of the equipment and tools listed in Paragraph

24 (1) of this subsection."

25

FIFTY-FIRST LEGISLATURE  
FIRST SESSION, 2013

March 6, 2013

Mr. Speaker:

Your EDUCATION COMMITTEE, to whom has been referred

SENATE EDUCATION COMMITTEE SUBSTITUTE  
FOR SENATE BILL 147

has had it under consideration and reports same with  
recommendation that it **DO PASS**, amended as follows:

1. On page 7, line 8, strike "fifteen" and insert in lieu  
thereof "thirty".

2. On page 9, line 21, strike "fifteen" and insert in lieu  
thereof "thirty".

The roll call vote was 7 For 6 Against

Yes: 7

No: Baldonado, Espinoza, Gallegos, DM, Hall, JC, Hamilton,  
Roch

Excused: None

Absent: None

Respectfully submitted,

\_\_\_\_\_  
Mimi Stewart, Chairman

Adopted \_\_\_\_\_  
(Chief Clerk)

Not Adopted \_\_\_\_\_  
(Chief Clerk)

Date \_\_\_\_\_



March 13, 2013

SENATE EXECUTIVE MESSAGE NO. 21

The Honorable Mary Kay Papen, President Pro Tempore  
And Members of the New Mexico State Senate  
State Capitol Building  
Santa Fe, NM 87501

Dear President Pro Tempore Papen and Members of the Senate:

Pursuant to the Constitution of the State of New Mexico, Article IV, Section 22, I hereby VETO and return SENATE EDUCATION COMMITTEE SUBSTITUTE FOR SENATE BILL 147, as amended enacted by the Fifty-First Legislature, First Session, 2013.

Senate Bill 147 provides for an expanded use of property tax revenues under the Public School Capital Improvements Act (SB-9) and the Public School Buildings Act (HB-33). Unfortunately, this expansion of use gives those districts with a larger tax base significantly more resources to provide education technology to students while leaving those districts with a low tax base behind.

Additionally, this expanded use for education technology allows those districts with more resources to shift funds that would normally be used to purchase educational technology to shift costs out of their operational budget making more resources available per student. A similar inequity was the basis for the original Zuni lawsuit that resulted in the Legislature committing all of the State's annual revenue from supplemental severance tax bonds to school construction and the development of a standards based awards process. This bill implicates many of the same concerns of the Zuni lawsuit and creates a system of inequality that goes against the fundamental tenets of fairness and equity in our education system.

It is important to note that these revenue sources are bond-generated and sold for a specific period of time. Therefore, by expanding the allowable uses of tax dollars generated in connection with the Public School Buildings Act and the Public School Capital Improvements Act, certain purchases could be made that would actually be obsolete well before the bond matures, leaving the State to continue paying for equipment that is no longer useful to our students' classroom learning.

SENATE EXECUTIVE MESSAGE NO. 21  
The Honorable Mary Kay Papen  
March 13, 2013  
Page 2

Respectfully yours,

Susana Martinez  
Governor

RECEIVED FROM THE OFFICE OF THE GOVERNOR

Time: \_\_\_\_\_ a.m. p.m.  
Date: \_\_\_\_\_ 2013

By \_\_\_\_\_  
Secretary of State

Time: \_\_\_\_\_ a.m. p.m.  
Date: \_\_\_\_\_ 2013

By \_\_\_\_\_  
Chief Clerk of the Senate

HEC/HB 660-Rep. Stewart  
Provide Allocations from the  
Public School Capital Outlay  
Fund for Education Technology Equipment  
(API)



HOUSE EDUCATION COMMITTEE SUBSTITUTE FOR  
HOUSE BILL 660

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;  
PROVIDING FOR ALLOCATIONS FROM THE PUBLIC SCHOOL CAPITAL OUTLAY  
FUND FOR EDUCATION TECHNOLOGY EQUIPMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 22-24-3 NMSA 1978 (being Laws 1975,  
Chapter 235, Section 3, as amended) is amended to read:

"22-24-3. DEFINITIONS.--As used in the Public School  
Capital Outlay Act:

A. "constitutional special schools" means the New  
Mexico school for the blind and visually impaired and the New  
Mexico school for the deaf;

B. "constitutional special schools support spaces"  
means all facilities necessary to support the constitutional  
special schools' educational mission that are not included in

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underscoring material = new  
[bracketed material] = delete

1 the constitutional special schools' educational adequacy  
2 standards, including, but not limited to, performing arts  
3 centers, facilities for athletic competition, school district  
4 administration and facility and vehicle maintenance;

5 C. "council" means the public school capital outlay  
6 council;

7 D. "education technology equipment" means tools  
8 used in the educational process that constitute learning and  
9 administrative resources and may include:

10 (1) closed-circuit television systems;

11 (2) educational television and radio  
12 broadcasting and cable television;

13 (3) satellite, copper wire and fiber-optic  
14 transmission;

15 (4) network connection devices and digital  
16 communications equipment, including voice, video and data  
17 equipment;

18 (5) computer hardware and software, including  
19 software licenses, data storage fees and other technologies and  
20 services;

21 (6) local and remote servers;

22 (7) other computer infrastructure;

23 (8) portable media such as discs and drives to  
24 contain data for electronic storage and playback;

25 (9) maintenance equipment; and

1                   (10) any other techniques and tools used to  
2 implement technology in schools and related facilities;

3                   ~~[D.]~~ E. "fund" means the public school capital  
4 outlay fund; and

5                   ~~[E.]~~ F. "school district" includes state-chartered  
6 charter schools and the constitutional special schools."

7                   SECTION 2. Section 22-24-4 NMSA 1978 (being Laws 1975,  
8 Chapter 235, Section 4, as amended) is amended to read:

9                   "22-24-4. PUBLIC SCHOOL CAPITAL OUTLAY FUND CREATED--  
10 USE.--

11                   A. The "public school capital outlay fund" is  
12 created. Balances remaining in the fund at the end of each  
13 fiscal year shall not revert.

14                   B. Except as provided in Subsections G and I  
15 through ~~[E]~~ N of this section, money in the fund may be used  
16 only for capital expenditures deemed necessary by the council  
17 for an adequate educational program.

18                   C. The council may authorize the purchase by the  
19 public school facilities authority of portable classrooms to be  
20 loaned to school districts to meet a temporary requirement.  
21 Payment for these purchases shall be made from the fund. Title  
22 to and custody of the portable classrooms shall rest in the  
23 public school facilities authority. The council shall  
24 authorize the lending of the portable classrooms to school  
25 districts upon request and upon finding that sufficient need

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underscored material = new  
[bracketed material] = delete

1 exists. Application for use or return of state-owned portable  
2 classroom buildings shall be submitted by school districts to  
3 the council. Expenses of maintenance of the portable  
4 classrooms while in the custody of the public school facilities  
5 authority shall be paid from the fund; expenses of maintenance  
6 and insurance of the portable classrooms while in the custody  
7 of a school district shall be the responsibility of the school  
8 district. The council may authorize the permanent disposition  
9 of the portable classrooms by the public school facilities  
10 authority with prior approval of the state board of finance.

11 D. Applications for assistance from the fund shall  
12 be made by school districts to the council in accordance with  
13 requirements of the council. Except as provided in Subsection  
14 K of this section, the council shall require as a condition of  
15 application that a school district have a current five-year  
16 facilities plan, which shall include a current preventive  
17 maintenance plan to which the school adheres for each public  
18 school in the school district.

19 E. The council shall review all requests for  
20 assistance from the fund and shall allocate funds only for  
21 those capital outlay projects that meet the criteria of the  
22 Public School Capital Outlay Act.

23 F. Money in the fund shall be disbursed by warrant  
24 of the department of finance and administration on vouchers  
25 signed by the secretary of finance and administration following

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1 certification by the council that an application has been  
 2 approved or an expenditure has been ordered by a court pursuant  
 3 to Section 22-24-5.4 NMSA 1978. At the discretion of the  
 4 council, money for a project shall be distributed as follows:

5 (1) up to ten percent of the portion of the  
 6 project cost funded with distributions from the fund or five  
 7 percent of the total project cost, whichever is greater, may be  
 8 paid to the school district before work commences with the  
 9 balance of the grant award made on a cost-reimbursement basis;  
 10 or

11 (2) the council may authorize payments  
 12 directly to the contractor.

13 G. Balances in the fund may be annually  
 14 appropriated for the core administrative functions of the  
 15 public school facilities authority pursuant to the Public  
 16 School Capital Outlay Act, and, in addition, balances in the  
 17 fund may be expended by the public school facilities authority,  
 18 upon approval of the council, for project management expenses;  
 19 provided that:

20 (1) the total annual expenditures from the  
 21 fund for the core administrative functions pursuant to this  
 22 subsection shall not exceed five percent of the average annual  
 23 grant assistance authorized from the fund during the three  
 24 previous fiscal years; and

25 (2) any unexpended or unencumbered balance

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1 remaining at the end of a fiscal year from the expenditures  
2 authorized in this subsection shall revert to the fund.

3 H. Up to ten million dollars (\$10,000,000) of the  
4 fund may be allocated annually by the council for expenditure  
5 in fiscal years 2010 through 2015 for a roof repair and  
6 replacement initiative with projects to be identified by the  
7 council pursuant to Section 22-24-4.3 NMSA 1978; provided that  
8 money allocated pursuant to this subsection shall be expended  
9 within two years of the allocation.

10 I. The fund may be expended annually by the council  
11 for grants to school districts for the purpose of making lease  
12 payments for classroom facilities, including facilities leased  
13 by charter schools. The grants shall be made upon application  
14 by the school districts and pursuant to rules adopted by the  
15 council; provided that an application on behalf of a charter  
16 school shall be made by the school district, but, if the school  
17 district fails to make an application on behalf of a charter  
18 school, the charter school may submit its own application. The  
19 following criteria shall apply to the grants:

20 (1) the amount of a grant to a school district  
21 shall not exceed:

22 (a) the actual annual lease payments  
23 owed for leasing classroom space for schools, including charter  
24 schools, in the district; or

25 (b) seven hundred dollars (\$700)

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underscored material = new  
[bracketed material] = delete

1 multiplied by the number of MEM using the leased classroom  
 2 facilities; provided that in fiscal year 2009 and in each  
 3 subsequent fiscal year, this amount shall be adjusted by the  
 4 percentage change between the penultimate calendar year and the  
 5 immediately preceding calendar year of the consumer price index  
 6 for the United States, all items, as published by the United  
 7 States department of labor;

8 (2) a grant received for the lease payments of  
 9 a charter school may be used by that charter school as a state  
 10 match necessary to obtain federal grants pursuant to ~~[the]~~  
 11 federal ~~[No Child Left Behind Act of 2001]~~ law;

12 (3) at the end of each fiscal year, any  
 13 unexpended or unencumbered balance of the appropriation shall  
 14 revert to the fund;

15 (4) no grant shall be made for lease payments  
 16 due pursuant to a financing agreement under which the  
 17 facilities may be purchased for a price that is reduced  
 18 according to the lease payments made unless:

19 (a) the agreement has been approved  
 20 pursuant to the provisions of the Public School Lease Purchase  
 21 Act; and

22 (b) the facilities are leased by a  
 23 charter school;

24 (5) if the lease payments are made pursuant to  
 25 a financing agreement under which the facilities may be

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1 purchased for a price that is reduced according to the lease  
2 payments made, neither a grant nor any provision of the Public  
3 School Capital Outlay Act creates a legal obligation for the  
4 school district or charter school to continue the lease from  
5 year to year or to purchase the facilities nor does it create a  
6 legal obligation for the state to make subsequent grants  
7 pursuant to the provisions of this subsection; and

8 (6) as used in this subsection:

9 (a) "MEM" means: 1) the average  
10 full-time-equivalent enrollment using leased classroom  
11 facilities on the eightieth and one hundred twentieth days of  
12 the prior school year; or 2) in the case of an approved charter  
13 school that has not commenced classroom instruction, the  
14 estimated full-time-equivalent enrollment that will use leased  
15 classroom facilities in the first year of instruction, as shown  
16 in the approved charter school application; provided that,  
17 after the eightieth day of the school year, the MEM shall be  
18 adjusted to reflect the full-time-equivalent enrollment on that  
19 date; and

20 (b) "classroom facilities" or "classroom  
21 space" includes the space needed, as determined by the minimum  
22 required under the statewide adequacy standards, for the direct  
23 administration of school activities.

24 J. In addition to other authorized expenditures  
25 from the fund, up to one percent of the average grant

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underscored material = new  
[bracketed material] = delete

1 assistance authorized from the fund during the three previous  
2 fiscal years may be expended in each fiscal year by the public  
3 school facilities authority to pay the state fire marshal, the  
4 construction industries division of the regulation and  
5 licensing department and local jurisdictions having authority  
6 from the state to permit and inspect projects for expenditures  
7 made to permit and inspect projects funded in whole or in part  
8 under the Public School Capital Outlay Act. The authority may  
9 enter into contracts with the state fire marshal, the  
10 construction industries division or the appropriate local  
11 authorities to carry out the provisions of this subsection.  
12 Such a contract may provide for initial estimated payments from  
13 the fund prior to the expenditures if the contract also  
14 provides for additional payments from the fund if the actual  
15 expenditures exceed the initial payments and for repayments  
16 back to the fund if the initial payments exceed the actual  
17 expenditures. Money distributed from the fund to the state  
18 fire marshal or the construction industries division pursuant  
19 to this subsection shall be used to supplement, rather than  
20 supplant, appropriations to those entities.

21 K. Pursuant to guidelines established by the  
22 council, allocations from the fund may be made to assist school  
23 districts in developing and updating five-year facilities plans  
24 required by the Public School Capital Outlay Act; provided  
25 that:

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1                   (1) no allocation shall be made unless the  
2 council determines that the school district is willing and able  
3 to pay the portion of the total cost of developing or updating  
4 the plan that is not funded with the allocation from the fund.  
5 Except as provided in Paragraph (2) of this subsection, the  
6 portion of the total cost to be paid with the allocation from  
7 the fund shall be determined pursuant to the methodology in  
8 Paragraph (5) of Subsection B of Section 22-24-5 NMSA 1978; or

9                   (2) the allocation from the fund may be used  
10 to pay the total cost of developing or updating the plan if:

11                   (a) the school district has fewer than  
12 an average of six hundred full-time-equivalent students on the  
13 eightieth and one hundred twentieth days of the prior school  
14 year; or

15                   (b) the school district meets all of the  
16 following requirements: 1) the school district has fewer than  
17 an average of one thousand full-time-equivalent students on the  
18 eightieth and one hundred twentieth days of the prior school  
19 year; 2) the school district has at least seventy percent of  
20 its students eligible for free or reduced-fee lunch; 3) the  
21 state share of the total cost, if calculated pursuant to the  
22 methodology in Paragraph (5) of Subsection B of Section 22-24-5  
23 NMSA 1978, would be less than fifty percent; and 4) for all  
24 educational purposes, the school district has a residential  
25 property tax rate of at least seven dollars (\$7.00) on each one

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underscored material = new  
[bracketed material] = delete

1 thousand dollars (\$1,000) of taxable value, as measured by the  
 2 sum of all rates imposed by resolution of the local school  
 3 board plus rates set to pay interest and principal on  
 4 outstanding school district general obligation bonds.

5 L. Upon application by a school district,  
 6 allocations from the fund may be made by the council for the  
 7 purpose of demolishing abandoned school district facilities,  
 8 provided that:

9 (1) the costs of continuing to insure an  
 10 abandoned facility outweigh any potential benefit when and if a  
 11 new facility is needed by the school district;

12 (2) there is no practical use for the  
 13 abandoned facility without the expenditure of substantial  
 14 renovation costs; and

15 (3) the council may enter into an agreement  
 16 with the school district under which an amount equal to the  
 17 savings to the district in lower insurance premiums are used to  
 18 reimburse the fund fully or partially for the demolition costs  
 19 allocated to the district.

20 M. Up to ten million dollars (\$10,000,000) of the  
 21 fund may be expended by the council in fiscal years 2014  
 22 through 2018 for an educational technology infrastructure  
 23 deficiency correction initiative pursuant to Section 3 of this  
 24 2013 act.

25 N. Up to two hundred million dollars (\$200,000,000)

.193926.1

1 of the fund may be expended during fiscal years 2014 through  
2 2018 by the council for grants to school districts for the  
3 purposes of purchasing, installing, maintaining and upgrading  
4 education technology equipment as deemed necessary by the  
5 council for an adequate educational program. Prior to awarding  
6 grants, the council shall identify educational technology  
7 infrastructure deficiencies. The grants shall be made upon  
8 application by the school districts and pursuant to rules  
9 adopted by the council. An application on behalf of a charter  
10 school shall be made by the school district, but if the school  
11 district fails to make an application on behalf of a charter  
12 school, the charter school may submit its own application. The  
13 following criteria shall apply to applications and grants:

14 (1) the application shall be made in  
15 accordance with standards developed by the council in  
16 collaboration with the public education department, the  
17 department of information technology and telecommunication  
18 providers identifying educational technology infrastructure  
19 deficiencies in school districts;

20 (2) the application shall include a detailed  
21 assessment by the school district of the education technology  
22 equipment needed to meet state or federal education  
23 instructional requirements and the itemized estimated costs;

24 (3) the public school facilities authority  
25 shall verify the assessment and estimated costs submitted by

.193926.1

1 the school district and rank the application with similar  
2 applications pursuant to a methodology adopted by the council  
3 that includes at least the following considerations:

4 (a) the availability of alternative  
5 funding, including proceeds from the property tax imposed  
6 pursuant to the Education Technology Equipment Act, the Public  
7 School Capital Improvements Act, the Public School Buildings  
8 Act, general obligation bonds or state or federal grants; and

9 (b) the existing educational technology  
10 infrastructure within the school district and the size and  
11 location of the school district;

12 (4) after a public hearing and to the extent  
13 that money is available in the fund for such purposes, the  
14 council shall approve applications for grants on a priority  
15 basis established in rule; provided that the council may  
16 approve parts of the application and award partial grants; and

17 (5) a grant made pursuant to this section  
18 shall be expended by the school district within two years of  
19 the grant allocation."

20 SECTION 3. A new section of the Public School Capital  
21 Outlay Act is enacted to read:

22 "[NEW MATERIAL] EDUCATIONAL TECHNOLOGY INFRASTRUCTURE  
23 DEFICIENCY CORRECTIONS.--

24 A. No later than September 1, 2013, the council,  
25 with the advice of the public education department and the

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underscored material = new  
[bracketed material] = delete

1 department of information technology, shall define and develop:

2 (1) minimum adequacy standards for an  
3 educational technology infrastructure deficiency correction  
4 initiative to identify and determine reasonable costs for  
5 correcting educational technology infrastructure deficiencies  
6 in school districts;

7 (2) a methodology for prioritizing projects to  
8 correct educational technology infrastructure deficiencies in  
9 school districts; and

10 (3) a methodology for determining the school  
11 district's share of the project costs.

12 B. The council may approve allocations from the  
13 fund pursuant to Subsection M of Section 22-24-4 NMSA 1978 and  
14 this section for projects in school districts committing to pay  
15 its share of the project costs using distributions received  
16 from the Education Technology Equipment Act, the Public School  
17 Capital Improvements Act, the Public School Buildings Act,  
18 general obligation bonds or state or federal grants. The  
19 council may reduce or waive the school district's share of the  
20 project costs in accordance with Paragraph (9) of Subsection B  
21 of Section 22-24-5 NMSA 1978.

SEC/SB 620-Sen. Sapien  
Provide Allocations from the  
Public School Capital Outlay Fund for  
Education Technology Equipment  
(API)



SENATE EDUCATION COMMITTEE SUBSTITUTE FOR  
SENATE BILL 620

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;  
PROVIDING FOR ALLOCATIONS FROM THE PUBLIC SCHOOL CAPITAL OUTLAY  
FUND FOR EDUCATION TECHNOLOGY EQUIPMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 22-24-3 NMSA 1978 (being Laws 1975,  
Chapter 235, Section 3, as amended) is amended to read:

"22-24-3. DEFINITIONS.--As used in the Public School  
Capital Outlay Act:

A. "constitutional special schools" means the New  
Mexico school for the blind and visually impaired and the New  
Mexico school for the deaf;

B. "constitutional special schools support spaces"  
means all facilities necessary to support the constitutional  
special schools' educational mission that are not included in

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underscored material = new  
[bracketed material] = delete

1 the constitutional special schools' educational adequacy  
2 standards, including, but not limited to, performing arts  
3 centers, facilities for athletic competition, school district  
4 administration and facility and vehicle maintenance;

5 C. "council" means the public school capital outlay  
6 council;

7 D. "education technology equipment" means tools  
8 used in the educational process that constitute learning and  
9 administrative resources and may include:

10 (1) closed-circuit television systems;

11 (2) educational television and radio  
12 broadcasting and cable television;

13 (3) satellite, copper wire and fiber-optic  
14 transmission;

15 (4) network connection devices and digital  
16 communications equipment, including voice, video and data  
17 equipment;

18 (5) computer hardware and software, including  
19 software licenses, data storage fees and other technologies and  
20 services;

21 (6) local and remote servers;

22 (7) other computer infrastructure;

23 (8) portable media such as discs and drives to  
24 contain data for electronic storage and playback;

25 (9) maintenance equipment; and

1                   (10) any other techniques and tools used to  
 2 implement technology in schools and related facilities;

3                   ~~[D.]~~ E. "fund" means the public school capital  
 4 outlay fund; and

5                   ~~[E.]~~ F. "school district" includes state-chartered  
 6 charter schools and the constitutional special schools."

7                   SECTION 2. Section 22-24-4 NMSA 1978 (being Laws 1975,  
 8 Chapter 235, Section 4, as amended) is amended to read:

9                   "22-24-4. PUBLIC SCHOOL CAPITAL OUTLAY FUND CREATED--  
 10 USE.--

11                   A. The "public school capital outlay fund" is  
 12 created. Balances remaining in the fund at the end of each  
 13 fiscal year shall not revert.

14                   B. Except as provided in Subsections G and I  
 15 through ~~[E]~~ M of this section, money in the fund may be used  
 16 only for capital expenditures deemed necessary by the council  
 17 for an adequate educational program.

18                   C. The council may authorize the purchase by the  
 19 public school facilities authority of portable classrooms to be  
 20 loaned to school districts to meet a temporary requirement.  
 21 Payment for these purchases shall be made from the fund. Title  
 22 to and custody of the portable classrooms shall rest in the  
 23 public school facilities authority. The council shall  
 24 authorize the lending of the portable classrooms to school  
 25 districts upon request and upon finding that sufficient need

.193758.1

1 exists. Application for use or return of state-owned portable  
2 classroom buildings shall be submitted by school districts to  
3 the council. Expenses of maintenance of the portable  
4 classrooms while in the custody of the public school facilities  
5 authority shall be paid from the fund; expenses of maintenance  
6 and insurance of the portable classrooms while in the custody  
7 of a school district shall be the responsibility of the school  
8 district. The council may authorize the permanent disposition  
9 of the portable classrooms by the public school facilities  
10 authority with prior approval of the state board of finance.

11 D. Applications for assistance from the fund shall  
12 be made by school districts to the council in accordance with  
13 requirements of the council. Except as provided in Subsection  
14 K of this section, the council shall require as a condition of  
15 application that a school district have a current five-year  
16 facilities plan, which shall include a current preventive  
17 maintenance plan to which the school adheres for each public  
18 school in the school district.

19 E. The council shall review all requests for  
20 assistance from the fund and shall allocate funds only for  
21 those capital outlay projects that meet the criteria of the  
22 Public School Capital Outlay Act.

23 F. Money in the fund shall be disbursed by warrant  
24 of the department of finance and administration on vouchers  
25 signed by the secretary of finance and administration following

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1 certification by the council that an application has been  
2 approved or an expenditure has been ordered by a court pursuant  
3 to Section 22-24-5.4 NMSA 1978. At the discretion of the  
4 council, money for a project shall be distributed as follows:

5 (1) up to ten percent of the portion of the  
6 project cost funded with distributions from the fund or five  
7 percent of the total project cost, whichever is greater, may be  
8 paid to the school district before work commences with the  
9 balance of the grant award made on a cost-reimbursement basis;  
10 or

11 (2) the council may authorize payments  
12 directly to the contractor.

13 G. Balances in the fund may be annually  
14 appropriated for the core administrative functions of the  
15 public school facilities authority pursuant to the Public  
16 School Capital Outlay Act, and, in addition, balances in the  
17 fund may be expended by the public school facilities authority,  
18 upon approval of the council, for project management expenses;  
19 provided that:

20 (1) the total annual expenditures from the  
21 fund for the core administrative functions pursuant to this  
22 subsection shall not exceed five percent of the average annual  
23 grant assistance authorized from the fund during the three  
24 previous fiscal years; and

25 (2) any unexpended or unencumbered balance

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1 remaining at the end of a fiscal year from the expenditures  
2 authorized in this subsection shall revert to the fund.

3 H. Up to ten million dollars (\$10,000,000) of the  
4 fund may be allocated annually by the council for expenditure  
5 in fiscal years 2010 through 2015 for a roof repair and  
6 replacement initiative with projects to be identified by the  
7 council pursuant to Section 22-24-4.3 NMSA 1978; provided that  
8 money allocated pursuant to this subsection shall be expended  
9 within two years of the allocation.

10 I. The fund may be expended annually by the council  
11 for grants to school districts for the purpose of making lease  
12 payments for classroom facilities, including facilities leased  
13 by charter schools. The grants shall be made upon application  
14 by the school districts and pursuant to rules adopted by the  
15 council; provided that an application on behalf of a charter  
16 school shall be made by the school district, but, if the school  
17 district fails to make an application on behalf of a charter  
18 school, the charter school may submit its own application. The  
19 following criteria shall apply to the grants:

20 (1) the amount of a grant to a school district  
21 shall not exceed:

22 (a) the actual annual lease payments  
23 owed for leasing classroom space for schools, including charter  
24 schools, in the district; or

25 (b) seven hundred dollars (\$700)

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1 multiplied by the number of MEM using the leased classroom  
 2 facilities; provided that in fiscal year 2009 and in each  
 3 subsequent fiscal year, this amount shall be adjusted by the  
 4 percentage change between the penultimate calendar year and the  
 5 immediately preceding calendar year of the consumer price index  
 6 for the United States, all items, as published by the United  
 7 States department of labor;

8 (2) a grant received for the lease payments of  
 9 a charter school may be used by that charter school as a state  
 10 match necessary to obtain federal grants pursuant to ~~[the]~~  
 11 federal ~~[No Child Left Behind Act of 2001]~~ law;

12 (3) at the end of each fiscal year, any  
 13 unexpended or unencumbered balance of the appropriation shall  
 14 revert to the fund;

15 (4) no grant shall be made for lease payments  
 16 due pursuant to a financing agreement under which the  
 17 facilities may be purchased for a price that is reduced  
 18 according to the lease payments made unless:

19 (a) the agreement has been approved  
 20 pursuant to the provisions of the Public School Lease Purchase  
 21 Act; and

22 (b) the facilities are leased by a  
 23 charter school;

24 (5) if the lease payments are made pursuant to  
 25 a financing agreement under which the facilities may be

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1 purchased for a price that is reduced according to the lease  
2 payments made, neither a grant nor any provision of the Public  
3 School Capital Outlay Act creates a legal obligation for the  
4 school district or charter school to continue the lease from  
5 year to year or to purchase the facilities nor does it create a  
6 legal obligation for the state to make subsequent grants  
7 pursuant to the provisions of this subsection; and

8 (6) as used in this subsection:

9 (a) "MEM" means: 1) the average  
10 full-time-equivalent enrollment using leased classroom  
11 facilities on the eightieth and one hundred twentieth days of  
12 the prior school year; or 2) in the case of an approved charter  
13 school that has not commenced classroom instruction, the  
14 estimated full-time-equivalent enrollment that will use leased  
15 classroom facilities in the first year of instruction, as shown  
16 in the approved charter school application; provided that,  
17 after the eightieth day of the school year, the MEM shall be  
18 adjusted to reflect the full-time-equivalent enrollment on that  
19 date; and

20 (b) "classroom facilities" or "classroom  
21 space" includes the space needed, as determined by the minimum  
22 required under the statewide adequacy standards, for the direct  
23 administration of school activities.

24 J. In addition to other authorized expenditures  
25 from the fund, up to one percent of the average grant

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1 assistance authorized from the fund during the three previous  
2 fiscal years may be expended in each fiscal year by the public  
3 school facilities authority to pay the state fire marshal, the  
4 construction industries division of the regulation and  
5 licensing department and local jurisdictions having authority  
6 from the state to permit and inspect projects for expenditures  
7 made to permit and inspect projects funded in whole or in part  
8 under the Public School Capital Outlay Act. The authority may  
9 enter into contracts with the state fire marshal, the  
10 construction industries division or the appropriate local  
11 authorities to carry out the provisions of this subsection.  
12 Such a contract may provide for initial estimated payments from  
13 the fund prior to the expenditures if the contract also  
14 provides for additional payments from the fund if the actual  
15 expenditures exceed the initial payments and for repayments  
16 back to the fund if the initial payments exceed the actual  
17 expenditures. Money distributed from the fund to the state  
18 fire marshal or the construction industries division pursuant  
19 to this subsection shall be used to supplement, rather than  
20 supplant, appropriations to those entities.

21 K. Pursuant to guidelines established by the  
22 council, allocations from the fund may be made to assist school  
23 districts in developing and updating five-year facilities plans  
24 required by the Public School Capital Outlay Act; provided  
25 that:

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1                   (1) no allocation shall be made unless the  
2 council determines that the school district is willing and able  
3 to pay the portion of the total cost of developing or updating  
4 the plan that is not funded with the allocation from the fund.  
5 Except as provided in Paragraph (2) of this subsection, the  
6 portion of the total cost to be paid with the allocation from  
7 the fund shall be determined pursuant to the methodology in  
8 Paragraph (5) of Subsection B of Section 22-24-5 NMSA 1978; or

9                   (2) the allocation from the fund may be used  
10 to pay the total cost of developing or updating the plan if:

11                   (a) the school district has fewer than  
12 an average of six hundred full-time-equivalent students on the  
13 eightieth and one hundred twentieth days of the prior school  
14 year; or

15                   (b) the school district meets all of the  
16 following requirements: 1) the school district has fewer than  
17 an average of one thousand full-time-equivalent students on the  
18 eightieth and one hundred twentieth days of the prior school  
19 year; 2) the school district has at least seventy percent of  
20 its students eligible for free or reduced-fee lunch; 3) the  
21 state share of the total cost, if calculated pursuant to the  
22 methodology in Paragraph (5) of Subsection B of Section 22-24-5  
23 NMSA 1978, would be less than fifty percent; and 4) for all  
24 educational purposes, the school district has a residential  
25 property tax rate of at least seven dollars (\$7.00) on each one

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1 thousand dollars (\$1,000) of taxable value, as measured by the  
2 sum of all rates imposed by resolution of the local school  
3 board plus rates set to pay interest and principal on  
4 outstanding school district general obligation bonds.

5 L. Upon application by a school district,  
6 allocations from the fund may be made by the council for the  
7 purpose of demolishing abandoned school district facilities,  
8 provided that:

9 (1) the costs of continuing to insure an  
10 abandoned facility outweigh any potential benefit when and if a  
11 new facility is needed by the school district;

12 (2) there is no practical use for the  
13 abandoned facility without the expenditure of substantial  
14 renovation costs; and

15 (3) the council may enter into an agreement  
16 with the school district under which an amount equal to the  
17 savings to the district in lower insurance premiums are used to  
18 reimburse the fund fully or partially for the demolition costs  
19 allocated to the district.

20 M. Up to two hundred million dollars (\$200,000,000)  
21 of the fund may be expended during fiscal years 2014 through  
22 2018 by the council for grants to school districts for the  
23 purposes of purchasing, installing, maintaining and upgrading  
24 education technology equipment as deemed necessary by the  
25 council for an adequate educational program. The grants shall

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1 be made upon application by the school districts and pursuant  
2 to rules adopted by the council. An application on behalf of a  
3 charter school shall be made by the school district, but if the  
4 school district fails to make an application on behalf of a  
5 charter school, the charter school may submit its own  
6 application. The following criteria shall apply to  
7 applications and grants:

8 (1) the application shall include a detailed  
9 assessment by the school district of the education technology  
10 equipment needed to meet state or federal education  
11 instructional requirements and the itemized estimated costs;

12 (2) the public school facilities authority  
13 shall verify the assessment and estimated costs submitted by  
14 the school district and rank the application with similar  
15 applications pursuant to a methodology adopted by the council  
16 that includes at least the following considerations:

17 (a) the availability of alternative  
18 funding, including proceeds from the property tax imposed  
19 pursuant to the Education Technology Equipment Act, the Public  
20 School Capital Improvements Act or the Public School Buildings  
21 Act; and

22 (b) the existing education technology  
23 infrastructure within the school district and the size and  
24 location of the school district;

25 (3) after a public hearing and to the extent

1 that money is available in the fund for such purposes, the  
 2 council shall approve applications for grants on a priority  
 3 basis established in rule; provided that the council may  
 4 approve parts of the application and award partial grants; and

5 (4) a grant made pursuant to this section  
 6 shall be expended by the school district within two years of  
 7 the grant allocation."

8 SECTION 3. Section 22-24-5 NMSA 1978 (being Laws 1975,  
 9 Chapter 235, Section 5, as amended) is amended to read:

10 "22-24-5. PUBLIC SCHOOL CAPITAL OUTLAY PROJECTS--  
 11 APPLICATION--GRANT ASSISTANCE.--

12 A. Applications for grant assistance, approval of  
 13 applications, prioritization of projects and grant awards shall  
 14 be conducted pursuant to the provisions of this section.

15 B. Except as provided in Sections 22-24-4.3,  
 16 22-24-5.4 and 22-24-5.6 NMSA 1978, the following provisions  
 17 govern grant assistance from the fund for a public school  
 18 capital outlay project not wholly funded pursuant to Section  
 19 22-24-4.1 NMSA 1978:

20 (1) all school districts are eligible to apply  
 21 for funding from the fund, regardless of percentage of  
 22 indebtedness;

23 (2) priorities for funding shall be determined  
 24 by using the statewide adequacy standards developed pursuant to  
 25 Subsection C of this section; provided that:

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1 (a) the council shall apply the  
2 standards to charter schools to the same extent that they are  
3 applied to other public schools;

4 (b) the council shall adopt and apply  
5 adequacy standards appropriate to the unique needs of the  
6 constitutional special schools; and

7 (c) in an emergency in which the health  
8 or safety of students or school personnel is at immediate risk  
9 or in which there is a threat of significant property damage,  
10 the council may award grant assistance for a project using  
11 criteria other than the statewide adequacy standards;

12 (3) the council shall establish criteria to be  
13 used in public school capital outlay projects that receive  
14 grant assistance pursuant to the Public School Capital Outlay  
15 Act. In establishing the criteria, the council shall consider:

16 (a) the feasibility of using design,  
17 build and finance arrangements for public school capital outlay  
18 projects;

19 (b) the potential use of more durable  
20 construction materials that may reduce long-term operating  
21 costs;

22 (c) concepts that promote efficient but  
23 flexible utilization of space; and

24 (d) any other financing or construction  
25 concept that may maximize the dollar effect of the state grant

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1 assistance;

2 (4) no more than ten percent of the combined  
3 total of grants in a funding cycle shall be used for  
4 retrofitting existing facilities for technology infrastructure;

5 (5) except as provided in Paragraph (6), (8),  
6 (9) or (10) of this subsection, the state share of a project  
7 approved and ranked by the council shall be funded within  
8 available resources pursuant to the provisions of this  
9 paragraph. No later than May 1 of each calendar year, a value  
10 shall be calculated for each school district in accordance with  
11 the following procedure:

12 (a) the final prior year net taxable  
13 value for a school district divided by the MEM for that school  
14 district is calculated for each school district;

15 (b) the final prior year net taxable  
16 value for the whole state divided by the MEM for the state is  
17 calculated;

18 (c) excluding any school district for  
19 which the result calculated pursuant to Subparagraph (a) of  
20 this paragraph is more than twice the result calculated  
21 pursuant to Subparagraph (b) of this paragraph, the results  
22 calculated pursuant to Subparagraph (a) of this paragraph are  
23 listed from highest to lowest;

24 (d) the lowest value listed pursuant to  
25 Subparagraph (c) of this paragraph is subtracted from the

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1 highest value listed pursuant to that subparagraph;

2 (e) the value calculated pursuant to  
3 Subparagraph (a) of this paragraph for the subject school  
4 district is subtracted from the highest value listed in  
5 Subparagraph (c) of this paragraph;

6 (f) the result calculated pursuant to  
7 Subparagraph (e) of this paragraph is divided by the result  
8 calculated pursuant to Subparagraph (d) of this paragraph;

9 (g) the sum of the property tax mill  
10 levies for the prior tax year imposed by each school district  
11 on residential property pursuant to Chapter 22, Article 18 NMSA  
12 1978, the Public School Capital Improvements Act, the Public  
13 School Buildings Act, the Education Technology Equipment Act  
14 and Paragraph (2) of Subsection B of Section 7-37-7 NMSA 1978  
15 is calculated for each school district;

16 (h) the lowest value calculated pursuant  
17 to Subparagraph (g) of this paragraph is subtracted from the  
18 highest value calculated pursuant to that subparagraph;

19 (i) the lowest value calculated pursuant  
20 to Subparagraph (g) of this paragraph is subtracted from the  
21 value calculated pursuant to that subparagraph for the subject  
22 school district;

23 (j) the value calculated pursuant to  
24 Subparagraph (i) of this paragraph is divided by the value  
25 calculated pursuant to Subparagraph (h) of this paragraph;

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1 (k) if the value calculated for a  
2 subject school district pursuant to Subparagraph (j) of this  
3 paragraph is less than five-tenths, then, except as provided in  
4 Subparagraph (n) or (o) of this paragraph, the value for that  
5 school district equals the value calculated pursuant to  
6 Subparagraph (f) of this paragraph;

7 (l) if the value calculated for a  
8 subject school district pursuant to Subparagraph (j) of this  
9 paragraph is five-tenths or greater, then that value is  
10 multiplied by five-hundredths;

11 (m) if the value calculated for a  
12 subject school district pursuant to Subparagraph (j) of this  
13 paragraph is five-tenths or greater, then the value calculated  
14 pursuant to Subparagraph (l) of this paragraph is added to the  
15 value calculated pursuant to Subparagraph (f) of this  
16 paragraph. Except as provided in Subparagraph (n) or (o) of  
17 this paragraph, the sum equals the value for that school  
18 district;

19 (n) in those instances in which the  
20 calculation pursuant to Subparagraph (k) or (m) of this  
21 paragraph yields a value less than one-tenth, one-tenth shall  
22 be used as the value for the subject school district;

23 (o) in those instances in which the  
24 calculation pursuant to Subparagraph (k) or (m) of this  
25 paragraph yields a value greater than one, one shall be used as

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1 the value for the subject school district;

2 (p) except as provided in Section  
3 22-24-5.7 NMSA 1978 and except as adjusted pursuant to  
4 Paragraph (6), (8), (9) or (10) of this subsection, the amount  
5 to be distributed from the fund for an approved project shall  
6 equal the total project cost multiplied by a fraction the  
7 numerator of which is the value calculated for the subject  
8 school district in the current year plus the value calculated  
9 for that school district in each of the two preceding years and  
10 the denominator of which is three; and

11 (q) as used in this paragraph: 1) "MEM"  
12 means the average full-time-equivalent enrollment of students  
13 attending public school in a school district on the eightieth  
14 and one hundred twentieth days of the prior school year; 2)  
15 "total project cost" means the total amount necessary to  
16 complete the public school capital outlay project less any  
17 insurance reimbursement received by the school district for the  
18 project; and 3) in the case of a state-chartered charter school  
19 that has submitted an application for grant assistance pursuant  
20 to this section, the "value calculated for the subject school  
21 district" means the value calculated for the school district in  
22 which the state-chartered charter school is physically located;

23 (6) the amount calculated pursuant to  
24 Subparagraph (p) of Paragraph (5) of this subsection shall be  
25 reduced by the following procedure:

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1 (a) the total of all legislative  
2 appropriations made after January 1, 2003 for nonoperating  
3 purposes either directly to the subject school district or to  
4 another governmental entity for the purpose of passing the  
5 money through directly to the subject school district, and not  
6 rejected by the subject school district, is calculated;  
7 provided that: 1) an appropriation made in a fiscal year shall  
8 be deemed to be accepted by a school district unless, prior to  
9 June 1 of that fiscal year, the school district notifies the  
10 department of finance and administration and the public  
11 education department that the district is rejecting the  
12 appropriation; 2) the total shall exclude any educational  
13 technology appropriation made prior to January 1, 2005 unless  
14 the appropriation was on or after January 1, 2003 and not  
15 previously used to offset distributions pursuant to the  
16 Technology for Education Act; 3) the total shall exclude any  
17 appropriation previously made to the subject school district  
18 that is reauthorized for expenditure by another recipient;  
19 4) the total shall exclude one-half of the amount of any  
20 appropriation made or reauthorized after January 1, 2007 if the  
21 purpose of the appropriation or reauthorization is to fund, in  
22 whole or in part, a capital outlay project that, when  
23 prioritized by the council pursuant to this section either in  
24 the immediately preceding funding cycle or in the current  
25 funding cycle, ranked in the top one hundred fifty projects

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1 statewide; 5) the total shall exclude the proportionate share  
2 of any appropriation made or reauthorized after January 1, 2008  
3 for a capital project that will be jointly used by a  
4 governmental entity other than the subject school district.

5 Pursuant to criteria adopted by rule of the council and based  
6 upon the proposed use of the capital project, the council shall  
7 determine the proportionate share to be used by the  
8 governmental entity and excluded from the total; and 6) unless  
9 the grant award is made to the state-chartered charter school  
10 or unless the appropriation was previously used to calculate a  
11 reduction pursuant to this paragraph, the total shall exclude  
12 appropriations made after January 1, 2007 for nonoperating  
13 purposes of a specific state-chartered charter school,  
14 regardless of whether the charter school is a state-chartered  
15 charter school at the time of the appropriation or later opts  
16 to become a state-chartered charter school;

17 (b) the applicable fraction used for the  
18 subject school district and the current calendar year for the  
19 calculation in Subparagraph (p) of Paragraph (5) of this  
20 subsection is subtracted from one;

21 (c) the value calculated pursuant to  
22 Subparagraph (a) of this paragraph for the subject school  
23 district is multiplied by the amount calculated pursuant to  
24 Subparagraph (b) of this paragraph for that school district;

25 (d) the total amount of reductions for

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1 the subject school district previously made pursuant to  
2 Subparagraph (e) of this paragraph for other approved public  
3 school capital outlay projects is subtracted from the amount  
4 calculated pursuant to Subparagraph (c) of this paragraph; and

5 (e) the amount calculated pursuant to  
6 Subparagraph (p) of Paragraph (5) of this subsection shall be  
7 reduced by the amount calculated pursuant to Subparagraph (d)  
8 of this paragraph;

9 (7) as used in this subsection:

10 (a) "governmental entity" includes an  
11 Indian nation, tribe or pueblo; and

12 (b) "subject school district" means the  
13 school district that has submitted the application for funding  
14 and in which the approved public school capital outlay project  
15 will be located;

16 (8) the amount calculated pursuant to  
17 Subparagraph (p) of Paragraph (5) of this subsection, after any  
18 reduction pursuant to Paragraph (6) of this subsection, may be  
19 increased by an additional five percent if the council finds  
20 that the subject school district has been exemplary in  
21 implementing and maintaining a preventive maintenance program.  
22 The council shall adopt such rules as are necessary to  
23 implement the provisions of this paragraph;

24 (9) the council may adjust the amount of local  
25 share otherwise required if it determines that a school

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1 district has ~~used~~ made a good-faith effort to use all of its  
2 local resources. Before making any adjustment to the local  
3 share, the council shall consider whether:

4 (a) the school district: 1) has fewer  
5 than an average of eight hundred full-time-equivalent students  
6 on the eightieth and two hundred twentieth days of the prior  
7 school year; 2) has insufficient bonding capacity over the next  
8 four years to provide the local match necessary to complete the  
9 project; and 3) for all educational purposes, has a residential  
10 property tax rate of at least ten dollars (\$10.00) on each one  
11 thousand dollars (\$1,000) of taxable value, as measured by the  
12 sum of all rates imposed by resolution of the local school  
13 board plus rates set to pay interest and principal on  
14 outstanding school district general obligation bonds;

15 (b) the school district: 1) has fewer  
16 than an average of eight hundred full-time-equivalent students  
17 on the eightieth and one hundred twentieth days of the prior  
18 school year; 2) has at least seventy percent of its students  
19 eligible for free or reduced-fee lunch; 3) has a share of the  
20 total project cost, as calculated pursuant to provisions of  
21 this section, that would be greater than fifty percent; and 4)  
22 for all educational purposes, has a residential property tax  
23 rate of at least seven dollars (\$7.00) on each one thousand  
24 dollars (\$1,000) of taxable value, as measured by the sum of  
25 all rates imposed by resolution of the local school board plus

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1 rates set to pay interest and principal on outstanding school  
2 district general obligation bonds; or

3 (c) the school district: 1) has an  
4 enrollment growth rate over the previous school year of at  
5 least two and one-half percent; 2) pursuant to its five-year  
6 facilities plan, will be building a new school within the next  
7 two years; and 3) for all educational purposes, has a  
8 residential property tax rate of at least ten dollars (\$10.00)  
9 on each one thousand dollars (\$1,000) of taxable value, as  
10 measured by the sum of all rates imposed by resolution of the  
11 local school board plus rates set to pay interest and principal  
12 on outstanding school district general obligation bonds;

13 (10) the local match for the constitutional  
14 special schools shall be set at fifty percent for projects that  
15 qualify under the educational adequacy category and one hundred  
16 percent for projects that qualify in the support spaces  
17 category; provided that the council may adjust or waive the  
18 amount of any direct appropriation offset to or local share  
19 required for the constitutional special schools if an applicant  
20 constitutional special school has insufficient or no local  
21 resources available; and

22 (11) no application for grant assistance from  
23 the fund shall be approved unless the council determines that:

24 (a) the public school capital outlay  
25 project is needed and included in the school district's five-

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1 year facilities plan among its top priorities;

2 (b) the school district has used its  
3 capital resources in a prudent manner;

4 (c) the school district has provided  
5 insurance for buildings of the school district in accordance  
6 with the provisions of Section 13-5-3 NMSA 1978;

7 (d) the school district has submitted a  
8 five-year facilities plan that includes: 1) enrollment  
9 projections; 2) a current preventive maintenance plan that has  
10 been approved by the council pursuant to Section 22-24-5.3 NMSA  
11 1978 and that is followed by each public school in the  
12 district; 3) the capital needs of charter schools located in  
13 the school district; and 4) projections for the facilities  
14 needed in order to maintain a full-day kindergarten program;

15 (e) the school district is willing and  
16 able to pay any portion of the total cost of the public school  
17 capital outlay project that, according to Paragraph (5), (6),  
18 (8) or (9) of this subsection, is not funded with grant  
19 assistance from the fund; provided that school district funds  
20 used for a project that was initiated after September 1, 2002  
21 when the statewide adequacy standards were adopted, but before  
22 September 1, 2004 when the standards were first used as the  
23 basis for determining the state and school district share of a  
24 project, may be applied to the school district portion required  
25 for that project;

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1 (f) the application includes the capital  
2 needs of any charter school located in the school district or  
3 the school district has shown that the facilities of the  
4 charter school have a smaller deviation from the statewide  
5 adequacy standards than other district facilities included in  
6 the application; and

7 (g) the school district has agreed, in  
8 writing, to comply with any reporting requirements or  
9 conditions imposed by the council pursuant to Section 22-24-5.1  
10 NMSA 1978.

11 C. After consulting with the public school capital  
12 outlay oversight task force and other experts, the council  
13 shall regularly review and update statewide adequacy standards  
14 applicable to all school districts. The standards shall  
15 establish the acceptable level for the physical condition and  
16 capacity of buildings, the educational suitability of  
17 facilities and the need for technological infrastructure.  
18 Except as otherwise provided in the Public School Capital  
19 Outlay Act, the amount of outstanding deviation from the  
20 standards shall be used by the council in evaluating and  
21 prioritizing public school capital outlay projects.

22 D. The acquisition of a facility by a school  
23 district or charter school pursuant to a financing agreement  
24 that provides for lease payments with an option to purchase for  
25 a price that is reduced according to lease payments made may be

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1 considered a public school capital outlay project and eligible  
2 for grant assistance under this section pursuant to the  
3 following criteria:

4 (1) no grant shall be awarded unless the  
5 council determines that, at the time of exercising the option  
6 to purchase the facility by the school district or charter  
7 school, the facility will equal or exceed the statewide  
8 adequacy standards and the building standards for public school  
9 facilities;

10 (2) no grant shall be awarded unless the  
11 school district and the need for the facility meet all of the  
12 requirements for grant assistance pursuant to the Public School  
13 Capital Outlay Act;

14 (3) the total project cost shall equal the  
15 total payments that would be due under the agreement if the  
16 school district or charter school would eventually acquire  
17 title to the facility;

18 (4) the portion of the total project cost to  
19 be paid from the fund may be awarded as one grant, but  
20 disbursements from the fund shall be made from time to time as  
21 lease payments become due;

22 (5) the portion of the total project cost to  
23 be paid by the school district or charter school may be paid  
24 from time to time as lease payments become due; and

25 (6) neither a grant award nor any provision of

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1 the Public School Capital Outlay Act creates a legal obligation  
2 for the school district or charter school to continue the lease  
3 from year to year or to purchase the facility.

4 E. In order to encourage private capital investment  
5 in the construction of public school facilities, the purchase  
6 of a privately owned school facility that is, at the time of  
7 application, in use by a school district may be considered a  
8 public school capital outlay project and eligible for grant  
9 assistance pursuant to this section if the council finds that:

10 (1) at the time of the initial use by the  
11 school district, the facility to be purchased equaled or  
12 exceeded the statewide adequacy standards and the building  
13 standards for public school facilities;

14 (2) at the time of application, attendance at  
15 the facility to be purchased is at seventy-five percent or  
16 greater of design capacity and the attendance at other schools  
17 in the school district that the students at the facility would  
18 otherwise attend is at eighty-five percent or greater of design  
19 capacity; and

20 (3) the school district and the capital outlay  
21 project meet all of the requirements for grant assistance  
22 pursuant to the Public School Capital Outlay Act; provided  
23 that, when determining the deviation from the statewide  
24 adequacy standards for the purposes of evaluating and  
25 prioritizing the project, the students using the facility shall

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1 be deemed to be attending other schools in the school district.

2 F. It is the intent of the legislature that grant  
3 assistance made pursuant to this section allows every school  
4 district to meet the standards developed pursuant to Subsection  
5 C of this section; provided, however, that nothing in the  
6 Public School Capital Outlay Act or the development of  
7 standards pursuant to that act prohibits a school district from  
8 using other funds available to the district to exceed the  
9 statewide adequacy standards.

10 G. Upon request, the council shall work with, and  
11 provide assistance and information to, the public school  
12 capital outlay oversight task force.

13 H. The council may establish committees or task  
14 forces, not necessarily consisting of council members, and may  
15 use the committees or task forces, as well as existing agencies  
16 or organizations, to conduct studies, conduct surveys, submit  
17 recommendations or otherwise contribute expertise from the  
18 public schools, programs, interest groups and segments of  
19 society most concerned with a particular aspect of the  
20 council's work.

21 I. Upon the recommendation of the public school  
22 facilities authority, the council shall develop building  
23 standards for public school facilities and shall promulgate  
24 other such rules as are necessary to carry out the provisions  
25 of the Public School Capital Outlay Act.

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HB 273-Rep. Stapleton  
Make Optional the Adjustment  
for Lease Payments Based  
Upon the Consumer  
Price Index  
(VETOED)



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HOUSE BILL 273

**51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013**

INTRODUCED BY

Sheryl Williams Stapleton

FOR THE PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE  
AND THE LEGISLATIVE EDUCATION STUDY COMMITTEE

AN ACT

RELATING TO PUBLIC SCHOOL CAPITAL OUTLAY LEASE PAYMENTS; MAKING  
OPTIONAL THE ADJUSTMENT FOR LEASE PAYMENTS BASED UPON THE  
CONSUMER PRICE INDEX.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 22-24-4 NMSA 1978 (being Laws 1975,  
Chapter 235, Section 4, as amended) is amended to read:

"22-24-4. PUBLIC SCHOOL CAPITAL OUTLAY FUND CREATED--  
USE.--

A. The "public school capital outlay fund" is  
created. Balances remaining in the fund at the end of each  
fiscal year shall not revert.

B. Except as provided in Subsections G and I  
through L of this section, money in the fund may be used only  
for capital expenditures deemed necessary by the council for an

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1 adequate educational program.

2 C. The council may authorize the purchase by the  
3 public school facilities authority of portable classrooms to be  
4 loaned to school districts to meet a temporary requirement.  
5 Payment for these purchases shall be made from the fund. Title  
6 to and custody of the portable classrooms shall rest in the  
7 public school facilities authority. The council shall  
8 authorize the lending of the portable classrooms to school  
9 districts upon request and upon finding that sufficient need  
10 exists. Application for use or return of state-owned portable  
11 classroom buildings shall be submitted by school districts to  
12 the council. Expenses of maintenance of the portable  
13 classrooms while in the custody of the public school facilities  
14 authority shall be paid from the fund; expenses of maintenance  
15 and insurance of the portable classrooms while in the custody  
16 of a school district shall be the responsibility of the school  
17 district. The council may authorize the permanent disposition  
18 of the portable classrooms by the public school facilities  
19 authority with prior approval of the state board of finance.

20 D. Applications for assistance from the fund shall  
21 be made by school districts to the council in accordance with  
22 requirements of the council. Except as provided in Subsection  
23 K of this section, the council shall require as a condition of  
24 application that a school district have a current five-year  
25 facilities plan, which shall include a current preventive

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1 maintenance plan to which the school adheres for each public  
2 school in the school district.

3 E. The council shall review all requests for  
4 assistance from the fund and shall allocate funds only for  
5 those capital outlay projects that meet the criteria of the  
6 Public School Capital Outlay Act.

7 F. Money in the fund shall be disbursed by warrant  
8 of the department of finance and administration on vouchers  
9 signed by the secretary of finance and administration following  
10 certification by the council that an application has been  
11 approved or an expenditure has been ordered by a court pursuant  
12 to Section 22-24-5.4 NMSA 1978. At the discretion of the  
13 council, money for a project shall be distributed as follows:

14 (1) up to ten percent of the portion of the  
15 project cost funded with distributions from the fund or five  
16 percent of the total project cost, whichever is greater, may be  
17 paid to the school district before work commences with the  
18 balance of the grant award made on a cost-reimbursement basis;  
19 or

20 (2) the council may authorize payments  
21 directly to the contractor.

22 G. Balances in the fund may be annually  
23 appropriated for the core administrative functions of the  
24 public school facilities authority pursuant to the Public  
25 School Capital Outlay Act, and, in addition, balances in the

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1 fund may be expended by the public school facilities authority,  
2 upon approval of the council, for project management expenses;  
3 provided that:

4 (1) the total annual expenditures from the  
5 fund for the core administrative functions pursuant to this  
6 subsection shall not exceed five percent of the average annual  
7 grant assistance authorized from the fund during the three  
8 previous fiscal years; and

9 (2) any unexpended or unencumbered balance  
10 remaining at the end of a fiscal year from the expenditures  
11 authorized in this subsection shall revert to the fund.

12 H. Up to ten million dollars (\$10,000,000) of the  
13 fund may be allocated annually by the council for expenditure  
14 in fiscal years 2010 through 2015 for a roof repair and  
15 replacement initiative with projects to be identified by the  
16 council pursuant to Section 22-24-4.3 NMSA 1978; provided that  
17 money allocated pursuant to this subsection shall be expended  
18 within two years of the allocation.

19 I. The fund may be expended annually by the council  
20 for grants to school districts for the purpose of making lease  
21 payments for classroom facilities, including facilities leased  
22 by charter schools. The grants shall be made upon application  
23 by the school districts and pursuant to rules adopted by the  
24 council; provided that an application on behalf of a charter  
25 school shall be made by the school district, but, if the school

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1 district fails to make an application on behalf of a charter  
2 school, the charter school may submit its own application. The  
3 following criteria shall apply to the grants:

4 (1) the amount of a grant to a school district  
5 shall not exceed:

6 (a) the actual annual lease payments  
7 owed for leasing classroom space for schools, including charter  
8 schools, in the district; or

9 (b) seven hundred dollars (\$700)  
10 multiplied by the number of MEM using the leased classroom  
11 facilities; provided that [~~in fiscal year 2009 and in each~~  
12 ~~subsequent fiscal year~~] this amount [~~shall~~] may be adjusted by  
13 the percentage change between the penultimate calendar year and  
14 the immediately preceding calendar year of the consumer price  
15 index for the United States, all items, as published by the  
16 United States department of labor;

17 (2) a grant received for the lease payments of  
18 a charter school may be used by that charter school as a state  
19 match necessary to obtain federal grants pursuant to the  
20 federal No Child Left Behind Act of 2001;

21 (3) at the end of each fiscal year, any  
22 unexpended or unencumbered balance of the appropriation shall  
23 revert to the fund;

24 (4) no grant shall be made for lease payments  
25 due pursuant to a financing agreement under which the

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1 facilities may be purchased for a price that is reduced  
2 according to the lease payments made unless:

3 (a) the agreement has been approved  
4 pursuant to the provisions of the Public School Lease Purchase  
5 Act; and

6 (b) the facilities are leased by a  
7 charter school;

8 (5) if the lease payments are made pursuant to  
9 a financing agreement under which the facilities may be  
10 purchased for a price that is reduced according to the lease  
11 payments made, neither a grant nor any provision of the Public  
12 School Capital Outlay Act creates a legal obligation for the  
13 school district or charter school to continue the lease from  
14 year to year or to purchase the facilities nor does it create a  
15 legal obligation for the state to make subsequent grants  
16 pursuant to the provisions of this subsection; and

17 (6) as used in this subsection:

18 (a) "MEM" means: 1) the average  
19 full-time-equivalent enrollment using leased classroom  
20 facilities on the eightieth and one hundred twentieth days of  
21 the prior school year; or 2) in the case of an approved charter  
22 school that has not commenced classroom instruction, the  
23 estimated full-time-equivalent enrollment that will use leased  
24 classroom facilities in the first year of instruction, as shown  
25 in the approved charter school application; provided that,

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1 after the eightieth day of the school year, the MEM shall be  
2 adjusted to reflect the full-time-equivalent enrollment on that  
3 date; and

4 (b) "classroom facilities" or "classroom  
5 space" includes the space needed, as determined by the minimum  
6 required under the statewide adequacy standards, for the direct  
7 administration of school activities.

8 J. In addition to other authorized expenditures  
9 from the fund, up to one percent of the average grant  
10 assistance authorized from the fund during the three previous  
11 fiscal years may be expended in each fiscal year by the public  
12 school facilities authority to pay the state fire marshal, the  
13 construction industries division of the regulation and  
14 licensing department and local jurisdictions having authority  
15 from the state to permit and inspect projects for expenditures  
16 made to permit and inspect projects funded in whole or in part  
17 under the Public School Capital Outlay Act. The authority may  
18 enter into contracts with the state fire marshal, the  
19 construction industries division or the appropriate local  
20 authorities to carry out the provisions of this subsection.  
21 Such a contract may provide for initial estimated payments from  
22 the fund prior to the expenditures if the contract also  
23 provides for additional payments from the fund if the actual  
24 expenditures exceed the initial payments and for repayments  
25 back to the fund if the initial payments exceed the actual

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1 expenditures. Money distributed from the fund to the state  
2 fire marshal or the construction industries division pursuant  
3 to this subsection shall be used to supplement, rather than  
4 supplant, appropriations to those entities.

5 K. Pursuant to guidelines established by the  
6 council, allocations from the fund may be made to assist school  
7 districts in developing and updating five-year facilities plans  
8 required by the Public School Capital Outlay Act; provided  
9 that:

10 (1) no allocation shall be made unless the  
11 council determines that the school district is willing and able  
12 to pay the portion of the total cost of developing or updating  
13 the plan that is not funded with the allocation from the fund.  
14 Except as provided in Paragraph (2) of this subsection, the  
15 portion of the total cost to be paid with the allocation from  
16 the fund shall be determined pursuant to the methodology in  
17 Paragraph (5) of Subsection B of Section 22-24-5 NMSA 1978; or

18 (2) the allocation from the fund may be used  
19 to pay the total cost of developing or updating the plan if:

20 (a) the school district has fewer than  
21 an average of six hundred full-time-equivalent students on the  
22 eightieth and one hundred twentieth days of the prior school  
23 year; or

24 (b) the school district meets all of the  
25 following requirements: 1) the school district has fewer than

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1 an average of one thousand full-time-equivalent students on the  
2 eightieth and one hundred twentieth days of the prior school  
3 year; 2) the school district has at least seventy percent of  
4 its students eligible for free or reduced-fee lunch; 3) the  
5 state share of the total cost, if calculated pursuant to the  
6 methodology in Paragraph (5) of Subsection B of Section 22-24-5  
7 NMSA 1978, would be less than fifty percent; and 4) for all  
8 educational purposes, the school district has a residential  
9 property tax rate of at least seven dollars (\$7.00) on each one  
10 thousand dollars (\$1,000) of taxable value, as measured by the  
11 sum of all rates imposed by resolution of the local school  
12 board plus rates set to pay interest and principal on  
13 outstanding school district general obligation bonds.

14 L. Upon application by a school district,  
15 allocations from the fund may be made by the council for the  
16 purpose of demolishing abandoned school district facilities,  
17 provided that:

18 (1) the costs of continuing to insure an  
19 abandoned facility outweigh any potential benefit when and if a  
20 new facility is needed by the school district;

21 (2) there is no practical use for the  
22 abandoned facility without the expenditure of substantial  
23 renovation costs; and

24 (3) the council may enter into an agreement  
25 with the school district under which an amount equal to the

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1 savings to the district in lower insurance premiums are used to  
2 reimburse the fund fully or partially for the demolition costs  
3 allocated to the district."

4 SECTION 2. EFFECTIVE DATE.--The effective date of the  
5 provisions of this act is July 1, 2013.

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March 14, 2013

HOUSE EXECUTIVE MESSAGE NO. 6

The Honorable W. Ken Martinez and  
Members of the House of Representatives  
State Capitol Building  
Santa Fe, NM 87501

Honorable Speaker Martinez and Members of the House:

Pursuant to the Constitution of the State of New Mexico, Article IV, Section 22, I hereby VETO and return HOUSE BILL 273 enacted by the Fifty-First Legislature, First Session, 2013.

House Bill 273 amends the Public School Capital Outlay Act by removing the statutory requirement to annually increase lease assistance payments to charter schools using the consumer price index (CPI).

I am concerned that signing House Bill 273 could potentially limit the ability of New Mexico charter schools to fund future leasing needs. Preserving adequate funding for school facilities through the Public School Capital Outlay Fund ensures that operational dollars are not diverted away from classroom learning.

Respectfully yours,

Susana Martinez  
Governor



HOUSE EXECUTIVE MESSAGE NO. 6  
The Honorable W. Ken Martinez  
March 14, 2013  
Page 2

RECEIVED FROM THE OFFICE OF THE GOVERNOR

Time: \_\_\_\_\_ a.m. p.m.  
Date: \_\_\_\_\_ 2013

By \_\_\_\_\_  
Secretary of State

Time: \_\_\_\_\_ a.m. p.m.  
Date: \_\_\_\_\_ 2013

By \_\_\_\_\_  
Chief Clerk of the House



HB 264-Rep. Gonzales  
Allow PSCOC TO Make Grants  
for School Building  
System Needs  
(API)



1 HOUSE BILL 264

2 **51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013**

3 INTRODUCED BY

4 Roberto "Bobby" J. Gonzales

5  
6  
7 FOR THE PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE  
8 AND THE LEGISLATIVE EDUCATION STUDY COMMITTEE

9  
10 AN ACT

11 RELATING TO PUBLIC SCHOOL FACILITIES; AMENDING THE PUBLIC  
12 SCHOOL CAPITAL OUTLAY ACT TO ALLOW THE PUBLIC SCHOOL CAPITAL  
13 OUTLAY COUNCIL TO PROVIDE ANNUAL ALLOCATIONS TO SCHOOL  
14 DISTRICTS TO ADDRESS BUILDING SYSTEMS NEEDS; AMENDING,  
15 REPEALING AND ENACTING SECTIONS OF THE NMSA 1978.

16  
17 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

18 SECTION 1. Section 22-24-3 NMSA 1978 (being Laws 1975,  
19 Chapter 235, Section 3, as amended) is amended to read:

20 "22-24-3. DEFINITIONS.--As used in the Public School  
21 Capital Outlay Act:

22 A. "building system" means a set of interacting  
23 parts that make up a single, non-portable or fixed component of  
24 a facility and that, together with other building systems, make  
25 up an entire integrated facility or property, including

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1 roofing, electrical distribution, electronic communication,  
2 plumbing, lighting, mechanical, fire prevention, facility  
3 shell, interior finishes and heating, ventilation and air  
4 conditioning systems, as defined by the council;

5 [A-] B. "constitutional special schools" means the  
6 New Mexico school for the blind and visually impaired and the  
7 New Mexico school for the deaf;

8 [B-] C. "constitutional special schools support  
9 spaces" means all facilities necessary to support the  
10 constitutional special schools' educational mission that are  
11 not included in the constitutional special schools' educational  
12 adequacy standards, including, but not limited to, performing  
13 arts centers, facilities for athletic competition, school  
14 district administration and facility and vehicle maintenance;

15 [C-] D. "council" means the public school capital  
16 outlay council;

17 [D-] E. "fund" means the public school capital  
18 outlay fund; and

19 [E-] F. "school district" includes state-chartered  
20 charter schools and the constitutional special schools."

21 SECTION 2. Section 22-24-4 NMSA 1978 (being Laws 1975,  
22 Chapter 235, Section 4, as amended) is amended to read:

23 "22-24-4. PUBLIC SCHOOL CAPITAL OUTLAY FUND CREATED--  
24 USE.--

25 A. The "public school capital outlay fund" is

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1 created. Balances remaining in the fund at the end of each  
2 fiscal year shall not revert.

3 B. Except as provided in Subsections G and [~~±~~] J  
4 through [~~±~~] M of this section, money in the fund may be used  
5 only for capital expenditures deemed necessary by the council  
6 for an adequate educational program.

7 C. The council may authorize the purchase by the  
8 public school facilities authority of portable classrooms to be  
9 loaned to school districts to meet a temporary requirement.  
10 Payment for these purchases shall be made from the fund. Title  
11 to and custody of the portable classrooms shall rest in the  
12 public school facilities authority. The council shall  
13 authorize the lending of the portable classrooms to school  
14 districts upon request and upon finding that sufficient need  
15 exists. Application for use or return of state-owned portable  
16 classroom buildings shall be submitted by school districts to  
17 the council. Expenses of maintenance of the portable  
18 classrooms while in the custody of the public school facilities  
19 authority shall be paid from the fund; expenses of maintenance  
20 and insurance of the portable classrooms while in the custody  
21 of a school district shall be the responsibility of the school  
22 district. The council may authorize the permanent disposition  
23 of the portable classrooms by the public school facilities  
24 authority with prior approval of the state board of finance.

25 D. Applications for assistance from the fund shall

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1 be made by school districts to the council in accordance with  
2 requirements of the council. Except as provided in Subsection  
3 [K] L of this section, the council shall require as a condition  
4 of application that a school district have a current five-year  
5 facilities plan, which shall include a current preventive  
6 maintenance plan to which the school adheres for each public  
7 school in the school district.

8 E. The council shall review all requests for  
9 assistance from the fund and shall allocate funds only for  
10 those capital outlay projects that meet the criteria of the  
11 Public School Capital Outlay Act.

12 F. Money in the fund shall be disbursed by warrant  
13 of the department of finance and administration on vouchers  
14 signed by the secretary of finance and administration following  
15 certification by the council that an application has been  
16 approved or an expenditure has been ordered by a court pursuant  
17 to Section 22-24-5.4 NMSA 1978. At the discretion of the  
18 council, money for a project shall be distributed as follows:

19 (1) up to ten percent of the portion of the  
20 project cost funded with distributions from the fund or five  
21 percent of the total project cost, whichever is greater, may be  
22 paid to the school district before work commences with the  
23 balance of the grant award made on a cost-reimbursement basis;  
24 or

25 (2) the council may authorize payments

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1 directly to the contractor.

2 G. Balances in the fund may be annually  
3 appropriated for the core administrative functions of the  
4 public school facilities authority pursuant to the Public  
5 School Capital Outlay Act, and, in addition, balances in the  
6 fund may be expended by the public school facilities authority,  
7 upon approval of the council, for project management expenses;  
8 provided that:

9 (1) the total annual expenditures from the  
10 fund for the core administrative functions pursuant to this  
11 subsection shall not exceed five percent of the average annual  
12 grant assistance authorized from the fund during the three  
13 previous fiscal years; and

14 (2) any unexpended or unencumbered balance  
15 remaining at the end of a fiscal year from the expenditures  
16 authorized in this subsection shall revert to the fund.

17 H. Up to ten million dollars (\$10,000,000) of the  
18 fund may be allocated annually by the council for expenditure  
19 in fiscal years 2010 through 2015 for a roof repair and  
20 replacement initiative with projects to be identified by the  
21 council pursuant to Section 22-24-4.3 NMSA 1978; provided that  
22 money allocated pursuant to this subsection shall be expended  
23 within two years of the allocation.

24 I. Up to fifteen million dollars (\$15,000,000) of  
25 the fund may be expended annually by the council for

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1 expenditure in fiscal years 2014 through 2018 for a building  
2 system repair, renovation or replacement initiative with  
3 projects to be identified by the council pursuant to Section 3  
4 of this 2013 act; provided that money allocated pursuant to  
5 this subsection shall be expended within two years of the  
6 allocation.

7           ~~[H.]~~ J. The fund may be expended annually by the  
8 council for grants to school districts for the purpose of  
9 making lease payments for classroom facilities, including  
10 facilities leased by charter schools. The grants shall be made  
11 upon application by the school districts and pursuant to rules  
12 adopted by the council; provided that an application on behalf  
13 of a charter school shall be made by the school district, but,  
14 if the school district fails to make an application on behalf  
15 of a charter school, the charter school may submit its own  
16 application. The following criteria shall apply to the grants:

17                   (1) the amount of a grant to a school district  
18 shall not exceed:

19                           (a) the actual annual lease payments  
20 owed for leasing classroom space for schools, including charter  
21 schools, in the school district; or

22                           (b) seven hundred dollars (\$700)  
23 multiplied by the number of MEM using the leased classroom  
24 facilities; provided that in fiscal year 2009 and in each  
25 subsequent fiscal year, this amount shall be adjusted by the

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1 percentage change between the penultimate calendar year and the  
2 immediately preceding calendar year of the consumer price index  
3 for the United States, all items, as published by the United  
4 States department of labor;

5 (2) a grant received for the lease payments of  
6 a charter school may be used by that charter school as a state  
7 match necessary to obtain federal grants pursuant to the  
8 federal No Child Left Behind Act of 2001;

9 (3) at the end of each fiscal year, any  
10 unexpended or unencumbered balance of the appropriation shall  
11 revert to the fund;

12 (4) no grant shall be made for lease payments  
13 due pursuant to a financing agreement under which the  
14 facilities may be purchased for a price that is reduced  
15 according to the lease payments made unless:

16 (a) the agreement has been approved  
17 pursuant to the provisions of the Public School Lease Purchase  
18 Act; and

19 (b) the facilities are leased by a  
20 charter school;

21 (5) if the lease payments are made pursuant to  
22 a financing agreement under which the facilities may be  
23 purchased for a price that is reduced according to the lease  
24 payments made, neither a grant nor any provision of the Public  
25 School Capital Outlay Act creates a legal obligation for the

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1 school district or charter school to continue the lease from  
2 year to year or to purchase the facilities nor does it create a  
3 legal obligation for the state to make subsequent grants  
4 pursuant to the provisions of this subsection; and

5 (6) as used in this subsection:

6 (a) "MEM" means: 1) the average  
7 full-time-equivalent enrollment using leased classroom  
8 facilities on the eightieth and one hundred twentieth days of  
9 the prior school year; or 2) in the case of an approved charter  
10 school that has not commenced classroom instruction, the  
11 estimated full-time-equivalent enrollment that will use leased  
12 classroom facilities in the first year of instruction, as shown  
13 in the approved charter school application; provided that,  
14 after the eightieth day of the school year, the MEM shall be  
15 adjusted to reflect the full-time-equivalent enrollment on that  
16 date; and

17 (b) "classroom facilities" or "classroom  
18 space" includes the space needed, as determined by the minimum  
19 required under the statewide adequacy standards, for the direct  
20 administration of school activities.

21 [~~J.~~] K. In addition to other authorized  
22 expenditures from the fund, up to one percent of the average  
23 grant assistance authorized from the fund during the three  
24 previous fiscal years may be expended in each fiscal year by  
25 the public school facilities authority to pay the state fire

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1 marshal, the construction industries division of the regulation  
2 and licensing department and local jurisdictions having  
3 authority from the state to permit and inspect projects for  
4 expenditures made to permit and inspect projects funded in  
5 whole or in part under the Public School Capital Outlay Act.  
6 The authority may enter into contracts with the state fire  
7 marshal, the construction industries division or the  
8 appropriate local authorities to carry out the provisions of  
9 this subsection. Such a contract may provide for initial  
10 estimated payments from the fund prior to the expenditures if  
11 the contract also provides for additional payments from the  
12 fund if the actual expenditures exceed the initial payments and  
13 for repayments back to the fund if the initial payments exceed  
14 the actual expenditures. Money distributed from the fund to  
15 the state fire marshal or the construction industries division  
16 pursuant to this subsection shall be used to supplement, rather  
17 than supplant, appropriations to those entities.

18 ~~[K.]~~ L. Pursuant to guidelines established by the  
19 council, allocations from the fund may be made to assist school  
20 districts in developing and updating five-year facilities plans  
21 required by the Public School Capital Outlay Act; provided  
22 that:

23 (1) no allocation shall be made unless the  
24 council determines that the school district is willing and able  
25 to pay the portion of the total cost of developing or updating

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1 the plan that is not funded with the allocation from the fund.  
2 Except as provided in Paragraph (2) of this subsection, the  
3 portion of the total cost to be paid with the allocation from  
4 the fund shall be determined pursuant to the methodology in  
5 Paragraph (5) of Subsection B of Section 22-24-5 NMSA 1978; or

6 (2) the allocation from the fund may be used  
7 to pay the total cost of developing or updating the plan if:

8 (a) the school district has fewer than  
9 an average of six hundred full-time-equivalent students on the  
10 eightieth and one hundred twentieth days of the prior school  
11 year; or

12 (b) the school district meets all of the  
13 following requirements: 1) the school district has fewer than  
14 an average of one thousand full-time-equivalent students on the  
15 eightieth and one hundred twentieth days of the prior school  
16 year; 2) the school district has at least seventy percent of  
17 its students eligible for free or reduced-fee lunch; 3) the  
18 state share of the total cost, if calculated pursuant to the  
19 methodology in Paragraph (5) of Subsection B of Section 22-24-5  
20 NMSA 1978, would be less than fifty percent; and 4) for all  
21 educational purposes, the school district has a residential  
22 property tax rate of at least seven dollars (\$7.00) on each one  
23 thousand dollars (\$1,000) of taxable value, as measured by the  
24 sum of all rates imposed by resolution of the local school  
25 board plus rates set to pay interest and principal on

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1 outstanding school district general obligation bonds.

2           ~~[L.]~~ M. Upon application by a school district,  
3 allocations from the fund may be made by the council for the  
4 purpose of demolishing abandoned school district facilities,  
5 provided that:

6                   (1) the costs of continuing to insure an  
7 abandoned facility outweigh any potential benefit when and if a  
8 new facility is needed by the school district;

9                   (2) there is no practical use for the  
10 abandoned facility without the expenditure of substantial  
11 renovation costs; and

12                   (3) the council may enter into an agreement  
13 with the school district under which an amount equal to the  
14 savings to the school district in lower insurance premiums are  
15 used to reimburse the fund fully or partially for the  
16 demolition costs allocated to the school district."

17           **SECTION 3.** A new section of the Public School Capital  
18 Outlay Act is enacted to read:

19           "[NEW MATERIAL] BUILDING SYSTEM REPAIR, RENOVATION OR  
20 REPLACEMENT.--

21                   A. The council shall develop guidelines for a  
22 building system repair, renovation or replacement initiative  
23 pursuant to the provisions of this section.

24                   B. A school district desiring a grant award  
25 pursuant to this section shall submit an application to the

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1 council. The application shall include an assessment of the  
2 building system that, in the opinion of the school district,  
3 the repair, renovation or replacement of which would extend the  
4 useful life of the building itself.

5 C. The public school facilities authority shall  
6 verify the assessment made by the school district and rank the  
7 application with similar applications pursuant to a methodology  
8 adopted by the council.

9 D. After a public hearing and to the extent that  
10 money is available in the fund for such purposes, the council  
11 shall approve building system repair, renovation or replacement  
12 projects on the established priority basis; provided that no  
13 project shall be approved unless the council determines that  
14 the school district is willing and able to pay the portion of  
15 the total cost of the project that is not funded with grant  
16 assistance from the fund. In order to pay its portion of the  
17 total project cost, a school district may use state  
18 distributions made to the school district pursuant to the  
19 Public School Capital Improvements Act or, if within the scope  
20 of the authorizing resolution, proceeds of the property tax  
21 imposed pursuant to that act or to the Public School Buildings  
22 Act.

23 E. The state share of the cost of an approved  
24 building system repair, renovation or replacement project shall  
25 be calculated pursuant to the methodology in Paragraph (5) of

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1 Subsection B of Section 22-24-5 NMSA 1978.

2 F. A grant made pursuant to this section shall be  
3 expended by the school district within two years of the grant  
4 allocation."

5 SECTION 4. Section 22-24-5 NMSA 1978 (being Laws 1975,  
6 Chapter 235, Section 5, as amended) is amended to read:

7 "22-24-5. PUBLIC SCHOOL CAPITAL OUTLAY PROJECTS--  
8 APPLICATION--GRANT ASSISTANCE.--

9 A. Applications for grant assistance, approval of  
10 applications, prioritization of projects and grant awards shall  
11 be conducted pursuant to the provisions of this section.

12 B. Except as provided in Sections 22-24-4.3,  
13 22-24-5.4 and 22-24-5.6 NMSA 1978, the following provisions  
14 govern grant assistance from the fund ~~[for a public school~~  
15 ~~capital outlay project not wholly funded pursuant to Section~~  
16 ~~22-24-4.1 NMSA 1978]:~~

17 (1) all school districts are eligible to apply  
18 for funding from the fund, regardless of percentage of  
19 indebtedness;

20 (2) priorities for funding shall be determined  
21 by using the statewide adequacy standards developed pursuant to  
22 Subsection C of this section; provided that:

23 (a) the council shall apply the  
24 standards to charter schools to the same extent that they are  
25 applied to other public schools;

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(b) the council may award grants  
annually to school districts for the purpose of repairing,  
renovating or replacing public school building systems as  
identified in Section 3 of this 2013 act;

~~(b)~~ (c) the council shall adopt and  
apply adequacy standards appropriate to the unique needs of the  
constitutional special schools; and

~~(c)~~ (d) in an emergency in which the  
health or safety of students or school personnel is at  
immediate risk or in which there is a threat of significant  
property damage, the council may award grant assistance for a  
project using criteria other than the statewide adequacy  
standards;

(3) the council shall establish criteria to be  
used in public school capital outlay projects that receive  
grant assistance pursuant to the Public School Capital Outlay  
Act. In establishing the criteria, the council shall consider:

(a) the feasibility of using design,  
build and finance arrangements for public school capital outlay  
projects;

(b) the potential use of more durable  
construction materials that may reduce long-term operating  
costs;

(c) concepts that promote efficient but  
flexible utilization of space; and

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1 (d) any other financing or construction  
2 concept that may maximize the dollar effect of the state grant  
3 assistance;

4 (4) no more than ten percent of the combined  
5 total of grants in a funding cycle shall be used for  
6 retrofitting existing facilities for technology infrastructure;

7 (5) except as provided in Paragraph (6), (8),  
8 (9) or (10) of this subsection, the state share of a project  
9 approved and ranked by the council shall be funded within  
10 available resources pursuant to the provisions of this  
11 paragraph. No later than May 1 of each calendar year, a value  
12 shall be calculated for each school district in accordance with  
13 the following procedure:

14 (a) the final prior year net taxable  
15 value for a school district divided by the MEM for that school  
16 district is calculated for each school district;

17 (b) the final prior year net taxable  
18 value for the whole state divided by the MEM for the state is  
19 calculated;

20 (c) excluding any school district for  
21 which the result calculated pursuant to Subparagraph (a) of  
22 this paragraph is more than twice the result calculated  
23 pursuant to Subparagraph (b) of this paragraph, the results  
24 calculated pursuant to Subparagraph (a) of this paragraph are  
25 listed from highest to lowest;

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1 (d) the lowest value listed pursuant to  
2 Subparagraph (c) of this paragraph is subtracted from the  
3 highest value listed pursuant to that subparagraph;

4 (e) the value calculated pursuant to  
5 Subparagraph (a) of this paragraph for the subject school  
6 district is subtracted from the highest value listed in  
7 Subparagraph (c) of this paragraph;

8 (f) the result calculated pursuant to  
9 Subparagraph (e) of this paragraph is divided by the result  
10 calculated pursuant to Subparagraph (d) of this paragraph;

11 (g) the sum of the property tax mill  
12 levies for the prior tax year imposed by each school district  
13 on residential property pursuant to Chapter 22, Article 18 NMSA  
14 1978, the Public School Capital Improvements Act, the Public  
15 School Buildings Act, the Education Technology Equipment Act  
16 and Paragraph (2) of Subsection B of Section 7-37-7 NMSA 1978  
17 is calculated for each school district;

18 (h) the lowest value calculated pursuant  
19 to Subparagraph (g) of this paragraph is subtracted from the  
20 highest value calculated pursuant to that subparagraph;

21 (i) the lowest value calculated pursuant  
22 to Subparagraph (g) of this paragraph is subtracted from the  
23 value calculated pursuant to that subparagraph for the subject  
24 school district;

25 (j) the value calculated pursuant to

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1 Subparagraph (i) of this paragraph is divided by the value  
2 calculated pursuant to Subparagraph (h) of this paragraph;

3 (k) if the value calculated for a  
4 subject school district pursuant to Subparagraph (j) of this  
5 paragraph is less than five-tenths, then, except as provided in  
6 Subparagraph (n) or (o) of this paragraph, the value for that  
7 school district equals the value calculated pursuant to  
8 Subparagraph (f) of this paragraph;

9 (l) if the value calculated for a  
10 subject school district pursuant to Subparagraph (j) of this  
11 paragraph is five-tenths or greater, then that value is  
12 multiplied by five-hundredths;

13 (m) if the value calculated for a  
14 subject school district pursuant to Subparagraph (j) of this  
15 paragraph is five-tenths or greater, then the value calculated  
16 pursuant to Subparagraph (l) of this paragraph is added to the  
17 value calculated pursuant to Subparagraph (f) of this  
18 paragraph. Except as provided in Subparagraph (n) or (o) of  
19 this paragraph, the sum equals the value for that school  
20 district;

21 (n) in those instances in which the  
22 calculation pursuant to Subparagraph (k) or (m) of this  
23 paragraph yields a value less than one-tenth, one-tenth shall  
24 be used as the value for the subject school district;

25 (o) in those instances in which the

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1 calculation pursuant to Subparagraph (k) or (m) of this  
2 paragraph yields a value greater than one, one shall be used as  
3 the value for the subject school district;

4 (p) except as provided in Section  
5 22-24-5.7 NMSA 1978 and except as adjusted pursuant to  
6 Paragraph (6), (8), (9) or (10) of this subsection, the amount  
7 to be distributed from the fund for an approved project shall  
8 equal the total project cost multiplied by a fraction the  
9 numerator of which is the value calculated for the subject  
10 school district in the current year plus the value calculated  
11 for that school district in each of the two preceding years and  
12 the denominator of which is three; and

13 (q) as used in this paragraph: 1) "MEM"  
14 means the average full-time-equivalent enrollment of students  
15 attending public school in a school district on the eightieth  
16 and one hundred twentieth days of the prior school year; 2)  
17 "total project cost" means the total amount necessary to  
18 complete the public school capital outlay project less any  
19 insurance reimbursement received by the school district for the  
20 project; and 3) in the case of a state-chartered charter school  
21 that has submitted an application for grant assistance pursuant  
22 to this section, the "value calculated for the subject school  
23 district" means the value calculated for the school district in  
24 which the state-chartered charter school is physically located;

25 (6) the amount calculated pursuant to

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1 Subparagraph (p) of Paragraph (5) of this subsection shall be  
2 reduced by the following procedure:

3 (a) the total of all legislative  
4 appropriations made after January 1, 2003 for nonoperating  
5 purposes either directly to the subject school district or to  
6 another governmental entity for the purpose of passing the  
7 money through directly to the subject school district, and not  
8 rejected by the subject school district, is calculated;  
9 provided that: 1) an appropriation made in a fiscal year shall  
10 be deemed to be accepted by a school district unless, prior to  
11 June 1 of that fiscal year, the school district notifies the  
12 department of finance and administration and the public  
13 education department that the school district is rejecting the  
14 appropriation; 2) the total shall exclude any educational  
15 technology appropriation made prior to January 1, 2005 unless  
16 the appropriation was on or after January 1, 2003 and not  
17 previously used to offset distributions pursuant to the  
18 Technology for Education Act; 3) the total shall exclude any  
19 appropriation previously made to the subject school district  
20 that is reauthorized for expenditure by another recipient;  
21 4) the total shall exclude one-half of the amount of any  
22 appropriation made or reauthorized after January 1, 2007 if the  
23 purpose of the appropriation or reauthorization is to fund, in  
24 whole or in part, a capital outlay project that, when  
25 prioritized by the council pursuant to this section either in

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1 the immediately preceding funding cycle or in the current  
2 funding cycle, ranked in the top one hundred fifty projects  
3 statewide; 5) the total shall exclude the proportionate share  
4 of any appropriation made or reauthorized after January 1, 2008  
5 for a capital project that will be jointly used by a  
6 governmental entity other than the subject school district.  
7 Pursuant to criteria adopted by rule of the council and based  
8 upon the proposed use of the capital project, the council shall  
9 determine the proportionate share to be used by the  
10 governmental entity and excluded from the total; and 6) unless  
11 the grant award is made to the state-chartered charter school  
12 or unless the appropriation was previously used to calculate a  
13 reduction pursuant to this paragraph, the total shall exclude  
14 appropriations made after January 1, 2007 for nonoperating  
15 purposes of a specific state-chartered charter school,  
16 regardless of whether the charter school is a state-chartered  
17 charter school at the time of the appropriation or later opts  
18 to become a state-chartered charter school;

19 (b) the applicable fraction used for the  
20 subject school district and the current calendar year for the  
21 calculation in Subparagraph (p) of Paragraph (5) of this  
22 subsection is subtracted from one;

23 (c) the value calculated pursuant to  
24 Subparagraph (a) of this paragraph for the subject school  
25 district is multiplied by the amount calculated pursuant to

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1 Subparagraph (b) of this paragraph for that school district;  
2 (d) the total amount of reductions for  
3 the subject school district previously made pursuant to  
4 Subparagraph (e) of this paragraph for other approved public  
5 school capital outlay projects is subtracted from the amount  
6 calculated pursuant to Subparagraph (c) of this paragraph; and  
7 (e) the amount calculated pursuant to  
8 Subparagraph (p) of Paragraph (5) of this subsection shall be  
9 reduced by the amount calculated pursuant to Subparagraph (d)  
10 of this paragraph;  
11 (7) as used in this subsection:  
12 (a) "governmental entity" includes an  
13 Indian nation, tribe or pueblo; and  
14 (b) "subject school district" means the  
15 school district that has submitted the application for funding  
16 and in which the approved public school capital outlay project  
17 will be located;  
18 (8) the amount calculated pursuant to  
19 Subparagraph (p) of Paragraph (5) of this subsection, after any  
20 reduction pursuant to Paragraph (6) of this subsection, may be  
21 increased by an additional five percent if the council finds  
22 that the subject school district has been exemplary in  
23 implementing and maintaining a preventive maintenance program.  
24 The council shall adopt such rules as are necessary to  
25 implement the provisions of this paragraph;

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1                   (9) the council may adjust the amount of local  
2 share otherwise required if it determines that a school  
3 district has used all of its local resources. Before making  
4 any adjustment to the local share, the council shall consider  
5 whether:

6                   (a) the school district has insufficient  
7 bonding capacity over the next four years to provide the local  
8 match necessary to complete the project and, for all  
9 educational purposes, has a residential property tax rate of at  
10 least ten dollars (\$10.00) on each one thousand dollars  
11 (\$1,000) of taxable value, as measured by the sum of all rates  
12 imposed by resolution of the local school board plus rates set  
13 to pay interest and principal on outstanding school district  
14 general obligation bonds;

15                   (b) the school district: 1) has fewer  
16 than an average of eight hundred full-time-equivalent students  
17 on the eightieth and one hundred twentieth days of the prior  
18 school year; 2) has at least seventy percent of its students  
19 eligible for free or reduced-fee lunch; 3) has a share of the  
20 total project cost, as calculated pursuant to provisions of  
21 this section, that would be greater than fifty percent; and 4)  
22 for all educational purposes, has a residential property tax  
23 rate of at least seven dollars (\$7.00) on each one thousand  
24 dollars (\$1,000) of taxable value, as measured by the sum of  
25 all rates imposed by resolution of the local school board plus

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1 rates set to pay interest and principal on outstanding school  
2 district general obligation bonds; or

3 (c) the school district: 1) has an  
4 enrollment growth rate over the previous school year of at  
5 least two and one-half percent; 2) pursuant to its five-year  
6 facilities plan, will be building a new school within the next  
7 two years; and 3) for all educational purposes, has a  
8 residential property tax rate of at least ten dollars (\$10.00)  
9 on each one thousand dollars (\$1,000) of taxable value, as  
10 measured by the sum of all rates imposed by resolution of the  
11 local school board plus rates set to pay interest and principal  
12 on outstanding school district general obligation bonds;

13 (10) the local match for the constitutional  
14 special schools shall be set at fifty percent for projects that  
15 qualify under the educational adequacy category and one hundred  
16 percent for projects that qualify in the support spaces  
17 category; provided that the council may adjust or waive the  
18 amount of any direct appropriation offset to or local share  
19 required for the constitutional special schools if an applicant  
20 constitutional special school has insufficient or no local  
21 resources available; and

22 (11) no application for grant assistance from  
23 the fund shall be approved unless the council determines that:

24 (a) the public school capital outlay  
25 project is needed and included in the school district's

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1 five-year facilities plan among its top priorities;

2 (b) the school district has used its  
3 capital resources in a prudent manner;

4 (c) the school district has provided  
5 insurance for buildings of the school district in accordance  
6 with the provisions of Section 13-5-3 NMSA 1978;

7 (d) the school district has submitted a  
8 five-year facilities plan that includes: 1) enrollment  
9 projections; 2) a current preventive maintenance plan that has  
10 been approved by the council pursuant to Section 22-24-5.3 NMSA  
11 1978 and that is followed by each public school in the  
12 district; 3) the capital needs of charter schools located in  
13 the school district; and 4) projections for the facilities  
14 needed in order to maintain a full-day kindergarten program;

15 (e) the school district is willing and  
16 able to pay any portion of the total cost of the public school  
17 capital outlay project that, according to Paragraph (5), (6),  
18 (8) or (9) of this subsection, is not funded with grant  
19 assistance from the fund; provided that school district funds  
20 used for a project that was initiated after September 1, 2002  
21 when the statewide adequacy standards were adopted, but before  
22 September 1, 2004 when the standards were first used as the  
23 basis for determining the state and school district share of a  
24 project, may be applied to the school district portion required  
25 for that project;

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1 (f) the application includes the capital  
2 needs of any charter school located in the school district or  
3 the school district has shown that the facilities of the  
4 charter school have a smaller deviation from the statewide  
5 adequacy standards than other district facilities included in  
6 the application; and

7 (g) the school district has agreed, in  
8 writing, to comply with any reporting requirements or  
9 conditions imposed by the council pursuant to Section 22-24-5.1  
10 NMSA 1978.

11 C. After consulting with the public school capital  
12 outlay oversight task force and other experts, the council  
13 shall regularly review and update statewide adequacy standards  
14 applicable to all school districts. The standards shall  
15 establish the acceptable level for the physical condition and  
16 capacity of buildings, the educational suitability of  
17 facilities and the need for technological infrastructure.  
18 Except as otherwise provided in the Public School Capital  
19 Outlay Act, the amount of outstanding deviation from the  
20 standards shall be used by the council in evaluating and  
21 prioritizing public school capital outlay projects.

22 D. The acquisition of a facility by a school  
23 district or charter school pursuant to a financing agreement  
24 that provides for lease payments with an option to purchase for  
25 a price that is reduced according to lease payments made may be

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1 considered a public school capital outlay project and eligible  
2 for grant assistance under this section pursuant to the  
3 following criteria:

4 (1) no grant shall be awarded unless the  
5 council determines that, at the time of exercising the option  
6 to purchase the facility by the school district or charter  
7 school, the facility will equal or exceed the statewide  
8 adequacy standards and the building standards for public school  
9 facilities;

10 (2) no grant shall be awarded unless the  
11 school district and the need for the facility meet all of the  
12 requirements for grant assistance pursuant to the Public School  
13 Capital Outlay Act;

14 (3) the total project cost shall equal the  
15 total payments that would be due under the agreement if the  
16 school district or charter school would eventually acquire  
17 title to the facility;

18 (4) the portion of the total project cost to  
19 be paid from the fund may be awarded as one grant, but  
20 disbursements from the fund shall be made from time to time as  
21 lease payments become due;

22 (5) the portion of the total project cost to  
23 be paid by the school district or charter school may be paid  
24 from time to time as lease payments become due; and

25 (6) neither a grant award nor any provision of

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1 the Public School Capital Outlay Act creates a legal obligation  
2 for the school district or charter school to continue the lease  
3 from year to year or to purchase the facility.

4 E. In order to encourage private capital investment  
5 in the construction of public school facilities, the purchase  
6 of a privately owned school facility that is, at the time of  
7 application, in use by a school district may be considered a  
8 public school capital outlay project and eligible for grant  
9 assistance pursuant to this section if the council finds that:

10 (1) at the time of the initial use by the  
11 school district, the facility to be purchased equaled or  
12 exceeded the statewide adequacy standards and the building  
13 standards for public school facilities;

14 (2) at the time of application, attendance at  
15 the facility to be purchased is at seventy-five percent or  
16 greater of design capacity and the attendance at other schools  
17 in the school district that the students at the facility would  
18 otherwise attend is at eighty-five percent or greater of design  
19 capacity; and

20 (3) the school district and the capital outlay  
21 project meet all of the requirements for grant assistance  
22 pursuant to the Public School Capital Outlay Act; provided  
23 that, when determining the deviation from the statewide  
24 adequacy standards for the purposes of evaluating and  
25 prioritizing the project, the students using the facility shall

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1 be deemed to be attending other schools in the school district.

2 F. It is the intent of the legislature that grant  
3 assistance made pursuant to this section allows every school  
4 district to meet the standards developed pursuant to Subsection  
5 C of this section; provided, however, that nothing in the  
6 Public School Capital Outlay Act or the development of  
7 standards pursuant to that act prohibits a school district from  
8 using other funds available to the district to exceed the  
9 statewide adequacy standards.

10 G. Upon request, the council shall work with, and  
11 provide assistance and information to, the public school  
12 capital outlay oversight task force.

13 H. The council may establish committees or task  
14 forces, not necessarily consisting of council members, and may  
15 use the committees or task forces, as well as existing agencies  
16 or organizations, to conduct studies, conduct surveys, submit  
17 recommendations or otherwise contribute expertise from the  
18 public schools, programs, interest groups and segments of  
19 society most concerned with a particular aspect of the  
20 council's work.

21 I. Upon the recommendation of the public school  
22 facilities authority, the council shall develop building  
23 standards for public school facilities and shall promulgate  
24 other such rules as are necessary to carry out the provisions  
25 of the Public School Capital Outlay Act.

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1           J. No later than December 15 of each year, the  
2 council shall prepare a report summarizing its activities  
3 during the previous fiscal year. The report shall describe in  
4 detail all projects funded, the progress of projects previously  
5 funded but not completed, the criteria used to prioritize and  
6 fund projects and all other council actions. The report shall  
7 be submitted to the public education commission, the governor,  
8 the legislative finance committee, the legislative education  
9 study committee and the legislature."

10           SECTION 5. Section 22-24-9 NMSA 1978 (being Laws 2003,  
11 Chapter 147, Section 1, as amended) is amended to read:

12           "22-24-9. PUBLIC SCHOOL FACILITIES AUTHORITY--  
13 CREATION--POWERS AND DUTIES.--

14           A. The "public school facilities authority" is  
15 created under the council. The authority shall be headed by a  
16 director, selected by the council, who shall be versed in  
17 construction, architecture or project management. The director  
18 may hire no more than two deputies with the approval of the  
19 council, and, subject to budgetary constraints set out in  
20 Subsection G of Section 22-24-4 NMSA 1978, shall employ or  
21 contract with such technical and administrative personnel as  
22 are necessary to carry out the provisions of this section. The  
23 director, deputies and all other employees of the authority  
24 shall be exempt from the provisions of the Personnel Act.

25           B. The authority shall:

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- 1 (1) serve as staff to the council;
- 2 (2) as directed by the council, provide those
- 3 assistance and oversight functions required of the council by
- 4 Section 22-24-5.1 NMSA 1978;
- 5 (3) assist school districts with:
- 6 (a) the development and implementation
- 7 of five-year facilities plans and preventive maintenance plans;
- 8 (b) procurement of architectural and
- 9 engineering services;
- 10 (c) management and oversight of
- 11 construction activities; and
- 12 (d) training programs;
- 13 (4) conduct ongoing reviews of five-year
- 14 facilities plans, preventive maintenance plans and performance
- 15 pursuant to those plans;
- 16 (5) as directed by the council, assist school
- 17 districts in analyzing and assessing their space utilization
- 18 options;
- 19 (6) ensure that public school capital outlay
- 20 projects are in compliance with applicable building codes;
- 21 (7) conduct on-site inspections as necessary
- 22 to ensure that the construction specifications are being met
- 23 and periodically inspect all of the documents related to
- 24 projects;
- 25 (8) require the use of standardized

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1 construction documents and the use of a standardized process  
2 for change orders;

3 (9) have access to the premises of a project  
4 and any documentation relating to the project;

5 (10) after consulting with the department,  
6 recommend building standards for public school facilities to  
7 the council and ensure compliance with building standards  
8 adopted by the council;

9 (11) notwithstanding the provisions of  
10 Subsection D of Section 22-24-6 NMSA 1978, account for all  
11 distributions of grant assistance from the fund for which the  
12 initial award was made after July 1, 2004, and make annual  
13 reports to the department, the governor, the legislative  
14 education study committee, the legislative finance committee  
15 and the legislature;

16 (12) maintain a database of the condition of  
17 school facilities and maintenance schedules; and

18 (13) as a central purchasing office pursuant  
19 to the Procurement Code and as directed by the council, select  
20 contractors and enter into and administer contracts for certain  
21 emergency projects funded pursuant to Subparagraph (b) of  
22 Paragraph (2) of Subsection B of Section 22-24-5 NMSA 1978 [~~and~~

23 ~~(14) ensure that outstanding deficiencies are~~  
24 ~~corrected pursuant to Section 22-24-4.1 NMSA 1978. In the~~  
25 ~~performance of this duty, the authority:~~

.190438.4

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1                   ~~(a) shall work with school districts to~~  
2 ~~validate the assessment of the outstanding deficiencies and the~~  
3 ~~projected costs to correct the deficiencies;~~

4                   ~~(b) shall work with school districts to~~  
5 ~~provide direct oversight of the management and construction of~~  
6 ~~the projects that will correct the outstanding deficiencies;~~

7                   ~~(c) shall oversee all aspects of the~~  
8 ~~contracts entered into by the council to correct the~~  
9 ~~outstanding deficiencies;~~

10                   ~~(d) may conduct on-site inspections~~  
11 ~~while the deficiencies correction work is being done to ensure~~  
12 ~~that the construction specifications are being met and may~~  
13 ~~periodically inspect all of the documents relating to the~~  
14 ~~projects;~~

15                   ~~(e) may require the use of standardized~~  
16 ~~construction documents and the use of a standardized process~~  
17 ~~for change orders;~~

18                   ~~(f) may access the premises of a project~~  
19 ~~and any documentation relating to the project; and~~

20                   ~~(g) shall maintain, track and account~~  
21 ~~for deficiency correction projects separately from other~~  
22 ~~capital outlay projects funded pursuant to the Public School~~  
23 ~~Capital Outlay Act].~~

24                   C. All actions taken by the authority shall be  
25 consistent with educational programs conducted pursuant to the

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1 Public School Code. In the event of any potential or perceived  
2 conflict between a proposed action of the authority and an  
3 educational program, the authority shall consult with the  
4 secretary.

5 D. A school district, aggrieved by a decision or  
6 recommendation of the authority, may appeal the matter to the  
7 council by filing a notice of appeal with the council within  
8 thirty days of the authority's decision or recommendation.

9 Upon filing of the notice:

10 (1) the decision or recommendation of the  
11 authority shall be suspended until the matter is decided by the  
12 council;

13 (2) the council shall hear the matter at its  
14 next regularly scheduled hearing or at a special hearing called  
15 by the chair for that purpose;

16 (3) at the hearing, the school district, the  
17 authority and other interested parties may make informal  
18 presentations to the council; and

19 (4) the council shall finally decide the  
20 matter within ten days after the hearing."

21 SECTION 6. REPEAL.--Section 22-24-4.1 NMSA 1978 (being  
22 Laws 2001, Chapter 338, Section 6, as amended) is repealed.

23 SECTION 7. EFFECTIVE DATE.--The effective date of the  
24 provisions of this act is July 1, 2013.

25 - 33 -



HB 291-Rep. Gonzales  
Designate an Amount From the  
PSCOF for PSCOC to Make  
Grants for Deferred Maintenance Issues  
(API)



1 HOUSE BILL 291

2 **51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013**

3 INTRODUCED BY

4 Roberto "Bobby" J. Gonzales

5  
6  
7 FOR THE PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE  
8 AND THE LEGISLATIVE EDUCATION STUDY COMMITTEE

9  
10 AN ACT

11 MAKING AN APPROPRIATION FROM THE PUBLIC SCHOOL CAPITAL OUTLAY  
12 FUND TO ALLOW SCHOOL DISTRICTS AND CHARTER SCHOOLS TO ADDRESS  
13 DEFERRED-MAINTENANCE ISSUES.

14  
15 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

16 SECTION 1. APPROPRIATION.--Ten million dollars  
17 (\$10,000,000) is appropriated from the public school capital  
18 outlay fund to the public school capital outlay council for  
19 expenditure in fiscal years 2014 through 2016 to provide  
20 allocations to school districts and charter schools that  
21 demonstrate a need to address deferred-maintenance issues in  
22 classrooms or other facilities that are used primarily by  
23 students. The public school capital outlay council shall  
24 establish guidelines for prioritizing and distributing  
25 allocations from the fund. Any unexpended or unencumbered

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1 balance remaining at the end of fiscal year 2016 shall revert  
2 to the public school capital outlay fund.

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HB 268a-Rep. Ch Trujillo  
Allow PSCOC To Waive All  
or Part of a School District's  
Required Match  
(API)



1 HOUSE BILL 268

2 **51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013**

3 INTRODUCED BY

4 Christine Trujillo

5  
6  
7 FOR THE PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE  
8 AND THE LEGISLATIVE EDUCATION STUDY COMMITTEE

9  
10 AN ACT

11 RELATING TO PUBLIC SCHOOL FACILITIES; AMENDING THE PUBLIC  
12 SCHOOL CAPITAL OUTLAY ACT TO ALLOW THE PUBLIC SCHOOL CAPITAL  
13 OUTLAY COUNCIL TO DETERMINE WHETHER A SCHOOL DISTRICT SHOULD BE  
14 ELIGIBLE FOR A WAIVER OF ITS REQUIRED FUNDING MATCH.

15  
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

17 SECTION 1. Section 22-24-5 NMSA 1978 (being Laws 1975,  
18 Chapter 235, Section 5, as amended) is amended to read:

19 "22-24-5. PUBLIC SCHOOL CAPITAL OUTLAY PROJECTS--  
20 APPLICATION--GRANT ASSISTANCE.--

21 A. Applications for grant assistance, approval of  
22 applications, prioritization of projects and grant awards shall  
23 be conducted pursuant to the provisions of this section.

24 B. Except as provided in Sections 22-24-4.3,  
25 22-24-5.4 and 22-24-5.6 NMSA 1978, the following provisions

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1 govern grant assistance from the fund for a public school  
2 capital outlay project not wholly funded pursuant to  
3 Section 22-24-4.1 NMSA 1978:

4 (1) all school districts are eligible to apply  
5 for funding from the fund, regardless of percentage of  
6 indebtedness;

7 (2) priorities for funding shall be determined  
8 by using the statewide adequacy standards developed pursuant to  
9 Subsection C of this section; provided that:

10 (a) the council shall apply the  
11 standards to charter schools to the same extent that they are  
12 applied to other public schools;

13 (b) the council shall adopt and apply  
14 adequacy standards appropriate to the unique needs of the  
15 constitutional special schools; and

16 (c) in an emergency in which the health  
17 or safety of students or school personnel is at immediate risk  
18 or in which there is a threat of significant property damage,  
19 the council may award grant assistance for a project using  
20 criteria other than the statewide adequacy standards;

21 (3) the council shall establish criteria to be  
22 used in public school capital outlay projects that receive  
23 grant assistance pursuant to the Public School Capital Outlay  
24 Act. In establishing the criteria, the council shall consider:

25 (a) the feasibility of using design,

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1 build and finance arrangements for public school capital outlay  
2 projects;

3 (b) the potential use of more durable  
4 construction materials that may reduce long-term operating  
5 costs;

6 (c) concepts that promote efficient but  
7 flexible utilization of space; and

8 (d) any other financing or construction  
9 concept that may maximize the dollar effect of the state grant  
10 assistance;

11 (4) no more than ten percent of the combined  
12 total of grants in a funding cycle shall be used for  
13 retrofitting existing facilities for technology infrastructure;

14 (5) except as provided in Paragraph (6), (8),  
15 (9) or (10) of this subsection, the state share of a project  
16 approved and ranked by the council shall be funded within  
17 available resources pursuant to the provisions of this  
18 paragraph. No later than May 1 of each calendar year, a value  
19 shall be calculated for each school district in accordance with  
20 the following procedure:

21 (a) the final prior year net taxable  
22 value for a school district divided by the MEM for that school  
23 district is calculated for each school district;

24 (b) the final prior year net taxable  
25 value for the whole state divided by the MEM for the state is

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1 calculated;

2 (c) excluding any school district for  
3 which the result calculated pursuant to Subparagraph (a) of  
4 this paragraph is more than twice the result calculated  
5 pursuant to Subparagraph (b) of this paragraph, the results  
6 calculated pursuant to Subparagraph (a) of this paragraph are  
7 listed from highest to lowest;

8 (d) the lowest value listed pursuant to  
9 Subparagraph (c) of this paragraph is subtracted from the  
10 highest value listed pursuant to that subparagraph;

11 (e) the value calculated pursuant to  
12 Subparagraph (a) of this paragraph for the subject school  
13 district is subtracted from the highest value listed in  
14 Subparagraph (c) of this paragraph;

15 (f) the result calculated pursuant to  
16 Subparagraph (e) of this paragraph is divided by the result  
17 calculated pursuant to Subparagraph (d) of this paragraph;

18 (g) the sum of the property tax mill  
19 levies for the prior tax year imposed by each school district  
20 on residential property pursuant to Chapter 22, Article 18 NMSA  
21 1978, the Public School Capital Improvements Act, the Public  
22 School Buildings Act, the Education Technology Equipment Act  
23 and Paragraph (2) of Subsection B of Section 7-37-7 NMSA 1978  
24 is calculated for each school district;

25 (h) the lowest value calculated pursuant

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1 to Subparagraph (g) of this paragraph is subtracted from the  
2 highest value calculated pursuant to that subparagraph;

3 (i) the lowest value calculated pursuant  
4 to Subparagraph (g) of this paragraph is subtracted from the  
5 value calculated pursuant to that subparagraph for the subject  
6 school district;

7 (j) the value calculated pursuant to  
8 Subparagraph (i) of this paragraph is divided by the value  
9 calculated pursuant to Subparagraph (h) of this paragraph;

10 (k) if the value calculated for a  
11 subject school district pursuant to Subparagraph (j) of this  
12 paragraph is less than five-tenths, then, except as provided in  
13 Subparagraph (n) or (o) of this paragraph, the value for that  
14 school district equals the value calculated pursuant to  
15 Subparagraph (f) of this paragraph;

16 (l) if the value calculated for a  
17 subject school district pursuant to Subparagraph (j) of this  
18 paragraph is five-tenths or greater, then that value is  
19 multiplied by five-hundredths;

20 (m) if the value calculated for a  
21 subject school district pursuant to Subparagraph (j) of this  
22 paragraph is five-tenths or greater, then the value calculated  
23 pursuant to Subparagraph (l) of this paragraph is added to the  
24 value calculated pursuant to Subparagraph (f) of this  
25 paragraph. Except as provided in Subparagraph (n) or (o) of

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1 this paragraph, the sum equals the value for that school  
2 district;

3 (n) in those instances in which the  
4 calculation pursuant to Subparagraph (k) or (m) of this  
5 paragraph yields a value less than one-tenth, one-tenth shall  
6 be used as the value for the subject school district;

7 (o) in those instances in which the  
8 calculation pursuant to Subparagraph (k) or (m) of this  
9 paragraph yields a value greater than one, one shall be used as  
10 the value for the subject school district;

11 (p) except as provided in Section  
12 22-24-5.7 NMSA 1978 and except as adjusted pursuant to  
13 Paragraph (6), (8), (9) or (10) of this subsection, the amount  
14 to be distributed from the fund for an approved project shall  
15 equal the total project cost multiplied by a fraction the  
16 numerator of which is the value calculated for the subject  
17 school district in the current year plus the value calculated  
18 for that school district in each of the two preceding years and  
19 the denominator of which is three; and

20 (q) as used in this paragraph: 1) "MEM"  
21 means the average full-time-equivalent enrollment of students  
22 attending public school in a school district on the eightieth  
23 and one hundred twentieth days of the prior school year; 2)  
24 "total project cost" means the total amount necessary to  
25 complete the public school capital outlay project less any

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1 insurance reimbursement received by the school district for the  
2 project; and 3) in the case of a state-chartered charter school  
3 that has submitted an application for grant assistance pursuant  
4 to this section, the "value calculated for the subject school  
5 district" means the value calculated for the school district in  
6 which the state-chartered charter school is physically located;

7 (6) the amount calculated pursuant to  
8 Subparagraph (p) of Paragraph (5) of this subsection shall be  
9 reduced by the following procedure:

10 (a) the total of all legislative  
11 appropriations made after January 1, 2003 for nonoperating  
12 purposes either directly to the subject school district or to  
13 another governmental entity for the purpose of passing the  
14 money through directly to the subject school district, and not  
15 rejected by the subject school district, is calculated;  
16 provided that: 1) an appropriation made in a fiscal year shall  
17 be deemed to be accepted by a school district unless, prior to  
18 June 1 of that fiscal year, the school district notifies the  
19 department of finance and administration and the public  
20 education department that the district is rejecting the  
21 appropriation; 2) the total shall exclude any educational  
22 technology appropriation made prior to January 1, 2005 unless  
23 the appropriation was on or after January 1, 2003 and not  
24 previously used to offset distributions pursuant to the  
25 Technology for Education Act; 3) the total shall exclude any

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1 appropriation previously made to the subject school district  
2 that is reauthorized for expenditure by another recipient;  
3 4) the total shall exclude one-half of the amount of any  
4 appropriation made or reauthorized after January 1, 2007 if the  
5 purpose of the appropriation or reauthorization is to fund, in  
6 whole or in part, a capital outlay project that, when  
7 prioritized by the council pursuant to this section either in  
8 the immediately preceding funding cycle or in the current  
9 funding cycle, ranked in the top one hundred fifty projects  
10 statewide; 5) the total shall exclude the proportionate share  
11 of any appropriation made or reauthorized after January 1, 2008  
12 for a capital project that will be jointly used by a  
13 governmental entity other than the subject school district.  
14 Pursuant to criteria adopted by rule of the council and based  
15 upon the proposed use of the capital project, the council shall  
16 determine the proportionate share to be used by the  
17 governmental entity and excluded from the total; and 6) unless  
18 the grant award is made to the state-chartered charter school  
19 or unless the appropriation was previously used to calculate a  
20 reduction pursuant to this paragraph, the total shall exclude  
21 appropriations made after January 1, 2007 for nonoperating  
22 purposes of a specific state-chartered charter school,  
23 regardless of whether the charter school is a state-chartered  
24 charter school at the time of the appropriation or later opts  
25 to become a state-chartered charter school;

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1 (b) the applicable fraction used for the  
2 subject school district and the current calendar year for the  
3 calculation in Subparagraph (p) of Paragraph (5) of this  
4 subsection is subtracted from one;

5 (c) the value calculated pursuant to  
6 Subparagraph (a) of this paragraph for the subject school  
7 district is multiplied by the amount calculated pursuant to  
8 Subparagraph (b) of this paragraph for that school district;

9 (d) the total amount of reductions for  
10 the subject school district previously made pursuant to  
11 Subparagraph (e) of this paragraph for other approved public  
12 school capital outlay projects is subtracted from the amount  
13 calculated pursuant to Subparagraph (c) of this paragraph; and

14 (e) the amount calculated pursuant to  
15 Subparagraph (p) of Paragraph (5) of this subsection shall be  
16 reduced by the amount calculated pursuant to Subparagraph (d)  
17 of this paragraph;

18 (7) as used in this subsection:

19 (a) "governmental entity" includes an  
20 Indian nation, tribe or pueblo; and

21 (b) "subject school district" means the  
22 school district that has submitted the application for funding  
23 and in which the approved public school capital outlay project  
24 will be located;

25 (8) the amount calculated pursuant to

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underscored material = new  
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1 Subparagraph (p) of Paragraph (5) of this subsection, after any  
2 reduction pursuant to Paragraph (6) of this subsection, may be  
3 increased by an additional five percent if the council finds  
4 that the subject school district has been exemplary in  
5 implementing and maintaining a preventive maintenance program.  
6 The council shall adopt such rules as are necessary to  
7 implement the provisions of this paragraph;

8 (9) the council may adjust the amount of local  
9 share otherwise required if it determines that a school  
10 district has ~~used~~ made a good-faith effort to use all of its  
11 local resources. Before making any adjustment to the local  
12 share, the council ~~shall~~ may consider whether:

13 (a) the school district: 1) has fewer  
14 than an average of eight hundred full-time-equivalent students  
15 on the eightieth and two hundred twentieth days of the prior  
16 school year; 2) has insufficient bonding capacity over the next  
17 four years to provide the local match necessary to complete the  
18 project; and 3) for all educational purposes, has a residential  
19 property tax rate of at least ten dollars (\$10.00) on each one  
20 thousand dollars (\$1,000) of taxable value, as measured by the  
21 sum of all rates imposed by resolution of the local school  
22 board plus rates set to pay interest and principal on  
23 outstanding school district general obligation bonds;

24 (b) the school district: 1) has fewer  
25 than an average of eight hundred full-time-equivalent students

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1 on the eightieth and one hundred twentieth days of the prior  
2 school year; 2) has at least seventy percent of its students  
3 eligible for free or reduced-fee lunch; 3) has a share of the  
4 total project cost, as calculated pursuant to provisions of  
5 this section, that would be greater than fifty percent; and 4)  
6 for all educational purposes, has a residential property tax  
7 rate of at least seven dollars (\$7.00) on each one thousand  
8 dollars (\$1,000) of taxable value, as measured by the sum of  
9 all rates imposed by resolution of the local school board plus  
10 rates set to pay interest and principal on outstanding school  
11 district general obligation bonds; or

12 (c) the school district: 1) has an  
13 enrollment growth rate over the previous school year of at  
14 least two and one-half percent; 2) pursuant to its five-year  
15 facilities plan, will be building a new school within the next  
16 two years; and 3) for all educational purposes, has a  
17 residential property tax rate of at least ten dollars (\$10.00)  
18 on each one thousand dollars (\$1,000) of taxable value, as  
19 measured by the sum of all rates imposed by resolution of the  
20 local school board plus rates set to pay interest and principal  
21 on outstanding school district general obligation bonds;

22 (10) the local match for the constitutional  
23 special schools shall be set at fifty percent for projects that  
24 qualify under the educational adequacy category and one hundred  
25 percent for projects that qualify in the support spaces

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underscored material = new  
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1 category; provided that the council may adjust or waive the  
2 amount of any direct appropriation offset to or local share  
3 required for the constitutional special schools if an applicant  
4 constitutional special school has insufficient or no local  
5 resources available; and

6 (11) no application for grant assistance from  
7 the fund shall be approved unless the council determines that:

8 (a) the public school capital outlay  
9 project is needed and included in the school district's  
10 five-year facilities plan among its top priorities;

11 (b) the school district has used its  
12 capital resources in a prudent manner;

13 (c) the school district has provided  
14 insurance for buildings of the school district in accordance  
15 with the provisions of Section 13-5-3 NMSA 1978;

16 (d) the school district has submitted a  
17 five-year facilities plan that includes: 1) enrollment  
18 projections; 2) a current preventive maintenance plan that has  
19 been approved by the council pursuant to Section 22-24-5.3 NMSA  
20 1978 and that is followed by each public school in the  
21 district; 3) the capital needs of charter schools located in  
22 the school district; and 4) projections for the facilities  
23 needed in order to maintain a full-day kindergarten program;

24 (e) the school district is willing and  
25 able to pay any portion of the total cost of the public school

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underscored material = new  
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1 capital outlay project that, according to Paragraph (5), (6),  
2 (8) or (9) of this subsection, is not funded with grant  
3 assistance from the fund; provided that school district funds  
4 used for a project that was initiated after September 1, 2002  
5 when the statewide adequacy standards were adopted, but before  
6 September 1, 2004 when the standards were first used as the  
7 basis for determining the state and school district share of a  
8 project, may be applied to the school district portion required  
9 for that project;

10 (f) the application includes the capital  
11 needs of any charter school located in the school district or  
12 the school district has shown that the facilities of the  
13 charter school have a smaller deviation from the statewide  
14 adequacy standards than other district facilities included in  
15 the application; and

16 (g) the school district has agreed, in  
17 writing, to comply with any reporting requirements or  
18 conditions imposed by the council pursuant to Section 22-24-5.1  
19 NMSA 1978.

20 C. After consulting with the public school capital  
21 outlay oversight task force and other experts, the council  
22 shall regularly review and update statewide adequacy standards  
23 applicable to all school districts. The standards shall  
24 establish the acceptable level for the physical condition and  
25 capacity of buildings, the educational suitability of

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underscored material = new  
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1 facilities and the need for technological infrastructure.  
2 Except as otherwise provided in the Public School Capital  
3 Outlay Act, the amount of outstanding deviation from the  
4 standards shall be used by the council in evaluating and  
5 prioritizing public school capital outlay projects.

6 D. The acquisition of a facility by a school  
7 district or charter school pursuant to a financing agreement  
8 that provides for lease payments with an option to purchase for  
9 a price that is reduced according to lease payments made may be  
10 considered a public school capital outlay project and eligible  
11 for grant assistance under this section pursuant to the  
12 following criteria:

13 (1) no grant shall be awarded unless the  
14 council determines that, at the time of exercising the option  
15 to purchase the facility by the school district or charter  
16 school, the facility will equal or exceed the statewide  
17 adequacy standards and the building standards for public school  
18 facilities;

19 (2) no grant shall be awarded unless the  
20 school district and the need for the facility meet all of the  
21 requirements for grant assistance pursuant to the Public School  
22 Capital Outlay Act;

23 (3) the total project cost shall equal the  
24 total payments that would be due under the agreement if the  
25 school district or charter school would eventually acquire

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1 title to the facility;

2 (4) the portion of the total project cost to  
3 be paid from the fund may be awarded as one grant, but  
4 disbursements from the fund shall be made from time to time as  
5 lease payments become due;

6 (5) the portion of the total project cost to  
7 be paid by the school district or charter school may be paid  
8 from time to time as lease payments become due; and

9 (6) neither a grant award nor any provision of  
10 the Public School Capital Outlay Act creates a legal obligation  
11 for the school district or charter school to continue the lease  
12 from year to year or to purchase the facility.

13 E. In order to encourage private capital investment  
14 in the construction of public school facilities, the purchase  
15 of a privately owned school facility that is, at the time of  
16 application, in use by a school district may be considered a  
17 public school capital outlay project and eligible for grant  
18 assistance pursuant to this section if the council finds that:

19 (1) at the time of the initial use by the  
20 school district, the facility to be purchased equaled or  
21 exceeded the statewide adequacy standards and the building  
22 standards for public school facilities;

23 (2) at the time of application, attendance at  
24 the facility to be purchased is at seventy-five percent or  
25 greater of design capacity and the attendance at other schools

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1 in the school district that the students at the facility would  
2 otherwise attend is at eighty-five percent or greater of design  
3 capacity; and

4 (3) the school district and the capital outlay  
5 project meet all of the requirements for grant assistance  
6 pursuant to the Public School Capital Outlay Act; provided  
7 that, when determining the deviation from the statewide  
8 adequacy standards for the purposes of evaluating and  
9 prioritizing the project, the students using the facility shall  
10 be deemed to be attending other schools in the school district.

11 F. It is the intent of the legislature that grant  
12 assistance made pursuant to this section allows every school  
13 district to meet the standards developed pursuant to Subsection  
14 C of this section; provided, however, that nothing in the  
15 Public School Capital Outlay Act or the development of  
16 standards pursuant to that act prohibits a school district from  
17 using other funds available to the district to exceed the  
18 statewide adequacy standards.

19 G. Upon request, the council shall work with, and  
20 provide assistance and information to, the public school  
21 capital outlay oversight task force.

22 H. The council may establish committees or task  
23 forces, not necessarily consisting of council members, and may  
24 use the committees or task forces, as well as existing agencies  
25 or organizations, to conduct studies, conduct surveys, submit

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1 recommendations or otherwise contribute expertise from the  
2 public schools, programs, interest groups and segments of  
3 society most concerned with a particular aspect of the  
4 council's work.

5 I. Upon the recommendation of the public school  
6 facilities authority, the council shall develop building  
7 standards for public school facilities and shall promulgate  
8 other such rules as are necessary to carry out the provisions  
9 of the Public School Capital Outlay Act.

10 J. No later than December 15 of each year, the  
11 council shall prepare a report summarizing its activities  
12 during the previous fiscal year. The report shall describe in  
13 detail all projects funded, the progress of projects previously  
14 funded but not completed, the criteria used to prioritize and  
15 fund projects and all other council actions. The report shall  
16 be submitted to the public education commission, the governor,  
17 the legislative finance committee, the legislative education  
18 study committee and the legislature."



FIFTY-FIRST LEGISLATURE  
FIRST SESSION, 2013

February 11, 2013

Mr. Speaker:

Your **EDUCATION COMMITTEE**, to whom has been referred

**HOUSE BILL 268**

has had it under consideration and reports same with recommendation that it **DO PASS**, amended as follows:

1. On page 10, line 13, strike "has fewer".
2. On page 10, strike lines 14 and 15 in their entirety.
3. On page 10, line 16, strike "school year; 2)".
4. Renumber the succeeding item accordingly.
5. On page 11, line 2, strike "seventy" and insert in lieu thereof "fifty".
6. On page 11, line 7, strike "seven dollars (\$7.00)" and insert in lieu thereof "five dollars (\$5.00)".,

and thence referred to the **JUDICIARY COMMITTEE**.

The roll call vote was 7 For 6 Against

Yes: 7

No: Baldonado, Espinoza, Gallegos, DM, Hall, JC, Hamilton,  
Roch

Excused: None

Absent: None

FIFTY-FIRST LEGISLATURE  
FIRST SESSION, 2013

HEC/HB 268

Page 2

Respectfully submitted,

\_\_\_\_\_  
Mimi Stewart, Chairman

Adopted \_\_\_\_\_  
(Chief Clerk)

Not Adopted \_\_\_\_\_  
(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 7 For 6 Against

Yes: 7

No: Baldonado, Espinoza, Gallegos, DM, Hall, JC, Hamilton,  
Roch

Excused: None

Absent: None

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FIFTY-FIRST LEGISLATURE  
FIRST SESSION, 2013

February 25, 2013

Mr. Speaker:

Your JUDICIARY COMMITTEE, to whom has been referred  
**HOUSE BILL 268, as amended**

has had it under consideration and reports same with  
recommendation that it **DO PASS**, amended as follows:

1. On page 1, line 12, strike "ALLOW" and insert in lieu  
thereof "CHANGE CERTAIN CRITERIA FOR".

2. On page 10, line 12, remove the brackets and line through  
"shall" and strike "may".

Respectfully submitted,

\_\_\_\_\_  
Gail Chasey, Chairwoman

Adopted \_\_\_\_\_  
(Chief Clerk)

Not Adopted \_\_\_\_\_  
(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 9 For 5 Against

Yes: 9

No: Fajardo, Gentry, McMillan, Pacheco, Rehm

Excused: Cook, Garcia, MP

Absent: None

.193543.1

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HB 314-Rep. Larranaga  
Reestablish the Charter School  
Capital Outlay Fund  
that was Repealed  
July 1, 2012 and Reestablished  
Criteria for Awards  
(API)



1 HOUSE BILL 314

2 **51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013**

3 INTRODUCED BY

4 Larry A. Larrañaga

5  
6  
7 FOR THE PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE

8 AND THE LEGISLATIVE EDUCATION STUDY COMMITTEE

9  
10 AN ACT

11 RELATING TO PUBLIC SCHOOLS; AMENDING THE PUBLIC SCHOOL CAPITAL  
12 OUTLAY ACT TO PROVIDE PROCEDURES FOR STATE-CHARTERED AND  
13 LOCALLY CHARTERED CHARTER SCHOOLS FOR ADEQUATE FACILITIES;  
14 CREATING A FUND; MAKING AN APPROPRIATION.

15  
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

17 SECTION 1. Section 22-24-6.1 NMSA 1978 (being Laws 2007,  
18 Chapter 214, Section 1, as amended) is amended to read:

19 "22-24-6.1. PROCEDURES FOR A STATE-CHARTERED CHARTER  
20 SCHOOL.--All of the provisions of the Public School Capital  
21 Outlay Act apply to an application by a state-chartered charter  
22 school for grant assistance for a capital project except:

23 A. the portion of the cost of the project to be  
24 paid from the fund shall be calculated pursuant to Paragraph  
25 (5) of Subsection B of Section 22-24-5 NMSA 1978 using data

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underscored material = new  
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1 from the school district in which the state-chartered charter  
2 school is located;

3 B. in calculating a reduction pursuant to Paragraph  
4 (6) of Subsection B of Section 22-24-5 NMSA 1978, ~~(+)~~ the  
5 amount to be used in Subparagraph (a) of that paragraph shall  
6 equal the total of all legislative appropriations made after  
7 January 1, 2007 for nonoperating expenses either directly to  
8 the charter school or to another governmental entity for the  
9 purpose of passing the money through directly to the charter  
10 school, regardless of whether the charter school was a state-  
11 chartered charter school at the time of the appropriation or  
12 later opted to become a state-chartered charter school, except  
13 that the total shall not include any such appropriation if,  
14 before the charter school became a state-chartered charter  
15 school, the appropriation was previously used to calculate a  
16 reduction pursuant to Paragraph (6) of Subsection B of Section  
17 22-24-5 NMSA 1978; and

18 ~~[(2) the amount to be used in Subparagraph (b)~~  
19 ~~of that paragraph shall equal the total of all federal money~~  
20 ~~received by the charter school for nonoperating purposes~~  
21 ~~pursuant to Title XIV of the American Recovery and Reinvestment~~  
22 ~~Act of 2009, regardless of whether the charter school was a~~  
23 ~~state-chartered charter school at the time of receiving the~~  
24 ~~federal money or later opted to become a state-chartered~~  
25 ~~charter school, except that the total shall not include any~~

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1 ~~such federal money if, before the charter school became a~~  
2 ~~state-chartered charter school, the money was previously used~~  
3 ~~to calculate a reduction pursuant to Paragraph (6) of~~  
4 ~~Subsection B of Section 22-24-5 NMSA 1978; and]~~

5 C. if the council determines that the state-  
6 chartered charter school does not have the resources to pay all  
7 or a portion of the total cost of the capital outlay project  
8 that is not funded with grant assistance from the fund, to the  
9 extent that money is available in the charter school capital  
10 outlay fund, the council shall make an award from that fund for  
11 the remaining amount necessary to pay for the project. The  
12 council may establish, by rule, a procedure for determining the  
13 amount of resources available to the charter school and the  
14 amount needed from the charter school capital outlay fund."

15 SECTION 2. A new section of the Public School Capital  
16 Outlay Act is enacted to read:

17 "[NEW MATERIAL] PUBLIC FACILITIES FOR CHARTER SCHOOLS.--

18 A. The council shall develop a program for  
19 assisting charter schools to be located in public buildings or  
20 in buildings being acquired by charter schools pursuant to a  
21 lease-purchase agreement.

22 B. A locally chartered or state-chartered charter  
23 school, desiring assistance pursuant to this section, shall  
24 make application to the council for a grant. The application  
25 shall include:

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1 (1) a summary of the efforts that have been  
2 made by the charter school to be located in a public facility;

3 (2) an estimate of the costs necessary to  
4 bring the public facilities up to the statewide adequacy  
5 standards; and

6 (3) such other information as required by rule  
7 of the council.

8 C. The public school facilities authority shall  
9 review the information submitted by the charter school and rank  
10 the application with similar applications pursuant to a  
11 methodology adopted by the council.

12 D. After a public hearing and to the extent that  
13 money is available in the charter school capital outlay fund  
14 for such purposes, the council shall approve grants from the  
15 fund on the established priority basis.

16 E. An award made pursuant to this section shall not  
17 be considered when calculating an amount to offset grants to a  
18 school district or state-chartered charter school pursuant to  
19 Paragraph (6) of Subsection B of Section 22-24-5 NMSA 1978 or  
20 Subsection B of Section 22-24-6.1 NMSA 1978."

21 SECTION 3. A new section of the Public School Capital  
22 Outlay Act is enacted to read:

23 "[NEW MATERIAL] CHARTER SCHOOL CAPITAL OUTLAY FUND.--

24 A. The "charter school capital outlay fund" is  
25 created in the state treasury. The fund shall consist of

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1 appropriations, gifts, grants, donations and bequests made to  
2 the fund. Income from the fund shall be credited to the fund,  
3 and money in the fund shall not revert or be transferred to any  
4 other fund at the end of a fiscal year. Money in the fund is  
5 appropriated to the council for the purposes of making grants  
6 pursuant to Subsection B of this section. Expenditures from  
7 the fund shall be made on warrant of the secretary of finance  
8 and administration pursuant to vouchers signed by the director  
9 of the public school facilities authority.

10 B. Balances in the charter school capital outlay  
11 fund shall be used for the following purposes and, to the  
12 extent money is available in the fund, in the following order:

13 (1) for making grants to state-chartered  
14 charter schools pursuant to Subsection C of Section 22-24-6.1  
15 NMSA 1978 to assist with the local match needed for an approved  
16 public school capital outlay project; and

17 (2) if the council determines that money in  
18 the fund is not needed for grants pursuant to Paragraph (1) of  
19 this subsection, remaining balances in the fund may be used for  
20 providing assistance to charter schools pursuant to Section 2  
21 of this 2013 act."



HB 354-Rep. J. Trujillo  
Allow the PSCOC To  
Recommend Suspension,  
Nonrenewal or Revocation  
of a Charter School Based  
on the Charter School's  
Facility Condition  
(API)



1 HOUSE BILL 354

2 **51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013**

3 INTRODUCED BY

4 Jim R. Trujillo

5  
6  
7  
8 FOR THE PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE

9  
10 AN ACT

11 RELATING TO CHARTER SCHOOL FACILITIES; AMENDING THE PUBLIC  
12 SCHOOL CODE TO ALLOW THE PUBLIC SCHOOL CAPITAL OUTLAY COUNCIL  
13 TO RECOMMEND SUSPENSION, NONRENEWAL OR REVOCATION OF A CHARTER  
14 BASED ON THE CHARTER SCHOOL'S FACILITY CONDITION.

15  
16 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

17 SECTION 1. Section 22-8B-4.2 NMSA 1978 (being Laws 2005,  
18 Chapter 221, Section 3 and Laws 2005, Chapter 274, Section 2,  
19 as amended) is amended to read:

20 "22-8B-4.2. CHARTER SCHOOL FACILITIES--STANDARDS.--

21 A. The facilities of a charter school that is  
22 approved on or after July 1, 2005 and before July 1, 2015 shall  
23 meet educational occupancy standards required by applicable New  
24 Mexico construction codes.

25 B. The facilities of a charter school whose charter

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1 has been renewed at least once shall be evaluated, prioritized  
2 and eligible for grants pursuant to the Public School Capital  
3 Outlay Act in the same manner as all other public schools in  
4 the state; provided that for charter school facilities in  
5 leased facilities, grants may be used to provide additional  
6 lease payments for leasehold improvements made by the lessor.

7 C. On or after July 1, 2011, a new charter school  
8 shall not open and an existing charter school shall not  
9 relocate unless the facilities of the new or relocated charter  
10 school, as measured by the New Mexico condition index, receive  
11 a condition rating equal to or better than the average  
12 condition for all New Mexico public schools for that year or  
13 the charter school [~~demonstrates~~] submits, within eighteen  
14 months of occupancy or relocation of the charter, [~~the way in~~]  
15 a plan by which the facilities will achieve a rating equal to  
16 or better than the average New Mexico condition index.

17 D. On or after July 1, 2015, a new charter school  
18 shall not open and an existing charter shall not be renewed  
19 unless the charter school:

- 20 (1) is housed in a building that is:
- 21 (a) owned by the charter school, the  
22 school district, the state, an institution of the state,  
23 another political subdivision of the state, the federal  
24 government or one of its agencies or a tribal government; or  
25 (b) subject to a lease-purchase

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1 arrangement that has been entered into and approved pursuant to  
2 the Public School Lease Purchase Act; or

3 (2) if it is not housed in a building  
4 described in Paragraph (1) of this subsection, demonstrates  
5 that:

6 (a) the facility in which the charter  
7 school is housed meets the statewide adequacy standards  
8 developed pursuant to the Public School Capital Outlay Act and  
9 the owner of the facility is contractually obligated to  
10 maintain those standards at no additional cost to the charter  
11 school or the state; and

12 (b) either: 1) public buildings are not  
13 available or adequate for the educational program of the  
14 charter school; or 2) the owner of the facility is a nonprofit  
15 entity specifically organized for the purpose of providing the  
16 facility for the charter school.

17 E. Without the approval of the public school  
18 facilities authority pursuant to Section 22-20-1 NMSA 1978, a  
19 charter school shall not enter into a lease-purchase agreement.

20 F. The public school capital outlay council:

21 (1) shall determine whether facilities of a  
22 charter school meet the educational occupancy standards  
23 pursuant to the requirements of Subsection A of this section  
24 or the requirements of Subsections B, C and D of this section,  
25 as applicable; and

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1 (2) upon a determination that specific  
2 requirements are not appropriate or reasonable for a charter  
3 school, may grant a variance from those requirements for that  
4 charter school."

5 SECTION 2. Section 22-8B-5.3 NMSA 1978 (being Laws 2011,  
6 Chapter 14, Section 8) is amended to read:

7 "22-8B-5.3. CHARTERING AUTHORITY--POWERS--DUTIES--  
8 LIABILITY.--A chartering authority shall:

9 A. evaluate charter applications;

10 B. actively pursue the utilization of charter  
11 schools to satisfy identified education needs and promote a  
12 diversity of educational choices;

13 C. approve charter applications that meet the  
14 requirements of the Charter Schools Act and the provisions of  
15 Section 22-8B-4.2 NMSA 1978;

16 D. decline to approve charter applications that  
17 fail to meet the requirements of the Charter Schools Act and  
18 the provisions of Section 22-8B-4.2 NMSA 1978 or that are  
19 otherwise inadequate;

20 E. negotiate and execute, in good faith, charter  
21 contracts that meet the requirements of the Charter Schools Act  
22 and the provisions of Section 22-8B-4.2 NMSA 1978 with each  
23 approved charter school;

24 F. monitor, in accordance with the requirements of  
25 the Charter Schools Act and the provisions of Section 22-8B-4.2

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1 NMSA 1978, the terms of the charter [~~contract~~] contracts and  
2 the performance and legal compliance of charter schools under  
3 their authority;

4 G. determine whether a charter school merits  
5 suspension, revocation or nonrenewal; and

6 H. develop and maintain chartering policies and  
7 practices consistent with nationally recognized principles and  
8 standards for quality charter authorizing in all major areas of  
9 authorizing, including:

10 (1) organizational capacity and  
11 infrastructure;

12 (2) evaluating charter applications;

13 (3) performance contracting;

14 (4) charter school oversight and evaluation;

15 and

16 (5) charter school suspension, revocation and  
17 renewal processes."

18 **SECTION 3.** Section 22-24-5.1 NMSA 1978 (being Laws 2001,  
19 Chapter 338, Section 9) is amended to read:

20 "22-24-5.1. COUNCIL ASSISTANCE AND OVERSIGHT.--In  
21 providing grant assistance pursuant to Section 22-24-5 NMSA  
22 1978, the council shall:

23 A. assist school districts in identifying critical  
24 capital outlay needs and in preparing grant applications;

25 B. take such actions as are necessary to assist

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1 school districts in implementing the projects for which grants  
2 are made, including assistance with the preparation of requests  
3 for bids or proposals, contract negotiations and contract  
4 implementation;

5 C. take such actions as are necessary to ensure  
6 cost savings and efficiencies for those school districts that  
7 are not large enough to maintain their own construction  
8 management staff; ~~and~~

9 D. include such reporting requirements and  
10 conditions and take such actions as are necessary to ensure  
11 that the grants are expended in the most prudent manner  
12 possible and consistent with the original purpose for which  
13 they were made. In order to ensure compliance with the intent  
14 of this subsection, the council may:

15 (1) access the premises of a project and  
16 review any documentation relating to a project;

17 (2) withhold all or part of the amount of  
18 grant assistance available for a project for grounds  
19 established by rule of the council; and

20 (3) if it determines that a project is  
21 repeatedly in substantial noncompliance with any reporting  
22 requirement or condition, take over the direct administration  
23 of the project until the project is completed; and

24 E. recommend to a chartering authority the  
25 suspension, nonrenewal or revocation of a new or relocating

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1 charter school based upon the charter school's New Mexico  
2 condition index ranking pursuant to Section 22-8B-4.2 NMSA  
3 1978."

4 SECTION 4. Section 22-24-9 NMSA 1978 (being Laws 2003,  
5 Chapter 147, Section 1, as amended) is amended to read:

6 "22-24-9. PUBLIC SCHOOL FACILITIES AUTHORITY--  
7 CREATION--POWERS AND DUTIES.--

8 A. The "public school facilities authority" is  
9 created under the council. The authority shall be headed by a  
10 director, selected by the council, who shall be versed in  
11 construction, architecture or project management. The director  
12 may hire no more than two deputies with the approval of the  
13 council, and, subject to budgetary constraints set out in  
14 Subsection G of Section 22-24-4 NMSA 1978, shall employ or  
15 contract with such technical and administrative personnel as  
16 are necessary to carry out the provisions of this section. The  
17 director, deputies and all other employees of the authority  
18 shall be exempt from the provisions of the Personnel Act.

19 B. The authority shall:

20 (1) serve as staff to the council;

21 (2) as directed by the council, provide those  
22 assistance and oversight functions required of the council by  
23 Section 22-24-5.1 NMSA 1978;

24 (3) assist school districts with:

25 (a) the development and implementation

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1 of five-year facilities plans and preventive maintenance plans;

2 (b) procurement of architectural and  
3 engineering services;

4 (c) management and oversight of  
5 construction activities; and

6 (d) training programs;

7 (4) conduct ongoing reviews of five-year  
8 facilities plans, preventive maintenance plans and performance  
9 pursuant to those plans;

10 (5) as directed by the council, assist school  
11 districts in analyzing and assessing their space utilization  
12 options;

13 (6) ensure that public school capital outlay  
14 projects are in compliance with applicable building codes;

15 (7) conduct on-site inspections as necessary  
16 to ensure that the construction specifications are being met  
17 and periodically inspect all of the documents related to  
18 projects;

19 (8) require the use of standardized  
20 construction documents and the use of a standardized process  
21 for change orders;

22 (9) have access to the premises of a project  
23 and any documentation relating to the project;

24 (10) after consulting with the department,  
25 recommend building standards for public school facilities to

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1 the council and ensure compliance with building standards  
2 adopted by the council;

3 (11) notwithstanding the provisions of  
4 Subsection D of Section 22-24-6 NMSA 1978, account for all  
5 distributions of grant assistance from the fund for which the  
6 initial award was made after July 1, 2004, and make annual  
7 reports to the department, the governor, the legislative  
8 education study committee, the legislative finance committee  
9 and the legislature;

10 (12) maintain a database of the condition of  
11 school facilities and maintenance schedules;

12 (13) advise the council regarding the New  
13 Mexico condition index ranking of a new or renewing charter  
14 school; and

15 [~~(13)~~] (14) as a central purchasing office  
16 pursuant to the Procurement Code and as directed by the  
17 council, select contractors and enter into and administer  
18 contracts for certain emergency projects funded pursuant to  
19 Subparagraph (b) of Paragraph (2) of Subsection B of Section  
20 22-24-5 NMSA 1978 [~~and~~

21 ~~(14) ensure that outstanding deficiencies are~~  
22 ~~corrected pursuant to Section 22-24-4.1 NMSA 1978. In the~~  
23 ~~performance of this duty, the authority:~~

24 ~~(a) shall work with school districts to~~  
25 ~~validate the assessment of the outstanding deficiencies and the~~

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1 ~~projected costs to correct the deficiencies;~~

2 ~~(b) shall work with school districts to~~  
3 ~~provide direct oversight of the management and construction of~~  
4 ~~the projects that will correct the outstanding deficiencies;~~

5 ~~(c) shall oversee all aspects of the~~  
6 ~~contracts entered into by the council to correct the~~  
7 ~~outstanding deficiencies;~~

8 ~~(d) may conduct on-site inspections~~  
9 ~~while the deficiencies correction work is being done to ensure~~  
10 ~~that the construction specifications are being met and may~~  
11 ~~periodically inspect all of the documents relating to the~~  
12 ~~projects;~~

13 ~~(e) may require the use of standardized~~  
14 ~~construction documents and the use of a standardized process~~  
15 ~~for change orders;~~

16 ~~(f) may access the premises of a project~~  
17 ~~and any documentation relating to the project; and~~

18 ~~(g) shall maintain, track and account~~  
19 ~~for deficiency correction projects separately from other~~  
20 ~~capital outlay projects funded pursuant to the Public School~~  
21 ~~Capital Outlay Act].~~

22 C. All actions taken by the authority shall be  
23 consistent with educational programs conducted pursuant to the  
24 Public School Code. In the event of any potential or perceived  
25 conflict between a proposed action of the authority and an

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~~[bracketed material] = delete~~

1 educational program, the authority shall consult with the  
2 secretary.

3 D. A school district, aggrieved by a decision or  
4 recommendation of the authority, may appeal the matter to the  
5 council by filing a notice of appeal with the council within  
6 thirty days of the authority's decision or recommendation.  
7 Upon filing of the notice:

8 (1) the decision or recommendation of the  
9 authority shall be suspended until the matter is decided by the  
10 council;

11 (2) the council shall hear the matter at its  
12 next regularly scheduled hearing or at a special hearing called  
13 by the chair for that purpose;

14 (3) at the hearing, the school district, the  
15 authority and other interested parties may make informal  
16 presentations to the council; and

17 (4) the council shall finally decide the  
18 matter within ten days after the hearing."

19 SECTION 5. EFFECTIVE DATE.--The effective date of the  
20 provisions of this act is July 1, 2013.

21 - 11 -

22  
23  
24  
25



**FIFTY-FIRST LEGISLATURE  
FIRST SESSION, 2013**

February 23, 2013

Mr. Speaker:

Your **EDUCATION COMMITTEE**, to whom has been referred  
**HOUSE BILL 354**

has had it under consideration and reports same with recommendation that it **DO PASS**, amended as follows:

1. On page 2, line 13, strike "submits" and insert in lieu thereof "facilities attain".
2. On page 2, line 15, strike "a plan by which the facilities will achieve".
3. On page 6, line 24, after "E.", insert "based upon the charter school's New Mexico condition index ranking pursuant to Section 22-8B-4.2 NMSA 1978," and after "authority", strike "the" and insert in lieu thereof a colon.
4. On page 6, strike line 25 in its entirety.
5. On page 7, strike lines 1, 2 and 3 in their entirety.
6. On page 7, between lines 3 and 4, insert the following new paragraphs:

"(1) approval or denial of a new charter school; and  
(2) suspension, nonrenewal or revocation of a relocating charter school.""

Respectfully submitted,

---

Mimi Stewart, Chairman

FIFTY-FIRST LEGISLATURE  
FIRST SESSION, 2013

HEC/HB 354

Page 2

Adopted \_\_\_\_\_ Not Adopted \_\_\_\_\_  
(Chief Clerk) (Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 11 For 0 Against  
Yes: 11  
No: 0  
Excused: Baldonado, Hamilton  
Absent: None

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