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FISCAL IMPACT REPORT

SPONSOR Trujillo, L ORIGINAL DATE 3/3/17
 LAST UPDATED _____ HB 470

SHORT TITLE School For The Arts & Capital Outlay SB _____

ANALYST Fernandez

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY17	FY18	FY19	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total		See Fiscal Implications				

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)

Public School Facilities Authority (PSFA)

SUMMARY

Synopsis of Bill

House Bill 470 amends the Public School Code to exempt the New Mexico School for The Arts from the requirement that state charter schools use the same local share percentage as the school district in which they are geographically located, as it pertains to the state/local share calculation for capital outlay projects and sets forth the calculation to be used for the local match by the New Mexico School For The Arts.

FISCAL IMPLICATIONS

PED provides the following information:

New Mexico School for the Arts is geographically located within the Santa Fe school district. The charter school has a current local match of 90% which is the same as the Santa Fe Public School District. HB-470 is proposing to change the charter school's local match from 90% to 50% for all PSCOC approved awards. This will require the state to contribute and additional 40% for any project awarded by the PSCOC.

According to the 2017-2018 preliminary New Mexico Condition Index rankings, New Mexico School for the Arts is ranked at 128. With a ranking this high the school may be

eligible for a PSCOC award in the near future. Through the standards-based process, the PSCOC usually accepts annual applications for those projects ranked within the top 100.

SIGNIFICANT ISSUES

PSFA provides the following information:

Per the 2017-2018 preliminary New Mexico Condition Index (wNMCI) ranking, NM School for the Arts is ranked at 128 with a wNMCI of 25.88%. Under the 2017-2018 PSCOC Standards-Based awards criteria, eligible schools must have a wNMCI greater than 60% and under the Systems-Based awards criteria, a school must be ranked within the top 100 to be eligible for an award.

All other state chartered charter schools, would be required to continue using the same local share percentage as the school district in which they are geographically located, including state chartered charter schools in Santa Fe. Providing a different match for individual charters may dis-equalize the funding process.

TECHNICAL ISSUES

PSFA notes the following technical issue:

Page 2, line 21 strike “educational adequacy category” and replace with “adequacy standards as they apply to charter schools”.

CF/sb