

1 A MEMORIAL

2 REQUESTING THE PUBLIC EDUCATION DEPARTMENT TO CONVENE A TASK
3 FORCE TO IDENTIFY POTENTIAL IMPACTS TO THE CENTRAL
4 CONSOLIDATED SCHOOL DISTRICT.

5
6 WHEREAS, the central consolidated school district in San
7 Juan county issued school bonds for its facilities; and

8 WHEREAS, the central consolidated school district
9 currently is obligated to repay the bonds; and

10 WHEREAS, a large percentage of the funds used by the
11 central consolidated school district to repay the outstanding
12 bonds comes from property tax paid by the owners of the San
13 Juan generating station; and

14 WHEREAS, the owners of ninety-five percent of the San
15 Juan generating station have indicated their intent not to
16 continue their participation in the San Juan generating
17 station after mid-2022, and the public service company of New
18 Mexico has indicated that it will file an application to
19 abandon the San Juan generating station in 2022; and

20 WHEREAS, the abandonment of the San Juan generating
21 station may have a large impact on the property tax revenues
22 available for the central consolidated school district to
23 repay the bonds; and

24 WHEREAS, it is critical that the central consolidated
25 school district have a plan to obtain sufficient funds to

1 repay the bonds if property tax revenues are lost;

2 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF THE
3 STATE OF NEW MEXICO that the public education department be
4 requested to convene, by August 1, 2019, a task force to
5 study the potential changes to the central consolidated
6 school district's property tax base and potential changes
7 related to mill levies and bonding capacity to determine if
8 the school district will have a potential deficit in funds to
9 repay the bonds; and

10 BE IT FURTHER RESOLVED that the task force be composed
11 of:

- 12 A. the secretary of public education;
- 13 B. the chair of the public school capital outlay
14 council;
- 15 C. the director of the legislative finance
16 committee;
- 17 D. the director of the legislative education study
18 committee;
- 19 E. the secretary of taxation and revenue;
- 20 F. the San Juan county assessor;
- 21 G. the superintendent of the central consolidated
22 school district;
- 23 H. the president of the Navajo Nation;
- 24 I. the chair of the public regulation commission;
- 25 J. a resident residing in San Juan county

1 appointed by the central consolidated school district board;
2 and

3 K. a parent of a child attending a school in the
4 central consolidated school district appointed by the central
5 consolidated school district board; and

6 BE IT FURTHER RESOLVED that the task force be requested
7 to present a report no later than October 1, 2019 to the
8 governor, the speaker of the house of representatives and the
9 president pro tempore of the senate on its findings
10 regarding:

11 A. possible reductions in property tax funds
12 provided to the central consolidated school district due to
13 the closure of the San Juan generating station and estimated
14 new property tax revenue from new resources anticipated to be
15 built in the area;

16 B. the availability of state funds provided to the
17 central consolidated school district to repay the bonds;

18 C. the estimated amount of additional funding
19 needed for the central consolidated school district to be
20 able to make the bond payments;

21 D. the estimated amount of additional funding
22 needed for the central consolidated school district to be
23 able to maintain facilities into the future; and

24 E. recommendations regarding options to provide
25 the central consolidated school district with sufficient

1 funds to be able to repay the bonds and maintain its
2 facilities; and

3 BE IT FURTHER RESOLVED that copies of this memorial be
4 transmitted to the secretary of public education, the chair of
5 the public school capital outlay council, the director of the
6 legislative finance committee, the director of the legislative
7 education study committee, the secretary of taxation and
8 revenue, the San Juan county assessor, the board president of
9 the central consolidated school district, the speaker of the
10 Navajo Nation council and the chair of the public regulation
11 commission. _____

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