



NEW MEXICO LEGISLATURE

PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE

2020 INTERIM FINAL REPORT

LEGISLATIVE COUNCIL SERVICE
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TABLE OF CONTENTS

INTERIM SUMMARY

AGENDAS AND MINUTES

ENDORSED LEGISLATION

INTERIM SUMMARY

Public School Capital Outlay Oversight Task Force 2020 Interim Summary

The Public School Capital Outlay Oversight Task Force (PSCOOTF) met twice during the 2020 interim, on October 14, 2020 and November 23, 2020. The meetings were held by video and audio conference via an online platform.

Public School Facilities Authority (PSFA) Programs

Staff updated the task force on the status of PSFA programs, providing details on the planning processes and timing for large school facility projects. Members monitored the progress of the PSFA's building systems program and heard updates on the current focus on heating, ventilation and air conditioning systems in response to the COVID-19 pandemic and the need for improved air exchange in school buildings. The task force also heard information on the demolition program for obsolete school buildings and the lack of requests to use the demolition program. Jonathan Chamblin, executive director, PSFA, addressed the issue of school district and state-chartered charter school facility master plans. Task force members also received updates on the school security improvements program and a review of the standards-based awards made by the Public School Capital Outlay Council (PSCOC) during the year. Staff from the PSFA, the State Board of Finance and the Department of Finance and Administration provided information on projected oil and gas revenues and the severance tax bonding capacity used to support PSCOC and PSFA projects.

Remote Learning and Broadband Programs

Task force members heard information relating to the challenges of remote learning during the COVID-19 pandemic, including gaps in broadband services throughout the state. Members received information detailing the lack of adequate broadband services on tribal lands and in rural areas and efforts to coordinate with the Children, Youth and Families Department or the Interagency Behavioral Health Purchasing Collaborative to provide internet access through those agencies' telehealth access.

Legislative Initiatives

The PSFA provided information on proposed legislative initiatives to expand broadband services in the state. Members endorsed a bill to create discretionary program units for fine arts education programs, elementary physical education programs, bilingual multicultural education programs, extended learning time programs and K-5 plus programs.

AGENDAS AND MINUTES

**TENTATIVE AGENDA
for the
FIRST MEETING
of the
PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE**

**October 14, 2020
Video Conference**

Wednesday, October 14

- 9:00 a.m. **Call to Order and Introductions**
—Senator William P. Soules, Chair, Public School Capital Outlay Oversight Task Force
- 9:15 a.m. (1) **Update on Recent Public School Capital Outlay Council (PSCOC) Programs and Awards**
—Joe Guillen, Chair, PSCOC; Executive Director, New Mexico School Boards Association
—Jonathan Chamblin, Executive Director, Public School Facilities Authority (PSFA)
—Randy Evans, Chief Financial Officer, PSFA
- 10:00 a.m. (2) **Expansion of the PSFA's Broadband Program, Remote Learning During the COVID-19 Pandemic and Closing the Homework Gap**
—Jonathan Chamblin, Executive Director, PSFA
—Ovidiu Viorica, Broadband Program Manager, PSFA
- 10:45 a.m. (3) **School Heating, Ventilation and Air Conditioning Systems and COVID-19 Risk Reduction**
—Jonathan Chamblin, Executive Director, PSFA
—Adán Delgado, Deputy Secretary of Finance and Operations, Public Education Department (PED)
- 11:30 a.m. (4) **SB 9 Program Units and Prior-Year Land Valuations for State Match Calculation**
—Rachel Gudgel, Director, Legislative Education Study Committee
—Antonio Ortiz, Director, Student Services and Transportation Division, PED
- 12:15 p.m. **Adjourn**

MINUTES
of the
SEVENTY-FIFTH MEETING
of the
PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE

October 14, 2020
Video Conference Meeting

The seventy-fifth meeting of the Public School Capital Outlay Oversight Task Force was called to order by Senator William P. Soules, chair, on October 14, 2020 at 9:13 a.m. by video and audio conference via an online platform.

Present

Sen. William P. Soules, Chair
Rep. G. Andrés Romero, Vice Chair
Rep. Eliseo Lee Alcon
Martha "Marty" Braniff
Rep. Jack Chatfield
Carl Foster
Rep. David M. Gallegos
Rep. Patricia A. Lundstrom
Antonio Ortiz (designee for Secretary of
Public Education Ryan Stewart)
T.J. Parks
Debbie Romero, Acting Secretary of
Finance and Administration
Stan Rounds
Eugene Schmidt
Sen. Benny Shendo, Jr.

Advisory Members

Rep. Harry Garcia
Sen. Daniel A. Ivey-Soto
Sen. Gay G. Kernan
Sen. Michael Padilla
Sen. Mimi Stewart (designee for Sen. Mary
Kay Papen)

Staff

Raúl E. Burciaga, Director, Legislative Council Service (LCS)
Lenaya Montoya, Staff Attorney, LCS
Erin Bond, Research Assistant, LCS

Absent

Sen. Craig W. Brandt
Rep. Brian Egolf
Kirk Hartom
Sen. Stuart Ingle
Sen. Mary Kay Papen
Richard A. Perea
Mike Phipps
Sen. William E. Sharer
Sen. John Arthur Smith

Sen. George K. Munoz
Sen. Cliff R. Pirtle
Sen. Sander Rue
Rep. Christine Trujillo
Sen. Pat Woods

Handouts

Handouts and other written testimony are in the meeting file and posted on the legislature's website.

Wednesday, October 14

Welcome and Introductions (9:13 a.m.)

Senator Soules welcomed task force members and staff, had task force members introduce themselves and introduced the presentations for the day.

Update on Recent Public School Capital Outlay Council (PSCOC) Programs and Awards (9:22 a.m.)

Joe Guillen, chair, PSCOC, and executive director, New Mexico School Boards Association; Jonathan Chamblin, executive director, Public School Facilities Authority (PSFA); and Randy Evans, chief financial officer, PSFA, provided an update on the programs and awards distributed through the PSCOC. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20101420%20Item%201%20%20Awards%20and%20Programs%20Revised.pdf>.

Questions and comments from task force members addressed the following topics:

- Mesa View Elementary School match and a question regarding the high match in comparison to other schools;
- Albuquerque Public School District funding and federal Coronavirus Aid, Relief, and Economic Security Act money;
- whether the Bluewater Elementary School will be receiving funding soon;
- federal impact aid districts and their appeals of distributions, the credits against their funds and whether these credits should be brought into consideration when distributing capital outlay funds;
- reconsideration of the PSCOC standards-based awards;
- whether the PSCOC is still providing funding to public schools to increase school security;
- the process of school construction, teacher housing on tribal lands and awards to tribal schools; and
- how oil and gas production may affect PSCOC financial plans.

Expansion of the PSFA's Broadband Program, Remote Learning During the COVID-19 Pandemic and Closing the Homework Gap (10:27 a.m.)

Mr. Chamblin and Ovidiu Viorica, broadband program manager, PSFA, provided the task force with an update on the PSFA's broadband program and remote learning during the COVID-19 pandemic. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20101420%20Item%202%20PSFA%20Broadband%20Expansion%20and%20Remote%20Learning%20during%20the%20Pandemic.pdf>.

Questions and comments from task force members addressed the following topics:

- whether the PSFA is tracking if school districts are increasing internet speeds to conform to Federal Communications Commission requirements and receiving funding to increase their internet speeds;
- a statewide K-12 educational broadband network and whether it is already in statute;
- application for federal E-Rate Program funds by the secretary of information technology to increase access to broadband services statewide;
- the lack of broadband access on tribal land;
- \$10 million per year in PSCOC and PSFA funding, which could be used to increase broadband access statewide;
- the determination of internet access and the internet capacity inside individual homes and throughout school districts;
- ways the Department of Finance and Administration could support the increase of broadband access statewide;
- the broadband needs of rural New Mexicans; and
- efforts to coordinate with the Children, Youth and Families Department or the Interagency Behavioral Health Purchasing Collaborative to provide internet access through the agencies' telehealth access.

School Heating, Ventilation and Air Conditioning Systems and COVID-19 Risk Reduction (11:40 a.m.)

Mr. Chamblin and Adán Delgado, deputy secretary of finance and operations, Public Education Department, provided the task force with an update on school heating, ventilation and air conditioning systems and the guidelines to reduce COVID-19 risk in schools. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=PSCO&Date=10/14/2020&ItemNumber=3>.

Questions and comments from task force members addressed the following topics:

- air purifying systems for schools and whether schools are requesting these as part of their COVID-19 responses;
- the inspection of schools to see if they are complying with social distancing, mask wearing and other COVID-19 risk reduction guidelines;
- monitoring of air quality in schools and whether this is part of guidance requirements for schools reopening; and
- cost control in schools for COVID-19 risk reduction.

SB 9 Program Units and Prior-Year Land Valuations for State Match Calculation (12:15 p.m.)

Rachel Gudgel, director, Legislative Education Study Committee, and Mr. Ortiz provided the task force with an update on the program units provided in SB 9 funding through the Public School Capital Improvements Act and the state match calculation. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20101420%20Item%204%20SB9%20Presentation.pdf>.

Adjournment

There being no further business, the meeting adjourned at 12:30 p.m.

Revised: November 20, 2020

**TENTATIVE AGENDA
for the
SEVENTY-SIXTH MEETING
of the
PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE**

**November 23, 2020
Video Conference**

Monday, November 23

- 9:00 a.m. **Call to Order and Introductions**
—Senator William P. Soules, Chair, Public School Capital Outlay Oversight Task Force
- 9:15 a.m. (1) **Revenue and Supplemental Severance Tax Bonding Capacity Projections**
—Jonathan Chamblin, Executive Director, Public School Facilities Authority (PSFA)
—Randy Evans, Chief Financial Officer, PSFA
—Ashley Leach, Director, State Board of Finance Division, Department of Finance and Administration
—Leonardo Delgado, Chief Economist, Department of Finance and Administration
- 10:15 a.m. (2) **Funding for Standards-Based Large Projects: Process and Timing**
—Jonathan Chamblin, Executive Director, PSFA
- 11:00 a.m. (3) **Legislative Initiatives**
—Jonathan Chamblin, Executive Director, PSFA
- 11:30 a.m. (4) **Legislation Proposed for Task Force Endorsement: Discretionary Program Units Legislation**
—Senator Mimi Stewart
—Rachel Gudgel, Director, Legislative Education Study Committee
- 12:00 noon **Adjourn**

**MINUTES
of the
SEVENTY-SIXTH MEETING
of the
PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE**

**November 23, 2020
Video Conference Meeting**

The seventy-sixth meeting of the Public School Capital Outlay Oversight Task Force was called to order by Senator William P. Soules, chair, on November 23, 2020 at 9:00 a.m. by video and audio conference via an online platform.

Present

Sen. William P. Soules, Chair
Rep. Eliseo Lee Alcon
Carl Foster
Rep. David M. Gallegos
Rep. Derrick J. Lente, Designee for Speaker
of the House Brian Egolf
Rep. Patricia A. Lundstrom
Antonio Ortiz, Designee for Secretary of
Public Education Ryan Stewart
T.J. Parks
Debbie Romero, Acting Secretary of
Finance and Administration
Stan Rounds
Eugene Schmidt
Sen. Benny Shendo, Jr.
Sen. Mimi Stewart, Designee for Senate Pro
Tempore Mary Kay Papen

Absent

Rep. G. Andrés Romero, Vice Chair
Martha "Marty" Braniff
Senator Craig W. Brandt
Rep. Jack Chatfield
Kirk Hartom
Sen. Stuart Ingle
Richard A. Perea
Mike Phipps
Sen. William E. Sharer
Sen. John Arthur Smith

Advisory Members

Rep. Harry Garcia
Sen. Daniel A. Ivey-Soto
Sen. Michael Padilla
Rep. Christine Trujillo
Sen. Pat Woods

Sen. Gay G. Kernan
Sen. George K. Munoz
Sen. Cliff R. Pirtle
Sen. Sander Rue

Staff

Raúl E. Burciaga, Director, Legislative Council Service (LCS)
Lenaya Montoya, Staff Attorney, LCS
Michelle Jaschke, Researcher, LCS

Minutes Approval

Because the task force will not meet again this year, the minutes for this meeting have not been officially approved by the task force.

Handouts

Handouts and other written testimony are in the meeting file and posted on the legislature's website.

Monday, November 23

Welcome and Introductions

Senator Soules welcomed the task force members and asked members and staff to introduce themselves.

Approval of Minutes

On a motion duly made and seconded, the minutes of the meeting of October 14, 2020 were approved without objection.

Revenue and Supplemental Severance Tax Bonding Capacity Projections (9:09 a.m.)

Jonathan Chamblin, executive director, Public School Facilities Authority (PSFA); Randy Evans, chief financial officer, PSFA; Ashley Leach, director, State Board of Finance Division, Department of Finance and Administration (DFA); and Leonardo Delgado, chief economist, DFA, presented projections for oil and gas revenue and severance tax bonding capacity. The presentation can be found here:

[https://www.nmlegis.gov/handouts/PSCO%20112320%20Item%201%20Board%20of%20Finance%20Presentation%20\(003\).pdf](https://www.nmlegis.gov/handouts/PSCO%20112320%20Item%201%20Board%20of%20Finance%20Presentation%20(003).pdf).

Task force members discussed the following topics:

- oil production in New Mexico;
- why oil production continues when prices drop below production costs;
- the relative efficiency of oil production when existing rigs and wells are brought back online;
- projections that oil production in the coming year will be lower than the current year;
- the impact of potential restrictions on fracking on federal lands on New Mexico wells;
- the impact of closure of the Gallup refinery;
- the potential need for adjustments to Public School Capital Outlay Council (PSCOC) awards in future years;
- projections for the industry to resume its growth cycle at the end of fiscal year 2021;
- transmission capabilities in different areas of the state; and
- energy transition plans of major oil and gas producers.

Mr. Delgado stated that he will follow up with the task force with additional information on energy transmission projects and the impact of the Gallup refinery closure.

Funding for Standards-Based Large Projects: Process and Timing (10:21 a.m.)

Mr. Chamblin presented information on the PSCOC's and the PSFA's processes for funding large standards-based projects. The presentation can be found here:

[www.nmlegis.gov/handouts/PSCO%20112320%20Item%202%20Standards%20Based%20Awards%20Funding%20Presentation%20\(003\).pdf](http://www.nmlegis.gov/handouts/PSCO%20112320%20Item%202%20Standards%20Based%20Awards%20Funding%20Presentation%20(003).pdf).

Task force members discussed the following topics:

- school district and state-chartered charter school facility master plans and the estimated 24 annual facility master plan requests;
- the building systems program and the changing focus of that program; and
- timing for applications and awards for the building systems program.

Legislative Initiatives (11:03 a.m.)

Mr. Chamblin presented information on potential legislative initiatives. The presentation can be found here:

[www.nmlegis.gov/handouts/PSCO%20112320%20Item%203%20Legislative%20Initiatives%20Presentation%20\(003\).pdf](http://www.nmlegis.gov/handouts/PSCO%20112320%20Item%203%20Legislative%20Initiatives%20Presentation%20(003).pdf).

Task force members discussed the following topics:

- state participation on broadband and technology projects for remote learning during the coronavirus disease 2019 pandemic;
- identification and funding for effective connectivity solutions for critical high-speed internet access;
- heating, ventilation and air conditioning system projects developed in response to the coronavirus disease 2019 pandemic;
- the increased costs of installation and energy consumption associated with upgrading or replacing heating, ventilation and air conditioning systems;
- the lack of requests for demolition funding; and
- matching requirements for the demolition program.

Legislation Proposed for Task Force Endorsement: Discretionary Program Units Legislation (11:18 a.m.)

Senator Stewart and Rachel Gudgel, director, Legislative Education Study Committee, discussed corrections to the calculations in the Public School Capital Improvements Act, also known as SB 9.

Task force members discussed the following topics:

- prior year unit determinations and their impact on matching requirements; and
- the impact of the coronavirus disease 2019 pandemic on student enrollment counts.

Senator Stewart moved to endorse the discretionary program units legislation, and the motion was seconded by Mr. Rounds. The motion was approved without objection.

Adjournment

There being no further business before the task force, the meeting adjourned at 11:34 a.m.

ENDORSED LEGISLATION

SENATE BILL

55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

INTRODUCED BY

FOR THE PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE

AN ACT

RELATING TO PUBLIC SCHOOL CAPITAL IMPROVEMENTS; CREATING
DISCRETIONARY PROGRAM UNITS; DEFINING "DISCRETIONARY PROGRAM
UNITS"; EXCLUDING CERTAIN PROGRAM UNITS IN CALCULATING
DISTRIBUTIONS TO SCHOOL DISTRICTS PURSUANT TO THE PUBLIC SCHOOL
CAPITAL IMPROVEMENTS ACT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 22-25-2 NMSA 1978 (being Laws 1975
(S.S.), Chapter 5, Section 2, as amended) is amended to read:

"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,
.218403.2

1 including payments made with respect to lease-purchase
2 arrangements as defined in the Education Technology Equipment
3 Act or the Public School Lease Purchase Act but excluding any
4 other debt service expenses, for:

5 (1) erecting, remodeling, making additions to,
6 providing equipment for or furnishing public school buildings
7 and pre-kindergarten classroom facilities;

8 (2) purchasing or improving public school or
9 pre-kindergarten grounds;

10 (3) maintenance of public school buildings or
11 public school or pre-kindergarten grounds, including the
12 purchasing or repairing of maintenance equipment and
13 participating in the facility information management system as
14 required by the Public School Capital Outlay Act and including
15 payments under contracts with regional education cooperatives
16 for maintenance support services and expenditures for technical
17 training and certification for maintenance and facilities
18 management personnel, but excluding salary expenses of school
19 district employees;

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

22 (5) purchasing computer software and hardware
23 for student use in public school classrooms; and

24 (6) purchasing and installing education
25 technology improvements, excluding salary expenses of school

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1 district employees, but including tools used in the educational
2 process that constitute learning and administrative resources,
3 and that may also include:

4 (a) satellite, copper and fiber-optic
5 transmission; computer and network connection devices; digital
6 communication equipment, including voice, video and data
7 equipment; servers; switches; portable media devices, such as
8 discs and drives to contain data for electronic storage and
9 playback; and the purchase or lease of software licenses or
10 other technologies and services, maintenance, equipment and
11 computer infrastructure information, techniques and tools used
12 to implement technology in schools and related facilities; and

13 (b) improvements, alterations and
14 modifications to, or expansions of, existing buildings or
15 tangible personal property necessary or advisable to house or
16 otherwise accommodate any of the tools listed in this
17 paragraph; and

18 C. "discretionary program units" means program
19 units generated for fine arts education programs pursuant to
20 Section 22-8-23.5 NMSA 1978, elementary physical education
21 programs pursuant to Section 22-8-23.7 NMSA 1978, bilingual
22 multicultural education programs pursuant to Section 22-8-22
23 NMSA 1978, extended learning time programs pursuant to Section
24 22-8-23.10 NMSA 1978 and K-5 plus programs pursuant to Section
25 22-8-23.11 NMSA 1978."

1 SECTION 2. Section 22-25-9 NMSA 1978 (being Laws 1975
2 (S.S.), Chapter 5, Section 9, as amended) is amended to read:

3 "22-25-9. STATE DISTRIBUTION TO SCHOOL DISTRICT IMPOSING
4 TAX UNDER CERTAIN CIRCUMSTANCES.--

5 A. Except as provided in Subsection C or G of this
6 section, the secretary shall distribute to any school district
7 that has imposed a tax under the Public School Capital
8 Improvements Act an amount from the public school capital
9 improvements fund that is equal to the amount by which the
10 revenue estimated to be received from the imposed tax, using
11 prior year valuations, at the rate certified by the department
12 of finance and administration in accordance with Section
13 22-25-7 NMSA 1978, assuming a one hundred percent collection
14 rate, is less than an amount calculated by multiplying [~~an~~
15 ~~average of~~] the school district's prior year [~~second and third~~
16 ~~reporting dates' total~~] final program units, excluding
17 discretionary program units, by the amount specified in
18 Subsection B of this section and further multiplying the
19 product obtained by the tax rate approved by the qualified
20 electors in the most recent election on the question of
21 imposing a tax under the Public School Capital Improvements
22 Act. The distribution shall be made each year that the tax is
23 imposed in accordance with Section 22-25-7 NMSA 1978; provided
24 that no state distribution from the public school capital
25 improvements fund may be used for capital improvements to any

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1 administration building of a school district. In the event
2 that sufficient funds are not available in the public school
3 capital improvements fund to make the state distribution
4 provided for in this section, the dollar per program unit
5 figure shall be reduced as necessary.

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

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

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

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1 C. For any fiscal year notwithstanding the amount
2 calculated to be distributed pursuant to Subsections A and B of
3 this section, except as provided in Subsection G of this
4 section, a school district, the voters of which have approved a
5 tax pursuant to Section 22-25-3 NMSA 1978, shall not receive a
6 distribution less than the amount calculated pursuant to
7 Subsection E of this section multiplied by ~~[the average of]~~ the
8 school district's prior year ~~[second and third reporting dates'~~
9 ~~total]~~ final program units, excluding discretionary program
10 units, and further multiplying the product obtained by the
11 approved tax rate.

12 D. For purposes of calculating the distribution
13 pursuant to Subsection B of this section, the amount used in
14 Paragraph (1) of that subsection shall equal seventy dollars
15 (\$70.00) in fiscal year 2008 and in each subsequent fiscal year
16 shall equal the amount for the previous fiscal year adjusted by
17 the percentage increase between the next preceding calendar
18 year and the preceding calendar year of the consumer price
19 index for the United States, all items, as published by the
20 United States department of labor.

21 E. For purposes of calculating the minimum
22 distribution pursuant to Subsection C of this section, the
23 amount used in that subsection shall equal five dollars (\$5.00)
24 through fiscal year 2005 and in each subsequent fiscal year
25 shall equal the amount for the previous fiscal year adjusted by

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1 the percentage increase between the next preceding calendar
2 year and the preceding calendar year of the consumer price
3 index for the United States, all items, as published by the
4 United States department of labor.

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

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

15 (2) for the school district portion of
16 payments made under a financing agreement entered into by a
17 school district or a charter school for the leasing of a
18 building or other real property with an option to purchase for
19 a price that is reduced according to the payments made, if the
20 school district has received a grant for the state share of the
21 payments pursuant to Subsection D of Section 22-24-5 NMSA 1978.

22 G. If a serious deficiency in a roof of a public
23 school facility has been corrected pursuant to Section
24 22-24-4.4 NMSA 1978 and the school district has refused to pay
25 its share of the cost as determined by that section, until the

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1 public school capital outlay fund is reimbursed in full for the
2 share attributed to the district, the distribution calculated
3 pursuant to this section shall not be made to the school
4 district but shall be made to the public school capital outlay
5 fund.

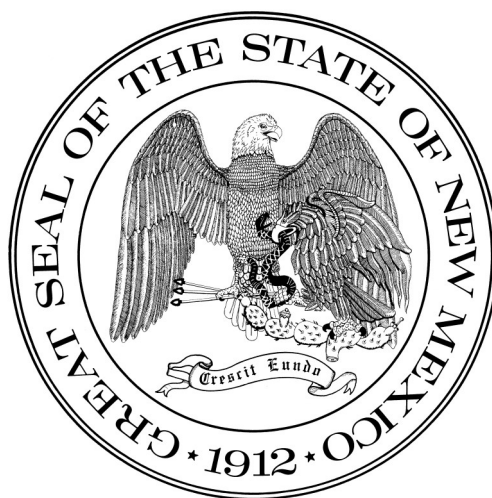
6 H. A portion of each distribution made by the state
7 pursuant to this section on or after July 1, 2009 shall be
8 further distributed by the school district to each locally
9 chartered or state-chartered charter school located within the
10 school district. The amount to be distributed to each charter
11 school shall be in the same proportion as the average full-
12 time-equivalent enrollment of the charter school on the second
13 and third reporting dates of the prior school year is to the
14 total such enrollment in the school district; provided that no
15 distribution shall be made to an approved charter school that
16 had not commenced classroom instruction in the prior school
17 year. Each year, the department shall certify to the school
18 district the amount to be distributed to each charter school.
19 Distributions received by a charter school pursuant to this
20 subsection shall be expended pursuant to the provisions of the
21 Public School Capital Improvements Act; except that if capital
22 improvements for the charter school were not identified in a
23 resolution approved by the electors, the charter school may
24 expend the distribution for any capital improvements, including
25 those specified in Subsection F of this section.

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

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

16 SECTION 3. EFFECTIVE DATE.--The effective date of the
17 provisions of this act is July 1, 2021.



LEGISLATIVE COUNCIL SERVICE
SANTA FE, NEW MEXICO