



NEW MEXICO LEGISLATURE

PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE

2021 INTERIM FINAL REPORT

LEGISLATIVE COUNCIL SERVICE
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INTERIM SUMMARY

Public School Capital Outlay Oversight Task Force 2021 Interim Summary

State statute allows the Public School Capital Outlay Oversight Task Force (PSCOOTF) to hold a maximum of four meetings during each interim, in addition to one organizational meeting. In 2021, meetings were held at the State Capitol in Santa Fe on June 4, July 9, August 16, September 3 and October 25, with Representative G. Andrés Romero as chair and Senator William P. Soules as vice chair.

The task force began its work, as it did at each meeting, with a general update from the Public School Facilities Authority (PSFA) that provided an overview of the public school capital funding process and reviewed current awards and projects. The PSFA also reviewed the impact of legislative action over the past two years, including appropriations that impacted public school capital projects and capital funding formula changes made by House Bill (HB) 6 (2021). The Legislative Finance Committee (LFC) gave the task force an overview of federal stimulus aid actions for education.

During the August meeting, the PSFA described the impact of declining property valuations on school districts in general. The superintendents of the Bloomfield School District and the Central Consolidated School District provided their perspectives on that issue. The Office of the Attorney General and the PSFA also provided the PSCOOTF with an overview of the history and current status of the *Zuni* lawsuit, stretching back to 1998. Members of a panel of experts on the administration and applications of broadband networks discussed their relative roles in the new Statewide Education Technology Infrastructure Network.

At the September meeting, the PSCOOTF continued to examine the impact and implementation of HB 6 (2021) on the capital funding formula for schools, with an eye on that bill's mandate for the PSCOOTF to eventually provide guidance on a specific definition of "unrestricted revenue used for capital expenditures". The task force also reviewed the process and options for charter school facilities funding.

The task force ended its work for the interim hearing about the evolving needs for early childhood facilities and a discussion of how teacher housing has been and could be further implemented throughout the state. The task force was updated on the magnitude of changes in supplemental severance tax bonding capacity from the Department of Finance and Administration, some of the underlying drivers of changing severance tax bonding capacity from the LFC and the implications of those changes from the PSFA.

WORK PLAN AND MEETING SCHEDULE

2021 APPROVED
WORK PLAN AND MEETING SCHEDULE
for the
PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE

Members

Rep. G. Andrés Romero, Chair
Sen. William P. Soules, Vice Chair
Sondra Adams
Rep. Eliseo Lee Alcon
Wesley Billingsley (Department of Finance
and Administration Designee)
Martha "Marty" Braniff
Rep. Jack Chatfield
Rep. Brian Egolf
Scott Elder
Carl Foster
Rep. Susan K. Herrera (Designee for
Rep. Brian Egolf)
Sen. Stuart Ingle
Rep. Patricia A. Lundstrom
Cindy Montoya

Sen. George K. Munoz
Brandy J. Murphy
Antonio Ortiz (Public Education
Department Designee)
Rep. Randall T. Pettigrew
Sen. Shannon D. Pinto
Amber L. Romero
Sec. Debbie Romero
Stan Rounds
Edwardo Morales Rubio
Sen. Joshua A. Sanchez
Karen Sanchez-Griego
Sen. Benny Shendo, Jr.
Sen. Mimi Stewart
Sec. Ryan Stewart

Advisory Members

Sen. Leo Jaramillo
Sen. Michael Padilla

Sen. Cliff R. Pirtle

Background

Created by statute (Sections 22-24-7 and 22-24-8 NMSA 1978), the Public School Capital Outlay Oversight Task Force oversees the work of the Public School Capital Outlay Council (PSCOC) and the Public School Facilities Authority (PSFA) as they carry out the state's public school capital outlay program and other programs pursuant to the Public School Capital Outlay Act (PSCOA). Task force membership consists of 25 members (or their respective designees), with both legislative and public members determined by statute.

Work Plan

The task force will address the following statutory requirements during the 2021 interim:

1. oversee the work of the PSCOC and the PSFA as they perform functions pursuant to the PSCOA, particularly as the agencies implement the statewide process for making grant awards;
2. monitor the existing permanent revenue streams to ensure that they remain adequate long-term funding sources for public school capital outlay projects;

3. monitor the overall progress of bringing all public school facilities up to the statewide adequacy standards developed pursuant to provisions in the PSCOA; and

4. monitor the progress and effectiveness of programs administered pursuant to the PSCOA and the Public School Capital Improvements Act.

In addition, as time permits, the task force will:

5. monitor developments in the *Zuni* lawsuit and consider recommendations to meet court requirements;

6. consider the implementation of changes enacted by Laws 2021, Chapter 52 (House Bill 6: State Equalization Guarantee Distributions), including evaluating the implications of and providing input to the PSCOC rules for the definition of "unrestricted revenue used for capital expenditures";

7. review the broadband infrastructure funding for schools, including monitoring the establishment of a statewide education technology infrastructure network and other changes created by Laws 2021, Chapter 49 (Senate Bill 144: Remote Education Technology Infrastructure);

8. review the current capital outlay funding process and options for charter schools in New Mexico;

9. evaluate the proliferation of additional separate programs that the PSFA is tasked with administering in relation to the staffing resources available to the PSFA;

10. review strategies for improving the funding of maintenance costs for school facilities;

11. receive a report on special appropriations made for impact aid districts;

12. review the impact of funding for demolition allowed by Laws 2021, Chapter 27 (Senate Bill 43: Funding of Demolition of Abandoned Schools);

13. review developments in the needs and structure of funding for teacher housing, including how those developments have been impacted by recent legislation and new awards programs;

14. review the functioning of state adequacy standards, including how those standards pertain to small combined schools;

15. monitor response options of schools with declining bonding capacity; and

16. receive testimony on how early childhood education programs in public schools have impacted facility space needs and how those programs in public schools are expected to impact needs in the future.

**Public School Capital Outlay Oversight Task Force
2021 Approved Meeting Schedule**

<u>Date</u>	<u>Location</u>
June 4	Video Conference
July 9	Santa Fe
August 16	Santa Fe
September 3	Santa Fe
October 25	Santa Fe

AGENDAS AND MINUTES

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

**June 4, 2021
Video Conference**

Friday, June 4

- | | |
|------------|---|
| 10:00 a.m. | Call to Order and Introductions
—Representative G. Andrés Romero, Chair
—Senator William P. Soules, Vice Chair |
| 10:15 a.m. | (1) <u>Public School Facilities Authority (PSFA) Overview</u>
—Jonathan Chamblin, Director, PSFA |
| 10:45 a.m. | (2) <u>Proposed Interim Work Plan and Meeting Schedule</u>
—Public School Capital Outlay Oversight Task Force Members and Staff |
| 12:00 noon | Adjourn |

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

**June 4, 2021
Video Conference Meeting**

The seventy-seventh meeting of the Public School Capital Outlay Oversight Task Force was called to order by Representative G. Andrés Romero, chair, on June 4, 2021 at 10:00 a.m. by video conference via an online platform.

Present

Rep. G. Andrés Romero, Chair
Sen. William P. Soules, Vice Chair
Sondra Adams
Rep. Eliseo Lee Alcon
Scott Elder
Carl Foster
Rep. Susan K. Herrera, Designee for
Rep. Brian Egolf
Sen. Stuart Ingle
Rep. Patricia A. Lundstrom
Cindy Montoya
Sen. George K. Munoz
Brandy Murphy
Antonio Ortiz, Designee for Secretary of
Public Education Ryan Stewart
Rep. Randall T. Pettigrew
Sen. Shannon D. Pinto
Amber L. Romero
Debbie Romero, Secretary of Finance and
Administration
Stan Rounds
Edward M. Rubio
Karen Sanchez-Griego
Sen. Benny Shendo, Jr.
Sen. Mimi Stewart

Advisory Members

Absent

Martha "Marty" Braniff
Rep. Jack Chatfield
Sen. Joshua A. Sanchez

Sen. Leo Jaramillo
Sen. Michael Padilla
Sen. Cliff R. Pirtle

Staff

Raúl E. Burciaga, Director, Legislative Council Service (LCS)
Clinton Turner, Research and Fiscal Policy Analyst, LCS
Michelle Jaschke, Researcher, LCS
Sheila Keleher, Research Assistant, LCS
Lenaya Montoya, Staff Attorney, LCS

Guests

The guest list is in the meeting file.

Handouts

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

References to Webcast

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the task force meeting, which can be found at <http://sg001-harmony.sliq.net/00293/Harmony/en/PowerBrowser/PowerBrowserV2/20210604/-1/67646>. The presentations made and task force discussions for agenda items can be found on the recorded webcast for this meeting.

Friday, June 4**Welcome and Introductions (10:00 a.m.)**

Representative Romero welcomed task force members and asked members and staff to introduce themselves.

Public School Facilities Authority (PSFA) Overview (10:13 a.m.)

Jonathan Chamblin, executive director, PSFA, provided an overview of the Public School Capital Outlay Council and the PSFA. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20060421%20Item%201%20PSFA%20Overview.pdf>.

2021 Proposed Work Plan and Meeting Schedule (10:48 a.m.)

Representative Romero presented the 2021 Proposed Work Plan and Meeting Schedule to the task force. The document can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20060421%20Item%202%20proposed%20work%20plan.pdf>.

Senator Stewart moved to approve the 2021 Proposed Work Plan and Meeting Schedule. Representative Romero seconded the motion, and the motion was approved without objection.

Adjournment

There being no further business before the task force, the meeting adjourned at 11:05 a.m.

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

**July 9, 2021
State Capitol, Senate Chambers
Santa Fe**

Friday, July 9

- 9:00 a.m. **Call to Order and Approval of Minutes**
 —Representative G. Andrés Romero, Chair
 —Senator William P. Soules, Vice Chair
- 9:15 a.m. (1) **Public School Capital Outlay Council and Public School Facilities Authority (PSFA) Update**
 —Randy Evans, Chief Financial Officer, PSFA
 —Jonathan Chamblin, Executive Director, PSFA
- 10:00 a.m. (2) **Review of Recent Impact Aid Appropriations**
 —Martica Casias, Deputy Director, PSFA
 —Jonathan Chamblin, Executive Director, PSFA
- 10:45 a.m. (3) **House Bill 6 (2021): Capital Funding Formula Changes**
 —Jonathan Chamblin, Executive Director, PSFA
- 11:30 a.m. (4) **School Maintenance Strategies**
 —Larry Tillotson, Maintenance and Operations Support Manager, PSFA
 —Jonathan Chamblin, Executive Director, PSFA
- 12:00 noon (5) **Federal Stimulus Aid to Public Schools**
 —David Abbey, Director, Legislative Finance Committee (LFC)
 —Micaela Fischer, Program Evaluation Manager, LFC
 —Sunny Z. Liu, Senior Fiscal Analyst, LFC
- 12:45 p.m. **Public Comment***
- 1:15 p.m. **Adjourn**

*Members of the public may make comments during the public comment portion of the meeting by clicking the video icon beneath the meeting agenda on the Public School Capital Outlay Oversight Task Force [web page](#) and following instructions under the "Extra Information" section.

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

**July 9, 2021
State Capitol, Senate Chambers
Santa Fe**

The seventy-eighth meeting of the Public School Capital Outlay Oversight Task Force was called to order by Representative G. Andrés Romero, chair, on July 9, 2021 at 9:06 a.m. in the Senate Chambers at the State Capitol in Santa Fe.

Present

Rep. G. Andrés Romero, Chair
Sen. William P. Soules, Vice Chair
Rep. Eliseo Lee Alcon
Martha "Marty" Braniff
Rep. Jack Chatfield
Carl Foster
Rep. Susan K. Herrera, Designee for Rep.
 Brian Egolf
Sen. Stuart Ingle
Ashley Leach, Designee for Secretary of
 Finance and Administration Debbie
 Romero
Rep. Patricia A. Lundstrom
Cindy Montoya
Sen. George K. Munoz
Brandy Murphy
Antonio Ortiz, Designee for Secretary of
 Public Education Ryan Stewart
Rep. Randall T. Pettigrew
Sen. Shannon D. Pinto
Amber L. Romero
Sen. Mimi Stewart

Advisory Members

Absent

Sondra Adams
Scott Elder
Stan Rounds
Edward M. Rubio
Sen. Joshua A. Sanchez
Karen Sanchez-Griego
Sen. Benny Shendo, Jr.

Sen. Leo Jaramillo
Sen. Michael Padilla
Sen. Cliff R. Pirtle

Staff

Clinton Turner, Research and Fiscal Policy Analyst, Legislative Council Service (LCS)
Rebecca Griego, Records Officer, LCS
Sheila Keleher, Research Assistant, LCS
Lenaya Montoya, Staff Attorney, LCS

Guests

The guest list is in the meeting file.

Handouts

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

References to Webcast

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Friday, July 9**Welcome and Introductions (9:06 a.m.)**

Representative Romero welcomed task force members and asked members and staff to introduce themselves.

Approval of Minutes

Upon a motion made and seconded, the task force approved the minutes of the June 4, 2021 meeting without objection.

Public School Capital Outlay Council (PSCOC) and Public School Facilities Authority (PSFA) Update (9:08 a.m.)

Jonathan Chamblin, executive director, PSFA, and Randy Evans, chief financial officer, PSFA, provided an overview and update of the PSCOC and the PSFA. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20070921%20Item%201%20PSCOC%20PSFA%20Update.pdf>.

Review of Recent Impact Aid Appropriations (10:28 a.m.)

Martica Casias, deputy director, PSFA, and Mr. Chamblin provided a review of recent impact aid appropriations. Ms. Casias outlined Senate Bill 280 (2019) appropriations for outside of adequacy standards and teacher housing. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20070921%20Item%202%20Impact%20Aid%20Appropriations%20Update.pdf>.

House Bill 6 (2021): Capital Funding Formula Changes (10:50 a.m.)

Mr. Chamblin and Mr. Evans reviewed the capital funding and offsets process, along with the state and local match calculations for various school districts. Mr. Chamblin addressed the changes to the Phase 2 capital funding formula as outlined in House Bill 6 (2021). The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20070921%20Item%203%202021%20HB%206%20Capital%20Funding%20Formula%20Changes.pdf>.

School Maintenance Strategies (11:52 a.m.)

Larry Tillotson, maintenance and operations support manager, PSFA, reviewed the public school maintenance strategies, including how the facility maintenance assessment report is used to measure schools' performance. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20070921%20Item%204%20Public%20School%20Maintenance%20Strategies.pdf>.

Federal Stimulus Aid to Public Schools (12:41 p.m.)

Micaela Fischer, program evaluation manager, Legislative Finance Committee (LFC); Sunny Z. Liu, senior fiscal analyst, LFC; and David Abbey, director, LFC, provided an overview of federal stimulus aid for public schools, outlining the federal Education Stabilization Fund and the three major subfunds supporting emergency education needs. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20070921%20Item%205%20Federal%20Stimulus%20Aid%20to%20Public%20Schools.pdf>.

Public Comment

The task force did not receive any public comment.

Adjournment

There being no further business before the task force, the meeting adjourned at 12:57 p.m.

Revised: August 16, 2021

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

**August 16, 2021
State Capitol, House Chambers
Santa Fe**

Monday, August 16

- 9:30 a.m. (1) **Public School Capital Outlay Council and Public School Facilities Authority (PSFA) Update**
 —Jonathan Chamblin, Executive Director, PSFA
 —Randy Evans, Chief Financial Officer, PSFA
- 10:30 a.m. (2) **Impact of Declining Property Valuation on School Districts**
 —Randy Evans, Chief Financial Officer, PSFA
 —Jonathan Chamblin, Executive Director, PSFA
 —Daniel P. Benavidez, Superintendent, Central Consolidated School District
 —Dr. Kimberly Mizell, Superintendent, Bloomfield School District
 —Erik Harrigan, Managing Director, Albuquerque Municipal Finance Office, RBC Capital Markets, LLC
- 12:00 noon **Lunch**
- 1:00 p.m. (3) **Zuni Lawsuit Update**
 —Mona Martinez, Staff Attorney, PSFA
 —Jonathan Chamblin, Executive Director, PSFA
 —Matt Baca, Chief Counsel, Office of the Attorney General
- 2:00 p.m. (4) **Statewide Education Technology Infrastructure Network**
 —Rand Tilton, Program Manager, Department of Information Technology (DoIT)
 —Gar Clarke, Program Manager, DoIT
 —John Sena, Policy Director, Public Education Department (PED)
 —John Chadwick, E-Rate Coordinator, PED
 —Mike Archibeque, President, MA Strategies
 —Ferdi Serim, Connectivity Consultant, Claro Consulting
 —Jeremy Lovato, Chief Information Officer (CIO), Department of Transportation
 —Eli Guinnee, State Librarian, New Mexico State Library

- Richard Govea, Broadband Opportunities Program Manager, New Mexico State Library
- Kimball Sekaquaptewa, Chief Technology Director, Santa Fe Indian School
- Jason Collet, CIO, Western New Mexico University; President, Consortium on Higher Education Computing/Communication Services
- Duane Arruti, CIO, University of New Mexico
- Chris Kielt, Interim CIO, New Mexico State University
- Dan Lunceford, Director of Information Technology and Communication, New Mexico Institute of Mining and Technology
- Kirsten Martinez, Director, Business Operations, Information Technologies, University of New Mexico
- Paul Chang, Director of Networks, University of New Mexico
- Ovidiu Viorica, Broadband and Technology Program Manager, PSFA
- Jonathan Chamblin, Executive Director, PSFA

4:30 p.m. **Public Comment***

5:00 p.m. **Adjourn**

*Members of the public may make comments during the public comment portion of the meeting by clicking the video icon beneath the meeting agenda on the Public School Capital Outlay Oversight Task Force [web page](#) and following instructions under the "Extra Information" section.

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

**August 16, 2021
State Capitol, House Chambers
Santa Fe**

The seventy-ninth meeting of the Public School Capital Outlay Oversight Task Force was called to order by Representative G. Andrés Romero, chair, on August 16, 2021 at 9:31 a.m. in the House Chambers of the State Capitol in Santa Fe.

Present

Rep. G. Andrés Romero, Chair
Sen. William P. Soules, Vice Chair
Sondra Adams
Rep. Eliseo Lee Alcon
Scott Elder
Carl Foster
Sen. Stuart Ingle
Ashley Leach, Designee for Secretary of
Finance and Administration Debbie
Romero
Rep. Patricia A. Lundstrom
Cindy Montoya
Brandy Murphy
Antonio Ortiz, Designee for Secretary of
Public Education Ryan Stewart
Rep. Randall T. Pettigrew
Sen. Shannon D. Pinto
Amber L. Romero
Stan Rounds
Karen Sanchez-Griego
Sen. Benny Shendo, Jr.
Sen. Mimi Stewart

Advisory Members

Absent

Rep. Jack Chatfield
Rep. Brian Egolf
Sen. George K. Munoz
Sen. Joshua A. Sanchez

Sen. Leo Jaramillo
Sen. Michael Padilla
Sen. Cliff R. Pirtle

Staff

Raúl E. Burciaga, Director, Legislative Council Service (LCS)

Clinton Turner, Research and Fiscal Policy Analyst, LCS

Rebecca Griego, Records Officer, LCS

Sheila Keleher, Research Assistant, LCS

Guests

The guest list is in the meeting file.

Handouts

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

References to Webcast

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Monday, August 16**Introduction (9:31 a.m.)**

On behalf of the task force, Representative Romero expressed his condolences for the loss of student Bennie Hargrove in the recent school shooting at Washington Middle School in Albuquerque.

Public School Capital Outlay Council (PSCOC) and Public School Facilities Authority (PSFA) Update (9:33 a.m.)

Jonathan Chamblin, executive director, PSFA, and Randy Evans, chief financial officer, PSFA, provided an update on the PSCOC and the PSFA. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20081621%20Item%201%20PSFA%20and%20PSCOC%20update.pdf>.

Impact of Declining Property Valuation on School Districts (10:31 a.m.)

Mr. Chamblin and Mr. Evans presented an overview of how declining property valuations impact the state and local match percentages for school districts' capital projects. Daniel P. Benavidez, superintendent, Central Consolidated School District, along with his staff, addressed the challenges of a rural impact aid district without municipal amenities. Dr. Kimberly Mizell, superintendent, Bloomfield School District, gave a presentation outlining the challenges of a district with a declining population. Erik Harrigan, managing director, Albuquerque Municipal Finance Office, RBC Capital Markets, LLC, presented an overview of school district general

obligation bonds, along with the impact of the tax base on bonding capacity. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=PSCO&Date=8/16/2021&ItemNumber=2>.

Zuni Lawsuit Update (1:02 p.m.)

Mr. Chamblin and Mona Martinez, staff attorney, PSFA, presented an overview of and update on the *Zuni* lawsuit. Matt Baca, chief counsel, Office of the Attorney General, addressed the procedural aspects of the lawsuit as well as the recent court rulings. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20081621%20Item%203%20PSFA%20Zuni%20Lawsuit%20Update.pdf>.

Approval of Minutes (2:02 p.m.)

Upon a motion made and seconded, and without any objections, the task force approved and adopted the minutes of the July 9, 2021 meeting.

Statewide Education Technology Infrastructure Network (2:04 p.m.)

Raja Sambandam, acting secretary, Department of Information Technology (DoIT), introduced Rand Tilton, program manager, DoIT, and Gar Clarke, project manager, DoIT, who reviewed the 2021 broadband legislation, including House Bill (HB) 10, Senate Bill (SB) 93 and SB 377, as well as the three-year economic development grant. Tim Bedeaux, legislative liaison, Public Education Department (PED), introduced Mike Archibeque, president and project manager, MA Strategies, and Ferdi Serim, project data manager, MA Strategies, who gave an overview of the PED's 2021 New Mexico Student Connect program. Jeremy Lovato, chief information officer (CIO), Department of Transportation, outlined the fiber and data infrastructure operation for facility connectivity throughout New Mexico.

Eli Guinnee, state librarian, New Mexico State Library, and Richard Govea, broadband opportunities program manager, New Mexico State Library, addressed the broadband challenges and goals for libraries across the state. Jason Collet, CIO, Western New Mexico University, and president, Consortium on Higher Education Computing/Communication Services; Chris Kielt, interim CIO, New Mexico State University; and Dan Lunceford, director of information technology and communication, New Mexico Institute of Mining and Technology, gave an overview of the collaborative aspect of establishing a statewide education network. Duane Arruti, CIO, University of New Mexico (UNM); Brian Pietrewicz, deputy CIO, UNM; Kirsten Martinez, director, business operations, information technologies, UNM; and Paul Chang, director of networks, UNM, reviewed the aggregation services that research institutions are providing to promote statewide connectivity. Finally, Mr. Chamblin and Ovidiu Viorica, broadband and technology program manager, PSFA, summarized SB 144 (2021) and its

implications on the PSFA broadband program and statewide connectivity. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=PSCO&Date=8/16/2021&ItemNumber=4>.

Public Comment (4:27 p.m.)

A list of individuals making public comment is available in the meeting file.

Adjournment

There being no further business before the task force, the meeting adjourned at 4:30 p.m.

Revised: September 2, 2021

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

**September 3, 2021
State Capitol, Senate Chambers
Santa Fe**

Friday, September 3

- 9:30 a.m. (1) **Public School Capital Outlay Council and Public School Facilities Authority (PSFA) Update**
 —Jonathan Chamblin, Executive Director, PSFA
 —Randy Evans, Chief Financial Officer, PSFA
- 10:15 a.m. (2) **Impact and Implementation of House Bill 6 (2021) on the Capital Funding Formula for Schools**
 —Jonathan Chamblin, Executive Director, PSFA
 —Randy Evans, Chief Financial Officer, PSFA
 —Jvanna L. Hanks II, Deputy Superintendent, Gallup-McKinley County School District
 —Claire Cieremans, Chief Finance Officer, Los Lunas Public School District
 —Martin Romine, Director of Finance, Zuni Public School District
 —Ludym Martinez, Associate Superintendent for Finance, Gadsden Independent School District
 —Leslie Pearce, Business Manager, Tatum Municipal School District
 —Tami Coleman, Chief Financial Officer, Albuquerque Public School District
 —Terry Dean, Executive Director, New Mexico Association of School Business Officials
- 11:45 a.m. (3) **Facilities Funding Process and Options for Charter Schools**
 —Jonathan Chamblin, Executive Director, PSFA
 —Matthew Pahl, Executive Director, Public Charter Schools of New Mexico
- 12:45 p.m. **Public Comment***
- 1:00 p.m. **Adjourn**

*Members of the public may make comments during the public comment portion of the meeting by clicking the video icon beneath the meeting agenda on the Public School Capital Outlay Oversight Task Force [web page](#) and following instructions under the "Extra Information" section.

**MINUTES
of the
EIGHTIETH MEETING
of the
PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE**

**September 3, 2021
State Capitol, Senate Chambers
Santa Fe**

The eightieth meeting of the Public School Capital Outlay Oversight Task Force was called to order by Representative G. Andrés Romero, chair, on September 3, 2021 at 9:32 a.m. in the Senate Chambers of the State Capitol in Santa Fe.

Present

Rep. G. Andrés Romero, Chair
Sen. William P. Soules, Vice Chair
Sondra Adams
Rep. Eliseo Lee Alcon
Johnny Benavidez
Rep. Jack Chatfield
Scott Elder
Rep. Susan Herrera, Designee for Rep. Brian Egolf
Sen. Stuart Ingle
Ashley Leach, Designee for Secretary of Finance and Administration Debbie Romero
Antonio Ortiz, Designee for Secretary-Designate of Public Education Kurt Steinhaus
Rep. Randall T. Pettigrew
Sen. Shannon D. Pinto
Amber L. Romero
Stan Rounds
Sen. Benny Shendo, Jr.
Sen. Mimi Stewart

Advisory Members

Absent

Carl Foster
Rep. Patricia A. Lundstrom
Cindy Montoya
Sen. George K. Munoz
Brandy Murphy
Sen. Joshua A. Sanchez
Karen Sanchez-Griego

Sen. Leo Jaramillo
Sen. Michael Padilla
Sen. Cliff R. Pirtle

Staff

Raúl E. Burciaga, Director, Legislative Council Service (LCS)
Clinton Turner, Research and Fiscal Policy Analyst, LCS
Sheila Keleher, Research Assistant, LCS

Minutes Approval

Because the task force lacked a quorum at its last meeting of the interim, the minutes for this meeting were not considered for approval by the task force.

Guests

The guest list is in the meeting file.

Handouts

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

References to Webcast

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Friday, September 3**Welcome (9:32 a.m.)**

Representative Romero welcomed task force members and presenters.

Public School Capital Outlay Council (PSCOC) and Public School Facilities Authority (PSFA) Update (9:34 a.m.)

Jonathan Chamblin, executive director, PSFA, and Randy Evans, chief financial officer, PSFA, provided an update on the PSCOC and the PSFA. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20090321%20Item%201%20PSCOC%20PSFA%20Update.pdf>.

Approval of Minutes (10:37 a.m.)

Upon a motion made and seconded, and without any objections, the task force approved and adopted the minutes of the August 16, 2021 meeting.

Impact and Implementation of House Bill 6 (2021) on the Capital Funding Formula for Schools (10:38 a.m.)

Mr. Chamblin and Mr. Evans reviewed the capital funding formula for New Mexico school districts and outlined the changes in Subsection K of Section 7 of House Bill 6 (2021),

which require the PSCOC to develop rules that will change the formula to include a new local revenue source. Martin Romine, director of finance, Zuni Public School District, and Jvanna L. Hanks II, deputy superintendent, Gallup-McKinley County School District, expressed the need for an ongoing collaborative subcommittee to address the complexity of issues involved, such as unrestricted revenues, global resources and teacherages. Claire Cieremans, chief finance officer, Los Lunas Public School District; Ludym Martinez, associate superintendent for finance, Gadsden Independent School District; Leslie Pearce, business manager, Tatum Municipal School District; and Tami Coleman, chief financial officer, Albuquerque Public School District, addressed the impact that the new capital funding formulas will have on their respective districts, and more specifically, how restricted and unrestricted revenues will affect state and local matching funds. Terry Dean, executive director, New Mexico Association of School Business Officials, expressed concerns about which revenues will be restricted and emphasized the importance of ensuring that the funding formula remain beneficial, in accordance with the intent of the legislation. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20090321%20Item%202%20PSFA%20Presentation%202021%20HB6.pdf>.

Facilities Funding Process and Options for Charter Schools (11:44 a.m.)

Mr. Chamblin presented a brief overview of PSCOC funding programs and outlined the eligibility criteria that are specific to charter schools. Matthew Pahl, executive director, Public Charter Schools of New Mexico, gave an overview of the history of charter schools in New Mexico and examined the funding implications of Senate Bill 318 (2021) on charter school facilities. The presentations can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=PSCO&Date=9/3/2021&ItemNumber=3>.

Adjournment

There being no further business before the task force, the meeting adjourned at 12:26 p.m.

Revised: October 21, 2021

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

**October 25, 2021
State Capitol, Room 322
Santa Fe**

Monday, October 25

- 8:30 a.m. (1) **Public School Capital Outlay Council and Public School Facilities Authority (PSFA) Update**
 —Martica Casias, Acting Executive Director, PSFA
 —Randy Evans, Chief Financial Officer, PSFA
- 9:00 a.m. (2) **Early Childhood Facilities**
 —Martica Casias, Acting Executive Director, PSFA
 —John Valdez, Master Planner, PSFA
 —Elizabeth Groginsky, Secretary, Early Childhood Education and Care
 Department
 —Brenda Kofahl, Chief, Early Childhood Bureau, Public Education
 Department
 —V. Sue Cleveland, Ed.D., Superintendent, Rio Rancho Public School
 District
- 10:00 a.m. (3) **Teacher Housing**
 —Martica Casias, Acting Executive Director, PSFA
 —Alyce Ramos, Programs Manager, PSFA
 —Martin Romine, Director of Finance, Zuni Public School District
 —Daniel Benavidez, Superintendent, Central Consolidated School District
 —Candice Thompson, Director of Operations, Central Consolidated School
 District
 —Adán Estrada, Superintendent, Cimarron Municipal School District
 —Jamie Torres, Special Education Teacher, Santa Fe Public School District;
 Representative, National Education Association-New Mexico; State
 Ambassador, Teacher Leadership Program, Public Education
 Department
 —Steve Siañez, Government Relations and Communications Director,
 National Education Association-New Mexico

- 11:30 a.m. (4) **Broadband Update and PSFA Broadband Procurement Progress**
—Martica Casias, Acting Executive Director, PSFA
—Ovidiu Viorica, Broadband and Technology Program Manager, PSFA
- 12:00 noon (5) **Supplemental Severance Tax Bonding Capacity Projections**
—Martica Casias, Acting Executive Director, PSFA
—Randy Evans, Chief Financial Officer, PSFA
—Marcos B. Trujillo, Deputy Director, State Board of Finance
—Ismael Torres, Chief Economist, Legislative Finance Committee
- 12:45 p.m. **Public Comment***
- 1:00 p.m. **Adjourn**

*Members of the public may make comments during the public comment portion of the meeting by clicking the video icon beneath the meeting agenda on the Public School Capital Outlay Oversight Task Force [web page](#) and following instructions under the "Extra Information" section.

**MINUTES
of the
EIGHTY-FIRST MEETING
of the
PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE**

**October 25, 2021
State Capitol, Room 322
Santa Fe**

The eighty-first meeting of the Public School Capital Outlay Oversight Task Force was called to order by Representative G. Andrés Romero, chair, on Monday, October 25, 2021, at 8:32 a.m. in Room 322 of the State Capitol in Santa Fe.

Present

Rep. G. Andrés Romero, Chair
Sen. William P. Soules, Vice Chair
Sondra Adams
Rep. Eliseo Lee Alcon
Rep. Jack Chatfield
Carl Foster
Antonio Ortiz, Designee for Secretary-
Designate of Public Education Kurt
Steinhaus
Rep. Randall T. Pettigrew
Sen. Shannon D. Pinto
Stan Rounds
Sen. Mimi Stewart

Advisory Members

Sen. Cliff R. Pirtle

Absent

Johnny Benavidez
Rep. Brian Egolf
Scott Elder
Sen. Stuart Ingle
Rep. Patricia A. Lundstrom
Cindy Montoya
Sen. George K. Munoz
Brandy Murphy
Amber L. Romero
Debbie Romero
Sen. Joshua A. Sanchez
Karen Sanchez-Griego
Sen. Benny Shendo, Jr.

Sen. Leo Jaramillo
Sen. Michael Padilla

Staff

Clinton Turner, Fiscal Policy Analyst, Legislative Council Service (LCS)
Sheila Keleher, Research Assistant, LCS
Lenaya Montoya, Staff Attorney, 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.

Guests

The guest list is in the meeting file.

Handouts

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

References to Webcast

The time reference noted next to each agenda item in this document is cross-referenced to the webcast of the task force meeting, which can be found at www.nmlegis.gov, under the "Webcast" tab. The presentations made and task force discussions for agenda items can be found on the recorded webcast for this meeting.

Monday, October 25

Welcome (8:32 a.m.)

Representative Romero welcomed task force members and presenters.

Public School Capital Outlay Council (PSCOC) and Public School Facilities Authority (PSFA) Update (8:34 a.m.)

Martica Casias, interim executive director, PSFA, and Randy Evans, chief financial officer, PSFA, provided an update on the PSCOC and the PSFA. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20102521%20Item%201%20PSCOC%20PSFA%20Update.pdf>.

Early Childhood Facilities (8:57 a.m.)

Ms. Casias and John Valdez, master planner, PSFA, presented an overview of pre-K facilities, adequacy standards and enrollment growth and decline. Elizabeth Groginsky, secretary, Early Childhood Education and Care Department, and Brenda Kofahl, chief, Early Childhood Bureau, Public Education Department, emphasized the need for investments in pre-K facilities, including classroom expansion to accommodate full-day programs. Dr. V. Sue Cleveland, superintendent, Rio Rancho Public School District, gave a presentation on Shining Stars Preschool and outlined the current challenges for the public preschool, including an overall lack of space and a three-year waiting list. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=PSCO&Date=10/25/2021&ItemNumber=2>.

Teacher Housing (10:32 a.m.)

Ms. Casias and Alyce Ramos, programs manager, PSFA, presented an overview of existing teacher housing units across the state. Martin Romine, director of finance, Zuni Public School District, outlined the substandard teacher housing that persists in his district. Daniel Benavidez, superintendent, Central Consolidated School District (CCSD), and Candice Thompson, director of operations, CCSD, explained how their district manages teacher housing

operations. Adán Estrada, superintendent, Cimarron Municipal School District, summarized the problems inherent with the lack of teacher housing in a small rural district and the subsequent challenges faced by incoming teachers. Steve Saiñez, government relations and communications director, National Education Association-New Mexico, introduced Jamie Torres, special education teacher, Santa Fe Public School District, and representative, National Education Association-New Mexico, who elaborated on the lack of affordable housing in Santa Fe for teachers. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=PSCO&Date=10/25/2021&ItemNumber=3>.

Broadband Update and PSFA Broadband Procurement Progress (11:29 a.m.)

Ovidiu Viorica, broadband and technology program manager, PSFA, outlined the progress New Mexico school districts have made in leveraging federal funding and reviewed the preliminary financial plan for the statewide education network. The presentation can be found here:

<https://www.nmlegis.gov/handouts/PSCO%20102521%20Item%204%20PSFA%20Broadband%20Update.pdf>.

Supplemental Severance Tax Bonding Capacity Projections (11:57 a.m.)

Mr. Evans reviewed the collaboration between the PSFA and the State Board of Finance in establishing funding sources for PSCOC-funded projects. Marcos B. Trujillo, deputy director, State Board of Finance, gave an overview of severance tax bond funding. Ismael Torres, chief economist, Legislative Finance Committee, addressed the economic drivers of severance tax bonding capacity. The presentation materials can be found here:

<https://www.nmlegis.gov/Committee/Handouts?CommitteeCode=PSCO&Date=10/25/2021&ItemNumber=5>.

Adjournment

There being no further business before the task force, the meeting adjourned at 12:52 p.m.



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