

LFC Requester:	Sunny Liu
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**AGENCY BILL ANALYSIS
2017 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, EMAIL ANALYSIS TO:

LFC@NMLEGIS.GOV

and

DFA@STATE.NM.US

{Include the bill no. in the email subject line, e.g., HB2, and only attach one bill analysis and related documentation per email message}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original	<input checked="" type="checkbox"/>	Amendment	<input type="checkbox"/>	Date	<u>1-31-17</u>
Correction	<input type="checkbox"/>	Substitute	<input type="checkbox"/>	Bill No:	<u>HB161</u>

Sponsor:	<u>Rep. Dennis J. Roch</u>	Agency Code:	<u>924</u>
Short Title:	<u>PRIOR YEAR DATA FOR SCHOOL DISTRIBUTIONS</u>	Person Writing	<u>Aguilar/Ortiz</u>
		Phone:	<u>505-827-6519</u>
		Email	<u>Paulj.aguilar@state.nm</u>

SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY17	FY18		

(Parenthesis () Indicate Expenditure Decreases)

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: HB-161 amends 22-25-9 of the Public School Capital Improvements Act (PSCIA) to require the Public Education Department (PED) to use prior year data for determining the state match distribution to school districts.

HB-161 is endorsed by the Public School Capital Outlay Task Force

FISCAL IMPLICATIONS

State matching funds in FY16 for PSCIA, also known as the SB-9 levy, were \$18,360.5 to 88

school districts. Funds from the PSCIA are the primary source for school districts to provide maintenance to their school buildings. If this bill is enacted school districts will have access to their state match funds at the beginning of every fiscal year.

SIGNIFICANT ISSUES

Current language in the PSCIA requires the PED to use current year 40th day program units and current land valuations to calculate the state match calculations. 40th day program units are not finalized until late December and final land valuations are not finalized until late January therefore the state match calculations are not calculated until early February of every fiscal year. Moving to prior year data will allow the PED to make the calculations at the beginning of the fiscal year. This will give school districts access to their state match funds beginning July 1st of every year.

The Public School Capital Outlay Council is required to certify to the State Board of Finance, every June, the amount of funds that will be necessary to fund the state match program under the PSCIA. Moving to prior year data will allow the certification to be the exact amount that is needed instead of using a projected amount which ties up dollars from the fund that could be used towards other capital outlay projects awarded by the Public School Capital Outlay Council.