

LFC Requester:	Sunny Liu
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**AGENCY BILL ANALYSIS
2018 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 **Amendment** _____ **Date** 01/29/18
Correction _____ **Substitute** _____ **Bill No:** HB130

Sponsor: Representative Paul C. Bandy **Agency Code:** 924
Short Title: PUBLIC SCHOOL CAPITAL OUTLAY FOR SECURITY **Person Writing:** Jane Henzerling
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY18	FY19		
	5,000.0	Recurring (through FY23)	Public School Capital Outlay Fund

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY18	FY19	FY20		

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY18	FY19	FY20	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total						

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis:

HB-130 creates a new section of the Public School Capital Outlay Act that requires the Public School Capital Outlay Council (PSCOC) to develop a school security system grant initiative.

FISCAL IMPLICATIONS

The bill reserves \$5 million dollars from the Public School Capital Outlay Fund (PSCOF) in each of fiscal years 2019 through 2023 for awards made specifically a school security system repair, renovation or replacement project grant initiative.

The PSCOF is funded from Supplemental Severance Tax Bonds (SSTB's) that were originally dedicated by the Legislature solely for financing standards-based projects as defined in the Public School Capital Outlay Act (Act). The provisions of this bill are adding another initiative for security grants that shall be made through a standards-based process and school districts will be required to participate with their local share of project cost based on the state/local match calculation of the Act. The reduction may be up to \$5 million dollars each fiscal year through FY23.

HB-130 requires that all security systems grant funds be expended by school districts within three years.

SIGNIFICANT ISSUES

The recent tragic events in the Aztec Municipal School District and in other schools around the country have raised concerns about how to improve the security situation at our schools. Provisions contained in HB-130 will allow school districts the opportunity to incorporate security measures within their schools to provide for the safety of students, faculty, and staff and work to implement preemptive measures that may prevent another security threat situation from occurring.

In recent years a number of initiatives have been added to the list of eligible programs funded by the Act. Currently funds are used to support the Capital Improvements Act (SB-9), the lease payment assistance program, Construction Industries Division reimbursements, State Fire Marshall reimbursements, the Public School Facilities Authority (PSFA) operating budget,

assistance for master facility plans, broadband deficiencies, pre-K classrooms, demolition allocations, school buses, instructional materials and emergency allocations. These additional uses of fund resources have increased considerably in recent years meaning that available revenues for regular standard-based construction projects are being reduced significantly by the additional programs. Enacting this bill will continue this trend further reducing funding available to be used for standards based projects.

ADMINISTRATIVE IMPLICATIONS

None to PED, however, the PSFA will be required to develop guidelines, an application and ranking methodology to facilitate the security systems grant initiative.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to SB-30 which is proposing to change the state match percentages for PSCOC projects and to SB-124, which requests a \$60,000,000 appropriation to fund public school security measures.

AMENDMENTS

On page 11, line 20; strike “2022” and replace in lieu thereof “2021”.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

Security systems can be addressed as part of a standards-based capital outlay award or a system-based award through the PSCOC.