



LFC Requester: - _____

**PUBLIC EDUCATION DEPARTMENT
BILL ANALYSIS
2025 REGULAR SESSION**

SECTION I: GENERAL INFORMATION

Check all that apply:

Original Amendment _____
Correction _____ Substitute _____

Date Prepared: 01/31 /25
Bill No: SB82

Agency Name and Code: PED - 924

Sponsor: Soules

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Short Title: PUBLIC SCHOOL CAPITAL
OUTLAY CHANGES

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SECTION II: FISCAL IMPACT

(Parenthesis () Indicate Expenditure Decreases)

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY26	FY27		
None	None	N/A	NFA

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY26	FY27	FY28		
None	None	None	N/A	NFA

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY26	FY27	FY28	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	None	None	None	None	N/A	NFA

Duplicates/Relates to Appropriation in the General Appropriation Act: None

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: Senate Bill (SB82) would amend the [Public School Capital Outlay Act](#) to extend the current provision, in place since 2023, for a capital outlay local matching funds waiver. The provision would be extended through FY27. This change would allow policymakers an additional year to continue to reevaluate the capital outlay funding formula in Section 22-24-5 NMSA 1978. The bill would remove several criteria currently considered by the Public School Capital Outlay Council (PSCOC) when adjusting a school district's required matching funds for capital projects, including the count of students in the district who are eligible for free-and-reduced-price lunch (FRL) in smaller districts with a lower tax base, and consideration of rapid enrollment growth.

The bill is endorsed by the Public School Capital Outlay Oversight Task Force (PSCOOTF) and the Legislative Education Study Committee (LESC).

The bill does not provide an effective date. Laws go into effect 90 days after the adjournment of the Legislature enacting them unless a later date is specified. If enacted, this bill would become effective June 20, 2025.

FISCAL IMPLICATIONS

The bill does not contain an appropriation.

SIGNIFICANT ISSUES

The provisions of SB82 would likely enable more school districts to qualify for waivers in future fiscal years which may reduce the funding available the Public School Capital Outlay Fund (PSCOF).

PERFORMANCE IMPLICATIONS

None.

ADMINISTRATIVE IMPLICATIONS

None.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to SB125, School Building System Innovation Project, which proposes the provision of grant assistance to replace building systems such as heating, ventilation, and electricity to extend the useful life of school buildings and promote energy conservation.

TECHNICAL ISSUES

None.

OTHER SUBSTANTIVE ISSUES

None.

ALTERNATIVES

None.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

If the provisions of this bill do not become law, the reductions to local school districts' required matching funds will expire with FY26, and districts would have to supply capital outlay matching funds at the pre-2023 levels in FY27.

AMENDMENTS

None.