Capital Outlay Offset Exemptions
Albuquerque Public Schools Board of Education
2022 NMSBA Resolution

Whereas, the Public School Capital Outlay Fund was developed and established in response to the 1998 Zuni lawsuit; and,

Whereas, the New Mexico public school capital outlay process seeks to establish and implement a uniform funding system for capital improvements; and,

Whereas, in 2003, the Legislature enacted a state share funding formula to take into account the availability of school district revenues from both bond levies and direct mill levies that support capital outlay; and,

Whereas, in 2003, the Legislature enacted a measure requiring an offset from direct legislative appropriations for capital outlay expenditures be applied against the state share of funds awarded to a school district by the Public School Capital Outlay Council; and,

Whereas, the offset is an amount based on the state share formula equaling 100 percent minus the state share percentage calculated by the formula, times the amount of the legislative appropriation; and,

Whereas, capital offsets have grown impossible to pay back for many districts across the state; and,

Whereas, the offsets have resulted in school districts not being awarded funding for capital outlay projects that are for “life, health, and safety” including security funding;

Therefore, be it resolved that, the Albuquerque Public Schools Board of Education, along with the New Mexico School Boards Association, calls on the state to eliminate the offset for Capital Outlay projects if the project has “life, health, and safety” implications; and,

Be it further resolved that “life, health, and safety” be determined if the capital outlay projects are for school security and safety, replacement of major mechanical/structural systems, and other improvements to be in compliance with the Americans with Disabilities Act.