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May 25, 2011

MEMORANDUM

TO: New Mexico Legislators

FR: Representative Rick Mie

have Senator Cynthia Nava

RE: SUMMARY OF PUBLIC EDUCATION-RELATED LEGISLATION PASSED BY THE 50TH LEGISLATURE, 1st SESSION, 2011

In 2011, the New Mexico Legislative Education Study Committee (LESC) marked its 45th anniversary as a statutorily created permanent bicameral, bipartisan interim education committee, the only legislative committee of its kind in the nation. In statute, the LESC is charged with conducting a continuing study of all education in New Mexico, the laws governing such education, and the policies and costs of the New Mexico educational system. At the end of each interim, based on policy and fiscal studies, the LESC develops recommendations for consideration of the full Legislature. Included are recommended changes to current policy and a public school support appropriation that addresses the state constitutional requirement to establish and maintain a uniform system of free public schools sufficient for the education of, and open to, all the children of school age in the state.

This memo and the attached materials, developed by the LESC staff, review the legislation from the 2011 regular 60-day session related to public schools, including public school support and other public education-related appropriations. The materials are organized as follows:

- Projected FY 12 State Revenues;
- Recurring General Fund Appropriations;
- FY 12 Public School Support & Related Appropriations;
- 2011-2012 Initial Program Unit Value;

- Public School Capital Outlay;
- Legislation Endorsed by the LESC;
- Charter School Legislation; and
- Other Public School-related Legislation.

Attachments include:

- Selected Public Education-related Language, General Appropriation Act of 2011, CS/HB 2 et al., as amended (Laws 2011, Chapter 179);
- Table 1, FY 12 Public School Support and Related Appropriations;
- Table 2, *History of the Unit Value*;
- Table 3, Reauthorizations of Education-related Capital Outlay Appropriations;
- Selected Public School Capital Outlay Related Language;
- Table 4, *Recommendations of the Legislative Education Study Committee for the 2011 Regular Session*; and
- Passed Public School-related Legislation, 50th Legislature, 1st Session, 2011.

PROJECTED FY 12 STATE REVENUES

According to a document provided by the Legislative Finance Committee (LFC) staff:

- projected FY 12 recurring revenue is \$5.39 billion, an increase of \$226 million, or 4.4 percent, over FY 11;
- this projection reflects steady growth of major revenues plus an increase in corporate income taxes as the economic recovery gathers momentum; and
- the mid-session review of revenue estimates by economists at the Department of Finance and Administration (DFA), the Taxation and Revenue Department, and the LFC reported no change except a \$36.0 million increase in FY 11 nonrecurring revenue due to an extraordinary tax payment in January.

RECURRING GENERAL FUND APPROPRIATIONS

- On the appropriation side, recurring General Fund appropriations for the *General Appropriation Act of 2011* and the *Feed Bill* total \$5.43 billion, a 4.4 percent increase over the adjusted FY 11 operating budget.
- FY 12 appropriations are \$153 million, or 2.7 percent, below the adjusted FY 11 operating budget when considering one-time federal stimulus funds, including those funds pursuant to the *American Recovery and Investment Act of 2009* (ARRA).
- The FY 12 appropriations are contingent on enactment of two bills that directly affect recurring General Fund revenues available for the FY 12 appropriations, including:

- CS/HB 607, *Film Production Tax Credit Act*, which limits the annual film production tax credit and appropriates \$25.0 million in FY 12 as follows:
 - ✓ \$6.5 million for Medicaid;
 - ✓ \$3.5 million to the Department of Health;
 - ✓ \$3.1 million to the Children, Youth and Families Department;
 - ✓ \$3.5 million for corrections;
 - ✓ \$900,000for State Police; and
 - \checkmark \$7.5 million to public schools; and
- SB 626, *Fire Fund Distribution Increase Delay*, which delays a distribution increase from the Fire Protection Fund and provides \$1.3 million in revenues.
- Language related to appropriations is included in *Selected Public Education-related Language, General Appropriation Act of 2011, CS/HB 2 et al., as amended (Laws 2011, Chapter 179)*, including provisions that avoid layoffs or furloughs for public employees by extending a 1.5 percent employer/employee contribution swap by including an additional 1.75 percent swap to reduce General Fund appropriations by \$49.7 million.
- Language vetoed in the *General Appropriation Act of 2011* includes provisions concerning the use of federal funds, including a requirement that:
 - federal funds received during fiscal year 2012 and not specifically appropriated be subject to future appropriation by the Legislature, except under certain conditions; and
 - each agency, institution or other governmental entity that receives money appropriated in Section 4 of the *General Appropriation Act of 2011* and that also receives federal funds submit a quarterly report to DFA and LFC; and:
 - reports from school districts and locally chartered and state-chartered charter schools be forwarded by the Public Education Department (PED) to DFA, LESC, and LFC.
- Finally, the *General Appropriation Act of 2011* leaves ending FY 12 General Fund reserves at \$272 million or 5.0 percent of recurring appropriations.

FY 12 PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS

Regarding funding for public schools, **Table 1**, *FY 12 Public School Support and Related Appropriations*, summarizes the recurring and the nonrecurring public school support and education-related appropriations.

To allow a more accurate comparison of public school operational funding for FY 11 and FY 12, the areas of the table that are shaded in green include federal one-time revenues from both ARRA and the Education Jobs Fund.

In total, the *General Appropriation Act of 2011* appropriates over \$2.39 billion for Public School Support and related recurring appropriations. The appropriations include:

• \$2.25 billion to the State Equalization Guarantee (SEG). Considering only General Fund dollars, this figure is a \$56.7 million, or 2.6 percent, increase over FY 10 (lines 21-22).

However, when federal ARRA dollars are included, the SEG shows a net \$31.6 million, or 1.4 percent decrease (lines 25-26);

- Nearly \$114.1 million for categorical public school support (line 40) for statutorily created funds and initiatives, including public school transportation, supplemental distributions, the Instructional Material Fund, dual credit instructional materials, and the Indian Education Fund; and
- approximately \$27.8 million (see line 63) to fund the operations of PED and other education-related initiatives funded with recurring dollars, including:
 - ➤ the operations of regional education cooperatives;
 - \succ K-3 Plus;
 - ➢ New Mexico PreK;
 - Innovative Digital Education and Learning (IDEAL-NM);
 - the operational costs for the Operating Budget Management and Student Teacher Accountability Reporting Systems;
 - Advanced Placement,
 - Apprenticeship Assistance,
 - Breakfast for Elementary Students, and
 - ▶ the Graduation, Reality, and Dual-Roles Skills (GRADS) program.

In nonrecurring appropriations, the 2011 Legislature:

- extended, through FY 12, the time for expending the \$6.0 million appropriation of the 2010 Legislature for emergency support to school district experiencing shortfalls;
- for FY 11 and FY 12, appropriated \$2.0 million in emergency support. Combined with the nearly \$2.0 million in recurring dollars for emergency supplemental (line 36), nearly \$4.0 million will be available to provide financial support to school districts or state-chartered charter schools statewide. Language in the *General Appropriation Act of 2010* and provisions in the *Public School Finance Act* prohibit the distribution of emergency funds to an entity having cash and invested reserves, or other resources or any combination thereof, equaling 5.0 percent or more of its operational budget;
- appropriated \$2.5 million to PED for the Governor's reform initiatives, which include providing technical assistance to low performing schools; improving data systems; IDEAL-NM; computer-administered assessments and common core standards implementation; and
- \$1.2 million from the Transportation Emergency Fund for increased fuel costs faced by school districts and state-chartered charter schools.

2011-2012 INITIAL PROGRAM UNIT VALUE

Based on an appropriated program cost of \$2.29 billion and projected statewide units of 639,161.245, for school year 2011-2012, the Secretary-designate for Public Education set a preliminary unit value of \$3,585.97, a decrease of \$126.20 from the final unit value established for school year 2010-2011.

For informational purposes, **Table 2**, *History of the Unit Value*, summarizes the changes to the unit value since 1974.

PUBLIC SCHOOL CAPITAL OUTLAY

In the 2011 session, three pieces of legislation were enacted to amend current law governing public school capital outlay:

- HB 113a, *Charter School Expenditure Reports* (Laws 2011, Chapter 11), which amends the *Public School Capital Improvements Act* (SB 9) and the *Public School Buildings Act* (HB 33) to require charter schools to report anticipated and actual expenditures of distributions made pursuant to those acts.
- **CS/HB 283a**, *School Lease & Lease-Purchase Requirements* (Laws 2011, Chapter 69), which exempts school district leases of facilities to charter schools from State Board of Finance approval; provides standards for certain charter school facilities; and requires Public School Facilities Authority approval before entering into a lease-purchase agreement for school facilities.
- ***SB 331a**, *Amend Definitions in Ed. Tech. Equipment Act* (Laws 2011, Chapter 149), which amends definitions in the *Educational Technology Equipment Act* to reflect advances in educational technology that have occurred since the act was created in law in 1997.

In addition, **Table 3**, *Reauthorizations of Education-Related Capital Outlay Appropriations*, summarizes capital outlay projects funded with General Fund dollars or Severance Tax Bond proceeds that have been reauthorized to change their purpose or extend the time that the funds may be expended. Additional language related to these reauthorizations is included in Selected Public School Capital Outlay Related Languages.

LEGISLATION ENDORSED BY THE LESC

At its final meeting at the end of the 2010 interim, the LESC endorsed 36 substantive measures that were introduced in the 2011 session, of which 13 were ultimately enacted (see **Table 4**, *Recommendations of the Legislative Education Study Committee*, 2011 Regular Session). Reflecting the Legislature's focus on austerity for the coming fiscal year and the committee's interim study of school business office practices, many of these bills and memorials addressed school budgets and finance, including:

- HB 113a, *Charter School Expenditure Reports* (Laws 2011, Chapter 11), which amends the *Public School Capital Improvements Act* and the *Public School Buildings Act* to require charter schools to report anticipated and actual expenditures of distributions made pursuant to those acts (also endorsed by the Public School Capital Outlay Oversight Task Force);
- CS/HB 283a, *School Lease & Lease-Purchase Requirements* (Laws 2011, Chapter 69), which is described above (also endorsed by the Public School Capital Outlay Oversight Task Force);
- SB 141a, *No Education Dept. Auditor Approval* (Laws 2011, Chapter 87), which amends the *Audit Act* to remove the requirement that PED approve the selection of an independent auditor by a school district (a recommendation of the 2010 interim LESC School Finance Work Group, in recognition that the Office of the State Auditor must already approve the selection of an auditor by school districts);
- SB 145a, *Clarify School Year & Day Length* (Laws 2011, Chapter 154), which repeals the provision enacted in 2009 that requires that a school year consist of 180 full instructional days for a regular school calendar or 150 days for a variable school calendar, exclusive of professional development days and adjustments for cancelled days due to inclement weather; and
- SB 360a, *Student Assessment Requirements Suspension* (Laws 2011, Chapter 161), which suspends, for one year, almost all student assessments currently required in state law but not in federal law, based on a legislative finding that the fiscal crisis of 2008-2010 will continue into FY 12, resulting in a need to reduce General Fund appropriations for public education (a recommendation of the PED Assessment Priorities Stakeholder Work Group).

Other LESC-endorsed measures that were passed in both chambers for the most part resulted from other presentations to the LESC during the 2010 or prior interims concerning career-technical education; charter school attendance priorities; Title I tutoring services; servicing of postsecondary student loans; and bullying. These bills were:

- HB 97a, *Charter School Conversion Attendance* (Laws 2011, Chapter 66), which amends the *Assessment and Accountability Act* to clarify that, if a traditional public school in Restructuring 2 is reopened as a state-chartered charter school pursuant to its restructuring plan, students already attending that school and those students' siblings will have enrollment priority;
- HB 115a, *Title-1 Supplemental Education Services* (Laws 2011, Chapter 32), which also amends the *Assessment and Accountability Act* regarding supplemental educational services (SES) to require PED to adopt rules (1) establishing a range of rates that providers may charge and (2) requiring each SES provider to include in its application to PED documentation that the tutoring services to be offered are consistent with the instructional program offered by the district or charter school whose students the provider intends to serve;

- HB 137, *Continued Educational Assistance Debt Service* (Laws 2011, Chapter 168), which repeals and replaces sections of the *Educational Assistance Act* to allow the NM Student Loan Guarantee Corporation and the NM Educational Assistance Foundation to manage the orderly elimination of the Federal Family Education Loan Program portfolio and to explore other opportunities that could provide services to educational institutions and students in the state; and
- SB 78, *School District Bullying Prevention Programs* (Laws 2011, Chapter 50), which requires PED to establish guidelines for bullying prevention policies to be promulgated by local school boards; requires local boards to promulgate the policies by August 2011; and requires every public school to implement a bullying prevention program by August 2012.

The LESC endorsed and the Legislature passed two bills that focused on teacher preparation and licensure, an area of perennial concern to the committee:

- HB 74a, *Science of Teaching Reading Requirement* (Laws 2011, Chapter 95), which amends the *School Personnel Act* to require that, to qualify for licensure to teach grades K-5, a candidate must demonstrate an understanding of, and ability to apply, the scientific research on teaching reading by passing a rigorous exam, beginning in January 1, 2013; and
- SB 202, *Student Teacher Alternative Curriculum*, which proposed to amend the *Public School Code* to allow the Secretary of Public Education to waive class-size requirements for classes to which a student teacher who meets certain criteria has been assigned, but which was pocket-vetoed by the Governor.

Finally, two other LESC-endorsed bills were passed by both houses but pocket-vetoed by the Governor:

- HB 43a, *Develop Diploma Stamp System*, which would have allowed school districts to develop and adopt a voluntary system for awarding "diploma stamps" to be applied to the graduation diplomas of students who have excelled in the completion of career-technical education courses specified in PED rule; and
- SB 203a, *School Business Official Licensure*, which added a new section to the *School Personnel Act* to require PED to license school business officials (SBOs); to track denial, suspension, or revocation of SBO licenses; to assess the quality of and enforcement of training requirements for SBO licensure; and to require training for superintendents on the evaluation of SBOs (a recommendation of the LESC School Finance Work Group).

CHARTER SCHOOL LEGISLATION

As they have in sessions past, charter schools attracted considerable legislative interest during the 2011 legislative session.

In addition to HB 97a, *Charter School Conversion Attendance*, and HB 113a, *Charter School Expenditure Reports*, both described above, the LESC endorsed HB 98a, *Charter School Audit Monitoring*. This bill would have required the authorizers of charter schools to monitor charter school audits and, as needed, to monitor the correction of deficiencies or material weaknesses in those audits. Although the bill passed the House, it did not pass the Senate.

Also signed into law was SB 446a, *Charter School Contracts*. Amended four times, this bill amends several existing sections of the *Charter Schools Act* and adds a number of new ones to provide for contracts between a charter school and its chartering authority. Among its provisions, this bill prescribes the contents of the charter contract; assigns additional duties to the chartering authority, the charter school, and the PED; specifies procedures for closing a charter school; addresses conflicts of interest among employees of a charter school and members of the school's governing body; and requires PED to submit annual reports to the Governor, the LESC, and the LFC comparing the performance of charter school students with comparable students in non-charter schools and assessing the successes, challenges, and areas of improvement of charter schools.

Another charter school bill signed into law was HB 252, *District & Charter School Financial Reporting*. This bill creates two new sections of the *Public School Finance Act* to require school district superintendents and fiscal managers of charter schools to provide quarterly financial reports to the local school board or the governing body, as applicable, on reporting forms developed by PED. It also requires PED to promulgate rules governing the use of credit cards for procurement and travel expenses.

OTHER PUBLIC SCHOOL-RELATED LEGISLATION

The 2011 regular session saw the introduction of approximately 2,000 bills, joint memorials, memorials, and resolutions. Among them were a number of bills affecting public education that were passed and signed into law. Among those bills:

- *HB 47a, *School District Cash Balances for Emergency* (Laws 2011, Chapter 39), amends the *Public School Code* to allow school districts to keep their cash balances for emergency or operational expenditures, effective FY 11. (For the Government Restructuring Task Force)
- HB 172a, *No Corporal Punishment as School Discipline* (Laws 2011, Chapter 97), amends the *Public School Code* to eliminate corporal punishment as one of the possible disciplinary sanctions that school district discipline policies may include; and to require each local school board and each governing body of a charter school to prohibit the use of corporal punishment.
- HB 310a, *Electronic Instructional Materials for School* (Laws 2011, Chapter 114), amends the *Instructional Material Law* to require publishers of instructional materials on

the multiple list to provide instructional materials in electronic format by school year 2013-2014.

- CS/HB 628a, *Contribution Rate Changes in Retirement Plans* (Laws 2011, Chapter 178), amends the *Public Employees Retirement Act* and the *Educational Retirement Act* to change pension contributions for state employee plans administered by the Public Employees Retirement Association and the Educational Retirement Board (ERB); extends for another two years (FY 12 and FY 13) the two-year 1.5 percent contribution shift implemented for FY 10 and FY 11 from the employer to the employee for those employees making more than \$20,000; makes a one-year contribution shift of 1.75 percent from the employer rate to the employee rate for those making more than \$20,000 for FY 12; and delays the two remaining 0.75 percent increases for ERB, currently scheduled for FY 12 and FY 13, to FY 14 and FY 15.
- SB 120a, *Early Childhood Care & Education Act* (Laws 2011, Chapter 123), creates the *Early Childhood Care and Education Act* to establish a comprehensive early childhood care and education system through state and private programs; creates and designates the members of the State Early Learning Advisory Council, among them the Secretary of Public Education or a designee; and creates the Early Childhood Care and Education Fund as a non-reverting fund in the state treasury.
- SB 144a, *Require School Free Breakfast Programs* (Laws 2011, Chapter 35), adds a new section of the *Public School Code* to require school districts and charter schools to establish free breakfast programs under certain conditions; and amends the *Public School Code* to provide that, if instruction occurs simultaneously with breakfast being served or consumed pursuant to a state or federal program, that time shall be deemed a part of the instructional day.
- SB 167a, *Equal Pre-K Program Appropriations* (Laws 2011, Chapter 126), adds a new section to the *Pre-Kindergarten Act* to require that PED receive up to 50 percent and CYFD receive at least 50 percent of the funds appropriated for pre-kindergarten programs.
- SB 327a, *Certain Public School Info on Sunshine Portal* (Laws 2011, Chapter13), amends the *Sunshine Portal Transparency Act* to require that certain public school information be available on the Sunshine Portal; and clarifies certain provisions and allows access to additional information.
- SB 427a, *A-B-C-D-F Schools Rating System* (Laws 2011, Chapter 10), adds a new section of the *Public School Code* to create the *A-B-C-D-F Schools Rating Act*; provides for a rating system to grade public schools in a way easily understandable by parents, school personnel, and the community; establishes criteria for rating public schools; provides school options; and, in the case of a school rated D or F, requires PED to ensure that local school boards and charter school governing boards prioritize resources for proven programs and services.
- CS/SB 605a, *Expand Eligible Pre-K Providers* (Laws 2011, Chapter 140), amends the *Pre-Kindergarten Act* to expand the number of providers eligible to offer pre-kindergarten services by allowing providers from any communities with public Title I

elementary schools; requires PED and CYFD to request and evaluate proposals or applications for pre-kindergarten services; and gives priority to programs according to the Title I status of the schools in those communities and the percentage of the children served living within the attendance zone of a Title I school, without regard to the adequate yearly progress status of the schools in the community.

- SJM 35, *Study Indian Education Impact Aid Money*, requests that the LESC study the use of impact aid set-aside money for Indian education and determine if the local process used by districts ensures collaboration with tribal leaders and leads to an accurate identification of local needs; and requests that the LESC hold hearings to receive testimony from government officials and stakeholders in the American Indian community.
- SM 52, *Indian Education Act Effectiveness*, requests that the LESC and the Interim Legislative Indian Affairs Committee convene a joint subcommittee to assess the effectiveness of the *Indian Education Act*; and that the joint subcommittee make recommendations on certain matters to the LESC and the Legislative Indian Affairs Committee by October 1, 2011.
- SM 70, *Rural Isolation Units Study*, requests that the LESC study the provisions of law governing the rural isolation units provided through the public school funding formula and report its findings and recommendations to the appropriate interim legislative committee by December 1, 2011.
- SM 71, *Northwest Quadrant Public School Access Study*, requests that PED study access to public education in the northwest quadrant of the state and report its findings to the LESC by August 1, 2011.

The final attachments to this memo are summaries of all public school-related legislation <u>that</u> <u>passed</u> in the 2011 regular session.

A separate listing of public education-related legislation that <u>did not pass</u> is available upon request from the LESC office.

xc: Governor Susana Martinez

Lieutenant Governor John Sanchez
Ms. Hanna Skandera, Secretary-designate of Public Education
Dr. Jose Z. Garcia, Secretary of Higher Education
Members of the Public Education Commission
Presidents of Local School Boards
Public School District Superintendents
State-chartered Charter School Administrators
Other Interested Parties

SELECTED PUBLIC EDUCATION-RELATED LANGUAGE GENERAL APPROPRIATION ACT OF 2011 CS/HB 2 et al., as amended (Laws 2011, Chapter 179)

Section 3. GENERAL PROVISIONS [pages 4-6]

H. The department of finance and administration will regularly consult with the legislative finance committee staff to compare fiscal year 2012 revenue collections with the revenue estimate. If the analyses indicate that revenues and transfers to the general fund are not expected to meet appropriations, then the department shall present a plan to the legislative finance committee that outlines the methods by which the administration proposes to address the deficit.

J. Pursuant to Section 6-4-2 NMSA 1978, federal funds received during fiscal year 2012 and not specifically appropriated shall be subject to future appropriation by the legislature; provided, however, that an agency may request a budget increase during fiscal year 2012 from the state budget division if the agency submits documentation to the state budget division and to the legislative finance committee showing that all of the following five requirements have been met:

(1) the requested budget increase is for federal funds the amount of which could not have been reasonably anticipated or known during the first session of the fiftieth legislature and, therefore, could not have been requested by the agency or appropriated by the legislature;

(2) the federal law authorizing the disbursement of the federal funds to the state requires the funds to be expended for specific programs or specific governmental functions without leaving a policy choice to the state of how the funds are to be expended;

(3) the state has no discretion as to the programs or governmental functions for which the federal funds will be expended;

(4) the executive branch has had no input into the selection of the programs or governmental functions for which the federal funds are required to be expended; and

(5) due to the emergency nature of the purpose of the federal funds or the likelihood that the federal funds will be unavailable in the future, the funds need to be budgeted and expended before the second session of the fiftieth legislature.

K. During fiscal year 2012, each agency, institution or other governmental entity that receives money appropriated in Section 4 of the General Appropriation Act of 2011 and that

also receives federal funds shall submit a quarterly report to the department of finance and administration and legislative finance committee pursuant to the following provisions;

(1) the report shall contain the following information:

(a) the amount of federal funds received during the preceding quarter;

(b) whether the federal funds received were referenced in the General Appropriation Act of 2011 or whether they were budgeted through the budget adjustment process;

(c) the purpose for which the federal funds were received;

(d) the expenditure period during which the federal funds may be expended;

(e) the amount of federal funds expended during the preceding quarter and the purpose of the expenditures; and

(f) whether the federal funds expended were referenced in the General Appropriation Act of 2011 or whether they were budgeted through the budget adjustment process;

(2) the reports shall be due on September 15, January 15, April 15 and July 15 for federal funds received or expended during the preceding calendar quarter;

(3) the higher education department shall require the reports from the public postsecondary institutions and shall forward the reports to the department of finance and administration, legislative finance committee and legislative education study committee; and

(4) the public education department shall require the reports from school districts and locally chartered and state chartered charter schools and forward the reports to the department of finance and administration, legislative finance committee and legislative education study committee.

L. For fiscal year 2012, the number of permanent and term full-time-equivalent positions specified for each agency shows the maximum number of employees intended by the legislature for that agency, unless another provision of the General Appropriation Act of 2011 or another act of the first session of the fiftieth legislature provides for additional employees. For purposes of the General Appropriation Act of 2011 and any other act of the first session of the fiftieth legislature, no employee shall be deemed to have an annual salary greater than twenty thousand dollars (\$20,000) unless the employee's full-time-equivalent base annual salary is greater than that amount or unless the employee's base hourly wage is greater than nine dollars fifty seven and nine tenths cents (\$9.579).

Section 4. FISCAL YEAR 2012 APPROPRITIONS

F. HEALTH, HOSPITALS AND HUMAN SERVICES

HUMAN SERVICES DEPARTMENT

(3) Income support:

The federal funds appropriations to the income support program of the human services department include ... two hundred thousand dollars (\$200,000) to the public education department for the graduation, reality and dual-role skills program. [page 126, lines 14-19]

CHILDREN, YOUTH AND FAMILIES DEPARTMENT

(3) Early childhood services:

The general fund appropriations to the early childhood services program of the children, youth and families department include seven million two hundred twenty-four thousand dollars (\$7,224,000) for direct services and eight hundred two thousand seven hundred dollars (\$802,700) for administrative and program support in the prekindergarten program. [page 156, lines 6-9]

I. OTHER EDUCATION

PUBLIC EDUCATION DEPARTMENT

A regional education cooperative may submit an application to the public education department for an allocation from the nine hundred thirty-eight thousand two hundred dollar (\$938,200) appropriation. The public education department may allocate amounts to one or more regional education cooperatives provided that the regional education cooperative's application has adequately justified a need for the allocation, and the department finds that the regional education cooperative has submitted timely quarterly financial reports, is in compliance with state and federal financial reporting requirements, including annual audit requirements pursuant to the Audit Act, and is otherwise financially stable. The public education department shall not make an allocation to a regional education cooperative that is not in compliance with the Audit Act. [page 174, lines 13-21]

The general fund appropriation to the public education department for the prekindergarten program and the kindergarten-three-plus program shall be used only for direct instruction, transportation and approved administrative costs. [page 174, lines 22-24]

The internal service funds/interagency transfers appropriation to the public education department includes two hundred thousand dollars (\$200,000) for the graduation, reality,

and dual-role skills program from the temporary assistance for needy families block grant to New Mexico. [page 174, line 25 to page 175, line 2]

The general fund appropriation to the public education department for the operating budget management system and student, teacher accountability reporting system is contingent on the public education department granting the legislative finance committee and the legislative education study committee access to these systems. [page 175, lines 3-6]

Any unexpended balances in the special appropriations to the public education department remaining at the end of fiscal year 2012 from appropriations made from the general fund shall revert to the general fund. [page 175, lines 7-9]

J. HIGHER EDUCATION

HIGHER EDUCATION DEPARTMENT:

The department shall identify the differences between funded student credit hours and completed student credit hours at each institution and statewide under the funding formula and report the results to the legislative finance committee no later than July 1, 2011. [page 177, lines 4-6]

The department shall recommend revisions to the funding formula authorized by Section 21-2-5.1 NMSA 1978 no later than October 15, 2011. At a minimum, the new formula shall provide incentives for improving student outcomes and quality of programs, including mechanisms to promote cost effective services, greater rates of students completing courses and on-time degree completion. [page 177, lines 7-10]

The general fund appropriation to the policy development and institutional financial oversight program of the higher education department in the other category includes an additional one hundred thousand dollars (\$100,000) for the mathematics, engineering, science achievement program to provide educational enrichments for middle and high school students from historically underrepresented populations. [page 177, lines 11-15]

Notwithstanding the provisions of Sections 21-21L-1 through 21-21L-8 NMSA 1978, the other state funds appropriation to the student financial aid program of the higher education department includes two million two hundred thirty-two thousand two hundred dollars (\$2,232,200) from the college affordability endowment fund for student financial aid. [page 178, lines 7-10]

...

K. PUBLIC SCHOOL SUPPORT

PUBLIC SCHOOL SUPPORT

(1) State equalization guarantee distribution:

The rate of distribution of the state equalization guarantee distribution shall be based on a program unit value determined by the secretary of public education. The secretary of public education shall establish a preliminary unit value to establish budgets for the 2011-2012 school year and then, upon verification of the number of units statewide for fiscal year 2012 but no later than January 31, 2012, the secretary of public education may adjust the program unit value. [page 208, lines 3-7]

The secretary of public education, in collaboration with the department of finance and administration, office of education accountability, shall ensure all teachers have been evaluated under the tiered licensure evaluation system and have the professional competencies of the appropriate level. The secretary of public education shall withhold from the public school distribution funding for the minimum salary of any teacher who has not been evaluated. [page 208, lines 8-12]

The secretary of public education, in collaboration with the department of finance and administration, office of education accountability, shall ensure all principals and assistant principals have been evaluated under the highly objective uniform statewide standards of evaluation and have the professional competencies to serve as a principal or assistant principal. The secretary of public education shall withhold from the public school distribution funding for the minimum salary of any principal or assistant principal who has not been evaluated. [page 208, lines 13-18]

After considering those elementary physical education programs eligible for state financial support and the amount of state funding available for elementary physical education, the secretary of public education shall annually determine the programs and the consequent number of students in elementary physical education that will be used to calculate the number of elementary physical education program units. [page 208, lines 19-23]

For the 2011-2012 school year, the state equalization guarantee distribution includes sufficient funding for school districts to implement a new formula-based program. Those districts shall use current year membership in the calculation of program units for the new formula-based program. [page 208, line 24 to page 209, line 1]

The general fund appropriation to the state equalization guarantee distribution includes seven million five hundred thousand dollars (\$7,500,000) **contingent on the enactment of House Bill 607 or similar legislation** [emphasis added] of the first session of the fiftieth legislature. [page 209, lines 2-4]

The general fund appropriation to the state equalization guarantee distribution reflects the deduction of federal revenue pursuant to Paragraph (2) of Subsection C of Section 22-8-25 NMSA 1978 that includes payments commonly known as "impact aid funds" pursuant to 20 USCA 7701 et. seq., and formerly known as "PL874 funds". [page 209, lines 5-8]

The general fund appropriation to the public school fund shall be reduced by the amounts transferred to the public school fund from the current school fund and from the federal Mineral Lands Leasing Act receipts otherwise unappropriated. [page 209, lines 9-11]

Pursuant to Article XII, Section 6 of the New Mexico Constitution, the secretary of the public education department has administrative and regulatory powers and duties, including all functions relating to the distribution of school funds and financial accounting for the public schools to be performed as provided by law. To administer spending reductions when approving programs, school district and charter school budgets, budget adjustment requests, and in setting the unit value, the secretary shall verify and audit generation of membership and program units. In approving programs, school district and charter school budgets, budget adjustment requests, budget adjustment requests, and in setting the unit value, the secretary of public education shall work with and assist local superintendents and local school boards to ensure efficient spending practices, to ensure that membership and program units are correctly calculated and to ensure budget reductions are implemented in a manner that will minimize adverse impacts to instructional programs and student achievement. The secretary shall ensure that the number of instructional days will not be reduced. [page 209, lines 12-23]

Any unexpended balances in the authorized distributions remaining at the end of fiscal year 2012 from appropriations made from the general fund shall revert to the general fund. [page 209, lines 24-25]

(3) Supplemental distribution:

(b) Emergency supplemental:

Prior to the distribution of emergency supplemental funds to any public school district or charter school, the secretary of public education shall verify with the New Mexico state auditor that the school district or charter school is in compliance with all provisions of the Audit Act. No emergency supplemental distributions shall be made to any school district or charter school not current with its audits. [page 210, lines 21-25]

Prior to the distribution of emergency supplemental funds to any public school district or charter school, the secretary of public education shall verify that the school district or charter school had no more than fifty percent of allowable emergency fund balance carried forward from the previous fiscal year pursuant to Subsection B of Section 22-8-41 NMSA 1978 and no more than fifty percent of allowable operational fund balance carried forward from the previous fiscal year pursuant to Subsection C of Section 22-8-41 NMSA 1978. No emergency

supplemental distribution shall be made to any public school district or charter school that has carried forward from the previous fiscal year more than fifty percent of the amount allowable pursuant to Section 22-8-41 NMSA 1978. [page 211, lines 1-8]

Any unexpended balances in the supplemental distribution of the public education department remaining at the end of fiscal year 2012 from appropriations made from the general fund shall revert to the general fund. [page 211, 9-11]

INDIAN EDUCATION FUND

The general fund appropriation to the public education department for the Indian Education Act includes four hundred thousand dollars (\$400,000) for a nonprofit organization that provides teaching support in schools with a high proportion of Native American students. [page 212, lines 1-3]

The general fund appropriation to the public education department for the Indian Education Act includes three hundred thousand dollars (\$300,000) to provide a rural literacy initiative to support after-school and summer literacy block programs for students in kindergarten through eighth grade in schools with a high proportion of Native American students contingent on receipt of three hundred thousand dollars (\$300,000) in matching funds from other than state sources no later than September 30, 2011. [page 212, lines 4-9]

Section 5. SPECIAL APPROPRIATIONS

The following amounts are appropriated from the general fund or other funds as indicated for the purposes specified. Unless otherwise indicated, the appropriation may be expended in fiscal years 2011 and 2012. Unless otherwise indicated, any unexpended balances of the appropriations remaining at the end of fiscal year 2012 shall revert to the appropriate fund. [page 212, lines 14-17]

(23) PUBLIC EDUCATION DEPARTMENT: 2,000.0

For emergency support to school districts and charter schools experiencing shortfalls. All requirements for distribution of funds shall be in accordance with Section 22-8-30 NMSA 1978. The general fund appropriation is from the separate account of the appropriation contingency fund dedicated for the purpose of implementing and maintaining educational reforms created in Section 12 of Chapter 114 of Laws 2004 [the "Education Lockbox"]. Prior to the distribution of any emergency supplemental funds, the secretary of public education shall provide the legislative finance committee and the legislative education study committee with a report outlining (1) the criteria used to qualify for funds; (2) the financial status of recipients, including the status of recipients' financial audits; and (3) any cost savings measures recipients implemented before applying for funds. In no event shall money be distributed to any school district or charter school having cash and

invested reserves, or other resources or any combination thereof, equaling five percent or more of their operating budget. [page 215, line 25 to page 216, line 11]

(24) PUBLIC EDUCATION DEPARTMENT: 1,200.0

For increased fuel costs incurred by school districts or state-chartered charter schools. Notwithstanding the provisions in Section 22-8-29.6 NMSA 1978, for school years 2010-2011 and 2011-2012 the secretary shall make distributions from the transportation emergency fund first to provide additional funding to school districts and state-chartered charter schools for increased school bus fuel costs. The distribution of funding shall be based on miles traveled for to-and-from transportation of public school students. School districts and state-chartered charter schools shall request funds for fuel from the secretary and provide supporting documentation that they have incurred increased costs due to higher fuel prices. The secretary shall approve requests for funding for fuel cost increases and make distributions on a reimbursement basis. [page 216, lines 12-21]

(25) PUBLIC EDUCATION DEPARTMENT: 2,500.0

For the governor's educational reforms and initiatives, including third-grade retention, **contingent on enactment of House Bill 21 or similar legislation** [emphasis added] of the first session of the fiftieth legislature; providing technical assistance to low performing schools; improving data systems; innovative digital education and learning; computer-administered assessments and common core standards implementation. The general fund appropriation is from the separate account of the appropriation contingency fund dedicated for the purpose of implementing and maintaining educational reforms created in Section 12 of Chapter 114 of Laws 2004 [the "Education Lockbox"]. The appropriation is contingent on the public education department providing a detailed action plan to the legislative finance committee and the legislative education study committee no later than May 1, 2011, and continued quarterly reporting on expenditure of funds and progress and results of reforms and initiatives. [page 216, line 22 to page 217, line7

(26) PUBLIC EDUCATION DEPARTMENT

The period of time for expending appropriations contained in Subsection 17 of Section 5 of Chapter 6 of Laws 2010 (second special session), is extended through fiscal year 2012. [This appropriation was for emergency support to school districts experiencing shortfalls.] [page 217, lines 8-10]

(27) HIGHER EDUCATION DEPARTMENT: 500.0

For innovative digital education and learning and the New Mexico cyber academy. [page 217, lines 11-12]

Section 7. DATA PROCESSING APPROPRIATIONS

... Unless otherwise indicated, the appropriation may be expended in fiscal years 2011, 2012 and 2013. Unless otherwise indicated, any unexpended balances remaining at the end of fiscal year 2013 shall revert to the computer systems enhancement fund or other funds as indicated. ...

(3) EDUCATIONAL RETIREMENT BOARD: 3,500.0

To upgrade the integrated retirement information system, including two term full-timeequivalent positions. The appropriation is from the educational retirement fund. [page 219, lines 22-24]

Section 10. APPROPRIATION REDUCTIONS

B. In order to reflect lower employer contribution rates for certain retirement plans under the Public Employees Retirement Act and the Educational Retirement Act:

(1) general fund appropriations set forth in Section 4 of the General Appropriation Act of 2011 and in Laws 2011, Chapter 1, Subsection A of Section 3 and Sections 4, 5, 7 and 8 are reduced by a total of forty-nine million seven hundred thousand dollars (\$49,700,000); provided that the department of finance and administration shall allocate the appropriation reduction among all state agencies, public school support and higher education institutions [page 232, lines 16-20];

(2) appropriations set forth in Section 4 of the General Appropriation Act of 2011 to agencies and institutions from sources other than the general fund are also reduced to reflect the lower employer contribution rates; provided that the department of finance and administration shall determine the amount of each reduction [page 232, lines 21-25];

(3) in order to effectuate the reductions in Paragraphs (1) and (2) of this subsection, the state budget division of the department of finance and administration and the higher education department shall reduce the operating budget of each agency, program and institution accordingly [page 232, line 25 to page 233, line 3]; and

(4) the appropriation reductions in Paragraphs (1) and (2) of this subsection are **contingent on enactment of Senate Bill 248 or similar legislation** [emphasis added] of the first session of the fiftieth legislature that decreases employer contribution rates by one and three-fourths percent of salary from the employer contribution rates applicable during fiscal year 2011; provided that, if other legislation is enacted into law by the first session of the fiftieth legislature that decreases employer contribution rates from the rates applicable during fiscal year 2011 by a different percentage, then the department of finance and administration shall adjust the appropriation reductions of Paragraphs (1) and (2) of this subsection accordingly. [page 233, lines 4-11]

C. As a result of reduced unemployment compensation assessments due to the cancellation of the unemployment services contract by the general services department and performing the service with employees:

(1) general fund appropriations set forth in Section 4 of the General Appropriation Act of 2011 are reduced by a total of three million dollars (\$3,000,000) from the personal services and employee benefits category [page 233, lines 15-17];

(2) appropriations set forth in Section 4 of the General Appropriation Act of 2011 to agencies and programs from sources other than the general fund are also reduced in the personal services and employee benefits category; provided that the department of finance and administration shall determine the amount of each reduction [page 233, lines 18-21]; and

(3) in order to effectuate the reductions, the state budget division of the department of finance and administration shall reduce the operating budget of state agencies accordingly. [page 233, lines 22-23]

Section 11. FUND TRANSFERS

Notwithstanding any restriction on the use of money in the funds:

A. On the effective date of the General Appropriation Act of 2011, the following amounts from the following funds or accounts are transferred to the general fund for the purpose of meeting appropriations from the general fund:

(1) five million dollars (\$5,000,000) is transferred from the college affordability endowment fund...[.] [page 234, lines 3-4]

<u>Section 12. AUTHORITY TO REDUCE ALLOTMENTS</u> [page 235, line 9 to page 236, line 14]

A. During fiscal year 2012, the department of finance and administration shall regularly consult with the legislative finance committee staff to compare revenue collections with the revenue estimate. If a general fund consensus revenue forecast projects that revenues and transfers to the general fund, including all transfers authorized pursuant to Section 13 of the General Appropriation Act of 2011, will be insufficient to meet general fund appropriations for fiscal year 2012, the governor, with the approval of the state board of finance and after review and an opportunity to comment by the legislative finance committee, shall reduce general fund allotments to all agencies, funds, programs and other recipients that receive a general fund appropriation in Section 4 of the General Appropriation Act of 2011, pursuant to the following guidelines:

(1) the aggregate of all the reductions in allotments shall equal the amount of the projected deficit;

(2) the reductions shall apply proportionately to all agencies, funds, programs and other recipients, and to all programs and categories within agencies, that receive a general fund appropriation in Section 4 of the General Appropriation Act of 2011, except that no reductions shall be made in the allotments for the medicaid programs or the developmental disabilities support program;

(3) if a reduction in an allotment for personal services and employee benefits necessitates a reduction in salaries, the agency is authorized to temporarily reduce salaries in the amount of the reduction;

(4) if a subsequent general fund consensus revenue forecast released during fiscal year 2012 projects revenues to increase above the previous forecast, the allotments shall be increased to reflect the new forecast, up to the amount of the original appropriations;

(5) if a subsequent general fund consensus revenue forecast released during fiscal year 2012 projects revenues to decrease further from the previous forecast, allotments shall be further reduced pursuant to this subsection; and

(6) expenditures of the appropriations made to legislative agencies in Laws 2011, Chapter 1, Subsection A of Section 3 and Sections 4, 5, 7 and 8 shall also be reduced in accordance with the provisions of this subsection.

B. As used in this section, "general fund consensus revenue forecast" means the revenue estimates prepared by the career economists of the department of finance and administration, taxation and revenue department, department of transportation and legislative finance committee.

Section 13. TRANSFER AUTHORITY [page 236, lines 15-20]

If revenue and transfers to the general fund at the end of fiscal year 2011 or 2012 are not sufficient to meet appropriations, the governor, with state board of finance approval, may transfer to the appropriation account of the general fund the amount necessary to meet that fiscal year's obligations from the operating reserve, provided that the total transferred pursuant to this subsection shall not exceed fifty million dollars (\$50,000,000). [page 236, lines 16-20]

Section 14. [AUTHORITY TO REDUCE ALLOTMENTS] [page 236, line 21 to page 238, line 7]

Section 14 of the General Appropriation Act of 2010 (being Laws 2010 (2nd S.S.), Chapter 6, Section 14) is amended to read:

"Section 14. AUTHORITY TO REDUCE ALLOTMENTS.-

A. During fiscal year 2011, the department of finance and administration shall regularly consult with the legislative finance committee staff to compare revenue collections with the revenue estimate. If a general fund consensus revenue forecast projects that revenues and

transfers to the general fund, including all transfers authorized pursuant to Section 15 of the General Appropriation Act of 2010, will be insufficient to meet general fund appropriations for fiscal year 2011, the governor, with the approval of the state board of finance and after review and an opportunity to comment by the legislative finance committee, shall reduce general fund allotments to all agencies, funds, programs and other recipients that receive a general fund appropriation in Section 4 of the General Appropriation Act of 2010, pursuant to the following guidelines:

(1) the aggregate of all the reductions in allotments shall equal the amount of the projected deficit;

(2) the reductions shall apply proportionately to all agencies, funds, programs and other recipients, and to all programs and categories within agencies, that receive a general fund appropriation in Section 4 of the General Appropriation Act of 2010, except that no reductions shall be made in the allotments for the medicaid programs or the developmental disabilities support program;

(3) if a reduction in an allotment for personal services and employee benefits necessitates a reduction in salaries, the agency is authorized to temporarily reduce salaries in the amount of the reduction;

(4) if allotments are reduced pursuant to this subsection, they shall not thereafter be increased;

(5) except as otherwise provided in Paragraph (6) of this subsection, if allotments are reduced pursuant to this subsection and a subsequent general fund consensus revenue forecast released during fiscal year 2011 projects revenues to decrease further from the forecast upon which allotments are based at the time the subsequent forecast is released, allotments shall be further reduced pursuant to this subsection;

(6) if a subsequent general fund consensus revenue forecast is released during fiscal year 2011 before allotments are reduced pursuant to this subsection based upon the previous general fund consensus revenue forecast, allotments shall not be reduced based upon the previous forecast; and

(7) expenditures of the appropriations made to legislative agencies in Laws 2010, Chapter 1, Subsection A of Section 3 and 4, 5, 7 and 8 shall also be reduced in accordance with the provisions of this subsection.

B. As used in this section, "general fund consensus revenue forecast" means the revenue estimates prepared by the career economists of the department of finance and administration, taxation and revenue department, department of transportation and legislative finance committee."

TABLE 1 FY 12 PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS

(dollars in thousands)

	FY 11 Final Unit Value \$3,712.17 ¹	FY 12 Initial Unit Value \$3,585.97	
	Adjusted FY 11 APPROPRIATION	FY 12 Appropriation CS/HB 2 et al. as amende Laws 2011, Ch. 179 <i>(partial veto)</i>	
PROGRAM COST	\$2,171,012.2	\$2,255,050.1	
Restoration with General Fund Dollars of Federal American Recovery and Reinvestment Act (ARRA) dollars	\$164,700.0	\$88,275.6	
FY 11 ARRA FUNDS			
	(\$23,898.0)		
Adjustment for Laws 2010, Chapter 6, Section 10 (0.544% sanding of SEG)	(\$12,407.6)		
Adjustment for Laws 2010, Chapter 6, Section 14 (Executive Reduction to SEG)	(\$73,597.3)		
ENROLLMENT GROWTH FIXED COSTS	\$14,016.9 \$3,723.9	\$3,000.0	
INSURANCE COSTS	\$11,500.0		
PUBLIC SCHOOL EMPLOYEE COMPENSATION	¢11,000.0		
Employer's ERB Contribution Changes (Contingent on the enactment of SB 248 or similar legislation)		See Footnote ²	
Shift Return-to-work Employee ERB Contribution to Employee (9.4%) (Contingent on enactment of HB 129 or similar legislation, which was enacted)		(\$4,860.5)	
Suspend Certain State-required Assessments for 1 Year (FY 12) (Contingent on enactment of SB 360 or similar legislation, which was enacted)		(\$3,463.5)	
Administrative and Efficiency Savings to Minimize Impact on Instructional Programs		(\$17,193.0)	
PROGRAM COST	\$2,255,050.1	\$2,320,808.7	
Dollar Difference over Previous Year's Appropriation		\$65,758.6	
Percent Change	(050, 100, 0)	2.9%	
LESS PROJECTED CREDITS	(\$59,400.0)	(\$68,436.0)	
LESS OTHER STATE FUNDS (from driver's license fees) STATE EQUALIZATION GUARANTEE (General Fund recurring appropriations, not including ARRA or Education Jobs Fund dollars)	(\$850.0) \$2,194,800.1	(\$850.0) \$2,251,522.7	
Dollar Difference over Previous Year's Appropriation		\$56,722.6	
Percent Change		2.6%	
FEDERAL ARRA DOLLARS	\$23,898.0		
FEDERAL EDUCATION JOBS FUND DOLLARS	\$64,377.6		
ADJUSTED STATE EQUALIZATION GUARANTEE, INCLUDING ARRA and EDUCATION JOBS FUND DOLLARS ³	\$2,283,075.7	\$2,251,522.7	
Dollar Difference over Previous Year's Appropriation		(\$31,553.0)	
Dollar Difference over Previous Year's Appropriation Percent Change		(\$31,553.0) -1.4%	
Percent Change			
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT	\$83,049.3		
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION	\$83,049.3 \$11,578.2	-1.4%	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational		-1.4%	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses)		-1.4%	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION		-1.4%	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION Employer's ERB Contribution Changes	\$11,578.2	-1.4% \$82,339.0 \$11,724.4 See Footnote ²	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION Employer's ERB Contribution Changes TOTAL TRANSPORTATION	\$11,578.2	-1.4% \$82,339.0 \$11,724.4 See Footnote ²	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION Employer'S ERB Contribution Changes TOTAL TRANSPORTATION SUPPLEMENTAL DISTRIBUTIONS	\$11,578.2 \$94,627.5	-1.4% \$82,339.0 \$11,724.4 See Footnote ² \$94,063.4 \$346.0	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION Employer'S ERB Contribution Changes TOTAL TRANSPORTATION SUPPLEMENTAL DISTRIBUTIONS Out-of-state Tuition	\$11,578.2 \$94,627.5 \$333.0	-1.4% \$82,339.0 \$82,339.0 \$11,724.4 See Footnote ² \$94,063.4 \$346.0	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION Employer's ERB Contribution Changes TOTAL TRANSPORTATION SUPPLEMENTAL DISTRIBUTIONS Out-of-state Tuition Emergency Supplemental INSTRUCTIONAL MATERIAL FUND (FY 12 adoption includes grades K-12 Social Studies, Health Education, and Destricted functional	\$11,578.2 \$94,627.5 \$333.0 \$1,924.6	-1.4% \$82,339.0 \$11,724.4 See Footnote ² \$94,063.4 \$346.0 \$1,924.6 *	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION Employer's ERB Contribution Changes TOTAL TRANSPORTATION SUPPLEMENTAL DISTRIBUTIONS Out-of-state Tuition Emergency Supplemental INSTRUCTIONAL MATERIAL FUND (FY 12 adoption includes grades K-12 Social Studies, Health Education, and Physical Education) Dual Credit Instructional Materials INDIAN EDUCATION FUND	\$11,578.2 \$94,627.5 \$333.0 \$1,924.6 \$14,603.2 \$962.3 \$1,924.6	-1.4% \$82,339.0 \$11,724.4 See Footnote ² \$94,063.4 \$346.0 \$1,924.6 * \$15,092.8 \$812.3 \$1,824.6 *	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION Employer's ERB Contribution Changes TOTAL TRANSPORTATION SUPPLEMENTAL DISTRIBUTIONS Out-of-state Tuition Emergency Supplemental INSTRUCTIONAL MATERIAL FUND (FY 12 adoption includes grades K-12 Social Studies, Health Education, and Physical Education) Dual Credit Instructional Materials INDIAN EDUCATION FUND	\$11,578.2 \$94,627.5 \$333.0 \$1,924.6 \$14,603.2 \$962.3	-1.4% \$82,339.0 \$11,724.4 See Footnote ² \$94,063.4 \$346.0 \$1,924.6 * \$15,092.8 \$812.3	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION Employer's ERB Contribution Changes TOTAL TRANSPORTATION SUPPLEMENTAL DISTRIBUTIONS Out-of-state Tuition Emergency Supplemental INSTRUCTIONAL MATERIAL FUND (FY 12 adoption includes grades K-12 Social Studies, Health Education, and Physical Education) Dual Credit Instructional Materials INDIAN EDUCATION FUND	\$11,578.2 \$94,627.5 \$333.0 \$1,924.6 \$14,603.2 \$962.3 \$1,924.6	-1.4% \$82,339.0 \$11,724.4 See Footnote ² \$94,063.4 \$1,924.6 * \$15,092.8 \$812.3 \$1,824.6 *	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION Employer's ERB Contribution Changes TOTAL TRANSPORTATION SUPPLEMENTAL DISTRIBUTIONS Out-of-state Tuition Emergency Supplemental INSTRUCTIONAL MATERIAL FUND (FY 12 adoption includes grades K-12 Social Studies, Health Education, and Physical Education) Dual Credit Instructional Materials INDIAN EDUCATION FUND TOTAL CATEGORICAL TOTAL PUBLIC SCHOOL SUPPORT (General Fund recurring appropriations, not including ARRA or Education	\$11,578.2 \$94,627.5 \$333.0 \$1,924.6 \$14,603.2 \$962.3 \$1,924.6 \$114,375.0	-1.4% \$82,339.0 \$11,724.4 See Footnote ² \$94,063.4 \$1,924.6 * \$15,092.8 \$812.3 \$1,824.6 * \$114,063.7	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION Employer's ERB Contribution Changes TOTAL TRANSPORTATION SUPPLEMENTAL DISTRIBUTIONS Out-of-state Tuition Emergency Supplemental INSTRUCTIONAL MATERIAL FUND (FY 12 adoption includes grades K-12 Social Studies, Health Education, and Physical Education) Dual Credit Instructional Materials INDIAN EDUCATION FUND TOTAL CATEGORICAL TOTAL CATEGORICAL TOTAL PUBLIC SCHOOL SUPPORT (General Fund recurring appropriations, not including ARRA or Education Jobs dollars)	\$11,578.2 \$94,627.5 \$333.0 \$1,924.6 \$14,603.2 \$962.3 \$1,924.6 \$114,375.0	-1.4% \$82,339.0 \$11,724.4 \$ See Footnote ² \$94,063.4 \$346.0 \$1,924.6 ³ \$15,092.8 \$812.3 \$1,824.6 ³ \$11,824.6	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION Employer's ERB Contribution Changes TOTAL TRANSPORTATION SUPPLEMENTAL DISTRIBUTIONS Out-of-state Tuition Emergency Supplemental INSTRUCTIONAL MATERIAL FUND (FY 12 adoption includes grades K-12 Social Studies, Health Education, and Physical Education) Dual Credit Instructional Materials INDIAN EDUCATION FUND TOTAL CATEGORICAL TOTAL PUBLIC SCHOOL SUPPORT (General Fund recurring appropriations, not including ARRA or Education Jobs dollars) Dollar Difference over Previous Year's Appropriation Percent Change	\$11,578.2 \$94,627.5 \$333.0 \$1,924.6 \$14,603.2 \$962.3 \$1,924.6 \$114,375.0	-1.4% \$82,339.0 \$11,724.4 See Footnote ² \$94,063.4 \$1924.6 * \$15,092.8 \$812.3 \$1,824.6 * \$11,824.6 * \$114,063.7 \$2,365,586.4 \$56,411.3	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION Employer's ERB Contribution Changes TOTAL TRANSPORTATION SUPPLEMENTAL DISTRIBUTIONS Out-of-state Tuition Emergency Supplemental INSTRUCTIONAL MATERIAL FUND (FY 12 adoption includes grades K-12 Social Studies, Health Education, and Physical Education) Dual Credit Instructional Materials INDIAN EDUCATION FUND TOTAL CATEGORICAL TOTAL CATEGORICAL TOTAL PUBLIC SCHOOL SUPPORT (General Fund recurring appropriations, not including ARRA or Education Jobs dollars) Dollar Difference over Previous Year's Appropriation	\$11,578.2 \$94,627.5 \$333.0 \$1,924.6 \$14,603.2 \$962.3 \$1,924.6 \$114,375.0 \$2,309,175.1	-1.4% \$82,339.0 \$11,724.4 See Footnote ² \$94,063.4 \$1924.6 * \$15,092.8 \$812.3 \$1,824.6 * \$11,824.6 * \$114,063.7 \$2,365,586.4 \$56,411.3	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION Employer's ERB Contribution Changes TOTAL TRANSPORTATION SUPPLEMENTAL DISTRIBUTIONS Out-of-state Tuition Emergency Supplemental INSTRUCTIONAL MATERIAL FUND (FY 12 adoption includes grades K-12 Social Studies, Health Education, and Physical Education) Dual Credit Instructional Materials INDIAN EDUCATION FUND TOTAL CATEGORICAL TOTAL PUBLIC SCHOOL SUPPORT (General Fund recurring appropriations, not including ARRA or Education Jobs dollars) Dollar Difference over Previous Year's Appropriation FEDERAL ARRA DOLLARS	\$11,578.2 \$94,627.5 \$333.0 \$1,924.6 \$14,603.2 \$962.3 \$1,924.6 \$114,375.0 \$2,309,175.1 \$23,898.0	-1.4% \$82,339.0 \$11,724.4 See Footnote ² \$94,063.4 \$1,924.6 * \$15,092.8 \$812.3 \$1,824.6 * \$114,063.7 \$2,365,586.4 \$56,411.3	
Percent Change CATEGORICAL PUBLIC SCHOOL SUPPORT TRANSPORTATION Operational Rental Fees (contractor-owned buses) TRANSPORTATION EMPLOYEE COMPENSATION Employer's ERB Contribution Changes TOTAL TRANSPORTATION SUPPLEMENTAL DISTRIBUTIONS Out-of-state Tuition Emergency Supplemental INSTRUCTIONAL MATERIAL FUND (FY 12 adoption includes grades K-12 Social Studies, Health Education, and Physical Education) Dual Credit Instructional Materials INDIAN EDUCATION FUND TOTAL CATEGORICAL TOTAL CATEGORICAL TOTAL PUBLIC SCHOOL SUPPORT (General Fund recurring appropriations, not including ARRA or Education Jobs dollars) Dollar Difference over Previous Year's Appropriation Percent Change FEDERAL ARRA DOLLARS	\$11,578.2 \$94,627.5 \$333.0 \$1,924.6 \$14,603.2 \$962.3 \$1,924.6 \$114,375.0 \$2,309,175.1 \$23,898.0 \$64,377.6	-1.4% \$82,339.0 \$11,724.4 See Footnote ² \$94,063.4 \$19,24.6 * \$15,092.8 \$812.3 \$1,824.6 * \$114,063.7 \$2,365,586.4 \$56,411.3 2.4%	

*See "Selected Public Education-related Language," attached.

¹ FY 11 Final Unit Value = \$3,712.17 (\$3,572.34 General Fund + \$37.85 federal ARRA dollars + \$101.98 in Education Jobs Funds), a decrease of \$0.28 from the initial unit value of \$3,712.45.

² Enacted was CS/HB 628a, which decreases employer contribution rates by 1.75 percent. LESC staff estimates this reduction to be approximately \$27.27 million.

³ For FY 11, line 24 reflects the inclusion of federal dollars in the recurring General Fund appropriation to the SEG: \$23.9 million from ARRA and \$64.4 million from the Education Jobs Fund. The totals on lines 46 and 69 also reflect the inclusion of these dollars.

TABLE 1 FY 12 PUBLIC SCHOOL SUPPORT AND RELATED APPROPRIATIONS (dollars in thousands)

FY 11 Final Unit FY 12 Initial Unit Value \$3,585.97 Value \$3.712.17 FY 12 Appropriation Adjusted S/HB 2 et al. as amende FY 11 APPROPRIATION Laws 2011, Ch. 179 (partial veto) RELATED APPROPRIATIONS: RECURRING 49 PUBLIC EDUCATION DEPARTMENT \$13,955.4 \$10,737.4 5 5 Regional Education Cooperatives Operations \$938.1 \$938.2 51 52 Advanced Placement \$541.8 \$541.8 52 \$144.3 53 After-school Enrichment Program \$192.5 54 Apprenticeship Assistance \$192.4 54 55 Breakfast for Elementary Students \$1,924.6 \$1,924.6 55 \$500.0 Early Childhood Education 56 GRADS – Teen Pregnancy Prevention \$288.7 \$200.0 4 57 58 K-3 Plus \$5,292.6 \$5,292.6 50 NEW MEXICO CYBER ACADEMY/INNOVATIVE DIGITAL EDUCATION AND LEARNING (IDEAL-NM) \$685.2 \$500.0 Operating Budget Management System (OBMS) and Student Teacher Accountability Reporting System (STARS) 60 \$673.6 \$673.6 Operational Costs \$5.292.6 \$6.292.6 6 Pre-kindergarten Program \$158.8 62 Summer Reading, Math, and Science Institutes TOTAL RELATED APPROPRIATIONS: RECURRING 63 \$30,088.1 \$27,793.2 63 GRAND TOTAL (General Fund recurring appropriations not including ARRA or Education Jobs dollars \$2,339,263,3 \$2,393,379.6 64 65 Dollar Difference over Previous Year's Appropriation \$54,116.3 65 66 2.3% Percent Chang 67 FEDERAL ARRA DOLLARS \$23,898.0 68 FEDERAL EDUCATION JOBS FUND DOLLARS \$64.377.6 ADJUSTED GRAND TOTAL, INCLUDING ARRA and EDUCATION JOBS FUND DOLLARS \$2,427,538.9 69 \$2,393,379.6 Dollar Difference over Previous Year's Appropriation (\$34,159.3) Percent Chang -1.4%

72 F	ELATED APPROPRIATIONS: NONRECURRING (to PED unless otherwise noted)		
3	Emergency Supplemental Support to Small Rural School Districts	\$4,000.0	
4	Emergency Support to School Districts Experiencing Shortfalls (from the Education Lock Box)	\$6,000.0 ⁵	\$2,000.0 *
5	Governor's Educational Reforms and Initiatives (from the Education Lock Box)		\$2,500.0 *
6	New Mexico Cyber Academy and IDEAL-NM (to HED) (see line 59)		\$500.0
7	Increased Fuel Costs Faced by School Districts and State-chartered Charter Schools(from the Emergency Transportation Fund)		\$1,200.0 *
8	OTAL RELATED APPROPRIATIONS: NONRECURRING	\$10,000.0	\$6,200.0

*See "Selected Public Education-related Language," attached.

⁴ For FY 12, an additional \$200,000 is appropriated to GRADS from the federal Temporary Assistance for Needy Families (TANF) block grant to New Mexico (see page 3 of "Selected Public Education-related Language," attached).

⁵ Through FY 12, the General Appropriation Act of 2011 extends the time for expending the appropriation for Emergency Support to School Districts Experiencing Shortfalls (see page 7 of "Selected Public Education-related Language," attached).

TABLE 2 - HISTORY OF THE UNIT VALUE1974-1975 ACTUAL TO 2011-2012 INITIAL

School Year	Initial Unit Value	Final Unit Value	Increase/ (Decrease) from previous	Percent Difference
			year	
1974-1975		\$616.50		
1975-1976		\$703.00	\$86.50	14.0%
1976-1977		\$800.00	\$97.00	13.8%
1977-1978		\$905.00	\$105.00	13.1%
1978-1979		\$1,020.00	\$115.00	12.7%
1979-1980		\$1,145.00	\$125.00	12.3%
1980-1981		\$1,250.00	\$105.00	9.2%
1981-1982		\$1,405.00	\$155.00	12.4%
1982-1983 ¹	\$1,540.00	\$1,511.33	\$106.33	7.6%
1983-1984		\$1,486.00	(\$25.33)	-1.7%
1984-1985		\$1,583.50	\$97.50	6.6%
1985-1986 ²	\$1,608.00	\$1,618.87	\$35.37	2.2%
1986-1987		\$1,612.51	(\$6.36)	-0.4%
1987-1988		\$1,689.00	\$76.49	4.7%
1988-1989		\$1,737.78	\$48.78	2.9%
1989-1990		\$1,811.51	\$73.73	4.2%
1990-1991		\$1,883.74	\$72.23	4.0%
1991-1992		\$1,866.00	(\$17.74)	-0.9%
1992-1993 ³	\$1,851.73	\$1,867.96	\$1.96	0.1%
1993-1994	\$1,927.27	\$1,935.99	\$68.03	3.6%
1994-1995	\$2,015.70	\$2,029.00	\$93.01	4.8%
1995-1996	\$2,113.00	\$2,113.00	\$84.00	4.1%
1996-1997	\$2,125.83	\$2,149.11	\$36.11	1.7%
1997-1998	\$2,175.00	\$2,175.00	\$25.89	1.2%
1998-1999	\$2,322.00	\$2,344.09	\$169.09	7.8%
1999-2000 ⁴	\$2,460.00	\$2,460.00	\$115.91	4.9%
2000-2001	\$2,632.32	\$2,647.56	\$187.56	7.6%
2001-2002	\$2,868.72	\$2,871.01	\$223.45	8.4%
2002-2003	\$2,896.01	\$2,889.89	\$18.88	0.7%
2003-2004	\$2,977.23	\$2,976.20	\$86.31	3.0%
2004-2005	\$3,035.15	\$3,068.70	\$92.50	3.1%
2005-2006 5	\$3,165.02	\$3,198.01	\$129.31	4.2%
2006-2007 ^{5,6}	\$3,444.35	\$3,446.44	\$248.43	7.8%
2007-2008	\$3,645.77	\$3,674.26	\$227.82	6.6%
2008-2009 ⁷	\$3,892.47	\$3,871.79	\$197.53	5.4%
2009-2010 ^{8,9}	\$3,862.79	\$3,792.65	(\$79.14)	-2.0%
2010-2011 ¹⁰	\$3,712.45	\$3,712.17	(\$80.48)	-2.1%
2011-2012	\$3,585.97		(\$126.20)	-3.4%

¹ The 1982-83 General Fund appropriation was reduced by 2.0 percent.

² The final unit value includes \$10.87 due to the ½ mill redistribution (Laws 1985, Chapter 15).

³ The "floating" unit value went into effect.

⁴ The basis for funding changed to the prior-year average membership of the 40th, 80th, and 120th school days.

⁵ For FY 06, appropriated program cost contains an additional \$51.8 million to implement the third year of the five-year phase-in of the three-tiered licensure system. Although this funding was distributed based on need in FY 06, the \$51.8 million was incl

⁶ The basis for funding changed to the prior-year average membership of the 80th and 120th school days.

- ⁷ In the 2009 legislative session, solvency measures resulted in a \$20.68 decrease in the FY 09 unit value.
- ⁸ FY 10 initial unit value comprises \$3,606.40 in General Fund dollars and \$256.39 in federal funding from the federal *American Recovery & Reinvestment Act of 2009*
- ⁹ FY 10 final unit value comprises \$3,458.06 in General Fund dollars and \$334.59 in federal funding from the federal American Recovery & Reinvestment Act of 2009
- ¹⁰ FY 11 final unit value comprises \$3,572.34 in General Fund dollars, \$37.85 in funding pursuant to the federal American Recovery & Reinvestment Act of 200, and \$101.98 in federal Education Jobs Funds.

Sources: LESC; Issues and Answers,1982-83; A First Look at New Mexico Public School Budgets,1983-84 through 1998-99; PED funded reports (final unit value),1999-00 to the present; PED miscellaneous correspondence.

TABLE 3 REAUTHORIZATIONS OF EDUCATION-RELATED CAPITAL OUTLAY APPROPRIATIONS

District Affected	School Affected	CS/SB 373, (Laws 2011, Chapter 183), Capital Outlay I Original Purpose	Reauthorized Purpose	Amount	Fund
District Affecteu			To State Fair Commission for multipurpose room at	Amount	i unu
Albuquerque Public Schools	Christine Duncan Community	For a facility at Christine Duncan Community School	African American Performing Arts Center. Extend time of	\$20,000	GF
Abuquerque Public Schools	Charter School	For a facility at christine Duncan community school	•	\$20,000	Gr
			expenditure through FY 13.		
Albuquerque Public Schools	Christine Duncan Community	For a facility at Christine Duncan Community School	To LGD-DFA for South Valley Pool facility and grounds.	\$30,000	GF
	Charter School		Extend time of expenditure through FY 13.		
		Infrastructure, facility, and security improvements at	To State Fair Commission for multipurpose room at		
Albuquerque Public Schools	Highland HS	Highland HS	African American Performing Arts Center. Extend time of	\$160,000	GF
		·	expenditure through FY 13.		
Albuguergue Public Schools	Highland HS	On-site street vacation infrastructure at Highland HS	To UNM Board of Regents for Chemistry Building. Extend	\$30,000	GF
	0		time of expenditure through FY 13.		-
	Christine Duncan Community		To purchase books and software for Jefferson and		
Albuquerque Public Schools	School (CS)	For a facility at Christine Duncan Community School	McKinley MS and Bel-Air, Hodgin and Montezuma ES.	\$5,000	GF
	501001 (03)		Extend time of expenditure through FY 13.		
Albuguergue Public Schools	Christine Duncan Community	For a facility at Christine Duncan Community School	To APS for the Westside football stadium. Extend time of	\$40,000	GF
	School (CS)		expenditure through FY 13.	\$40,000	GF
			To purchase and install information technology at Mission		
Albuquerque Public Schools	La Luz ES	Electrical Upgrades at La Luz ES		\$74,000	GF
			Avenue ES. Extend time of expenditure through FY 13.		
	Mission Avenue FC	To LGD-DFA to plan and design Rancho Encantado Park	To PED for security cameras at Mission Avenue ES. Extend	¢.co.000	~~
Albuquerque Public Schools	Mission Avenue ES	in Albuquerque.	time of expenditure through FY 13.	\$60,000	GF
Albuguergue Public Schools	Roosevelt MS	Plan, design, and construct track.	Extend time of expenditure through FY 13.	\$50,000	GF
Albuguergue Public Schools	Whittier ES	For Landscaping at Whittier ES	Extend time of expenditure through FY 13.	\$50,000	GF
• •			To PED to renovate San Miguel ES for use by Gadsden		
Gadsden Independent Schools	San Miguel ES	To LGD-DFA to purchase San Miguel ES for use as a	Independent Schools. Extend time of expenditure through	\$122,531	STB
		community center in Dona Ana County.	FY 13.	, ,	
			To PED to renovate San Miguel ES for use by Gadsden		
Gadsden Independent Schools	San Miguel ES	To LGD-DFA to purchase San Miguel ES for use as a	Independent Schools. Extend time of expenditure through	\$25,000	GF
	Sur Miguel 25	community center in Dona Ana County.	FY 13.	<i>\$23,000</i>	0.
			To PED to renovate San Miguel ES for use by Gadsden		
Gadsden Independent Schools	San Miguel ES	To LGD-DFA for multipurpose center property acquisition	Independent Schools. Extend time of expenditure through		GF
Sausuen muependent schools	Sall Wiguel ES	and improvements.	FY 13.	\$10,000	GF
			To PED to renovate San Miguel ES for use by Gadsden	\$10,000	
Cadadan Indonandant Cabaala	Con Minuel FC	To LGD-DFA for multipurpose center property acquisition			GF
Gadsden Independent Schools	San Miguel ES	and improvements.	Independent Schools. Extend time of expenditure through	ćr. 000	GF
			FY 13.	\$5,000	
		To LGD-DFA for multipurpose center property acquisition	To PED to renovate San Miguel ES for use by Gadsden		~-
Gadsden Independent Schools	San Miguel ES	and improvements.	Independent Schools. Extend time of expenditure through	¢101.000	GF
			FY 13.	\$191,900	
		Purchase San Miguel ES for a community center in Dona	To 3rd Judicial District Court for a tracking system for the		
Gadsden Independent Schools	San Miguel ES	Ana County.	juvenile justice system in Dona Ana County. Extend time	4	STB
			of expenditure through FY 13.	\$15,000	
Iondo Valley Schools	District-wide	For a school-based health clinic at Hondo Valley Schools	Extend time of expenditure through FY 13.	\$150,000	GF
	Academy for Technology and the	To LGD-DFA for improvements to Museo Cultural's	To construct and equip a kitchen and cafeteria at the		
anta Fe Public School	Classics CS	facility in Santa Fe	Academy for Technology and the Classics CS. Extend time		GF
			of expenditure through FY 13.	\$95,000	
			To Interstate Stream Commission for improvements to		
Taos Public Schools	Taos ES	Renovate Taos ES.	the acequia del Monte del Rio Chiquito in Talpa in Taos		GF
			County. Extend time of expenditure through FY 13.	\$25,000	
Legend:			TOTAL GENERAL FUND	\$1,020,900	GF
STB - Severance Tax Bonds			TOTAL SEVERANCE TAX BONDS	\$137,531	STB
GD-DEA - Local Government Div	ision - Department of Finance and A	dministration	TOTAL REAUTHORIZATIONS	\$1,158,431	

SELECTED PUBLIC SCHOOL CAPITAL OUTLAY RELATED LANGUAGE

CS/SB 373, (Laws 2011, Chapter 183), Capital Outlay Reauthorization

SECTION 1. SEVERANCE TAX BONDS--REVERSION OF PROCEEDS.--

A. Except as otherwise provided in another section of this act:

(1) the unexpended balance from the proceeds of severance tax bonds issued for a project that has been reauthorized in this act shall revert to the severance tax bonding fund:

(a) at the end of the expenditure period as set forth in this act, if the expenditure period is changed in this act; or

(b) if the expenditure period is not changed in this act, pursuant to the time frame set forth in the law that originally authorized the severance tax bonds or the time frame set forth in any law that has previously reauthorized the expenditure of the proceeds, whichever is later; and

(2) all remaining balances from the proceeds of severance tax bonds issued for a project that has been reauthorized in this act shall revert to the severance tax bonding fund three months after the reversion date for the unexpended balances.

B. For the purpose of this section, "unexpended balance" means the remainder of an appropriation after reserving for unpaid costs and expenses covered by binding written obligations to third parties.

SECTION 2. GENERAL FUND AND OTHER FUND APPROPRIATIONS-- REVERSIONS.

A. Except as otherwise provided in another section of this act:

(1) the unexpended balance of an appropriation from the general fund or other state fund that has been changed in this act shall revert:

(a) at the end of the expenditure period as set forth in this act, if the expenditure period is changed in this act; or

(b) if the expenditure period is not changed in this act, pursuant to the time frame set forth in the law in which the original appropriation was made or the time frame set forth in any law that has previously changed the appropriation, whichever is later; and

(2) all remaining balances of an appropriation from the general fund or other state fund that has been changed in this act shall revert three months after the reversion date for the unexpended balance.

E. For the purpose of this section, "unexpended balance" means the remainder of an appropriation after reserving for unpaid costs and expenses covered by binding written obligations to third parties.

TABLE 4 RECOMMENDATIONS OF THE LEGISLATIVE EDUCATION STUDY COMMITTEE 2011 REGULAR SESSION

LESC BILLS

	Ітем	FINAL DISPOSITION
	ASSESSMENT AND ACCOUNTABILITY	
1	HB 96, <i>Educational Test Service Multi-Year Contracts</i> , (Rep. Miera) — Amends the <i>Procurement Code</i> to allow contract extensions of up to 12 years for the development and implementation of standardized tests in grades K through 12 and for the development and implementation of teacher tests for professional licensure.	DID NOT PASS
2	CS/HB 21 & 100, <i>Limit Certain School Grade Promotions</i> (Rep. MH. Garcia/Rep. Espinoza) — Amends the section of the <i>Assessment and Accountability Act</i> regarding grade promotions, remediation, and retention to provide that, in kindergarten through grade 3, a student must be evaluated to determine reading ability and if deemed deficient, an academic improvement plan must be developed for the student; and that beginning with school year 2012-2013, at the end of grade 3, a student who does not score higher than the lowest level on the New Mexico standards-based assessment must be retained in grade 3 for one year without the opportunity for a parental waiver, with an academic improvement plan that prescribes specific intervention and remediation programs; to specify exemptions from retention for certain students; and to require that at the end of the summer immediately preceding grade 4, a retained student must have the opportunity to demonstrate reading proficiency and be promoted to grade 4.	DID NOT PASS
3	SB 360a , <i>Student Assessment Requirements Suspension</i> (Sen. Nava) — Suspends, for one year, almost all student assessments currently required in state law but not in federal law.	Laws 2011, Chapter 161
4	 SB 425a, Payment of School Standards-Based Tests (Sen. Asbill) — Amends the Assessment and Accountability Act to require the Public Education Department to pay the costs of administering, scoring, and reporting standards-based assessments. CHARTER SCHOOLS 	DID NOT PASS
5	HB 97a, Charter School Conversion Attendance (Rep. Hall) — Amends the Assessment and Accountability Act to clarify that, if a traditional public school in Restructuring 2 is reopened as a state-chartered charter school pursuant to its restructuring plan, students already attending that school and those students' siblings will have enrollment priority.	Laws 2011, Chapter 66

6	HB 98a, <i>Charter School Audit Monitoring</i> (Rep. Hall) — Amends the <i>Charter Schools Act</i> to require an authorizer to monitor the fiscal condition of any charter school it has authorized when that charter school has received an adverse audit; requires the monitoring to continue until the charter school receives a clean audit; and requires the monitoring to consist of at least one site visit and at least three status reports per year, with each status report addressing the charter school's progress toward resolving the specific audit findings. <u>CURRICULUM AND PROGRAMS</u>	DID NOT PASS
7	HB 43a, Develop Diploma Stamps System (Rep. Stapleton/ Sen. Keller) — Allows school districts to	POCKET VETOED
	develop and adopt a voluntary system for awarding "diploma stamps" to be applied to the graduation	
	diplomas of students who have excelled in the completion of career technical education courses specified in	
	rule.	
8	HB 115a, Title-1 Supplemental Education Services (Rep. E. Chávez) — Amends the Assessment and	LAWS 2011,
	Accountability Act regarding supplemental educational services (SES) to require the Public Education	CHAPTER 32
	Department (PED) to adopt rules (1) establishing a range of rates that providers may charge and (2) requiring	
	each SES provider to include in its application to PED documentation that the tutoring services to be offered	
	are consistent with the instructional program offered by the district or charter school whose students the SES	
9	provider intends to serve. SB 78, School District Bullying Prevention Programs (Sen. García/Rep. Miera) — Requires PED to	Laws 2011,
9	establish guidelines for bullying prevention policies to be promulgated by local school boards; requires local	CHAPTER 50
	boards to promulgate policies by August 2011; and requires every public school to implement a bullying	CHAPTER JU
	prevention program by August 2012.	
10	SJM 5 , <i>Study Effects Of Bullying</i> (Sen. García) — Requests that the Children, Youth and Families Department,	DID NOT PASS
	PED, and the Department of Health conduct a joint study to determine the current status of bullying prevention	
	efforts in New Mexico; to research evidence-based strategies to prevent bullying; to collect, analyze, and report	
	data related to the impact of bullying on juvenile justice, education, and health; and to report findings and	
	recommendations to an appropriate interim legislative committee and to the LESC by November 30, 2011.	
	P-20 PROGRAMS & POLICIES	
11	HB 137, Continued Educational Assistance Debt Service (Rep. Miera) — Repeals and replaces sections of	LAWS 2011,
	the Educational Assistance Act to allow the NM Student Loan Guarantee Corporation and the NM	CHAPTER 168
	Educational Assistance Foundation to manage the orderly elimination of the Federal Family Education Loan	
	Program portfolio and to explore other opportunities that could provide services to educational institutions	
	and students in the state.	
12	SB 157, Dual Credit Reimbursement for Completion (Sen. Lovejoy) — Amends the higher education	DID NOT PASS
	statutes to require that dual credit reimbursement through the higher education funding formula be based on	
	course completion, not enrollment.	

13	 SB 215a, Create Dual Credit Textbook Fund (Sen. García) — Adds a new section to the Public School Code to create a dual credit textbook fund and to provide for reimbursements to public postsecondary educational bookstores for the cost of providing textbooks and course supplies for students participating in the dual credit program; and strikes provisions in current law governing textbooks and course supplies for dual credit courses. <u>PUBLIC SCHOOL FINANCE</u> 	DID NOT PASS
14	*HB 73a, <i>Early K-3 Plus Pilot Fund Early Allocation</i> (Rep. Stewart) — Amends the <i>Public School Code</i> to direct PED to allocate up to 90 percent of each school's K-3 Plus allocation on or before June 1; and to require PED, on or before January 15, to recompute each allocation using the first reporting date and to allocate the balance of the appropriation, adjusting for any over- or under-estimation made in the first allocation.	DID NOT PASS
15	HB 375, <i>Approval Before PED Emergency Supp. Distr.</i> (Rep. Smith) — Amends the <i>Public School Code</i> to require State Board of Finance approval before PED distributes emergency supplemental distributions.	DID NOT PASS
16		DID NOT PASS
17	SB 141a , <i>No Education Dept. Auditor Approval</i> (Sen. Nava/Rep. Hall) — Amends the <i>Audit Act</i> to remove the requirement that PED approve the selection of an independent auditor by a school district.	Laws 2011, Chapter 87
18	SB 143 , <i>Define School Personnel "Ethical Misconduct"</i> (Sen. Nava/Rep. Hall) — Amends the <i>School Personnel Act</i> to add "financial malfeasance or misfeasance" to the definition of "ethical misconduct" in current law.	DID NOT PASS
19	 SB 203a, School Business Official Licensure (Sen. Nava/Rep. Hall) — Adds a new section to the School Personnel Act to require PED to license school business officials (SBOs); to track the denial, suspension, or revocation of SBO licenses; to assess the quality of and enforcement of training requirements for SBO licensure; and to require training for superintendents on the evaluation of SBOs. <u>PUBLIC SCHOOL CAPITAL OUTLAY</u> 	POCKET VETOED
20	HB 113a , <i>Charter School Expenditure Reports</i> (Rep. Hall) — Amends the <i>Public School Capital</i> <i>Improvements Act</i> and the <i>Public School Buildings Act</i> to require charter schools to report anticipated and actual expenditures of distributions made pursuant to those acts.	Laws 2011, Chapter 11

21	CS/HB 283a, <i>School Lease & Lease-Purchase Requirements</i> (Rep. W.K. Martinez) — Amends the <i>Public Purchasing and Property Law</i> to exempt certain leases from State Board of Finance approval; requires standards for certain charter school facilities; and requires approval before entering into a lease-purchase standards for certain charter school facilities; and requires approval before entering into a lease-purchase standards for certain charter school facilities; and requires approval before entering into a lease-purchase standards for certain charter school facilities; and requires approval before entering into a lease-purchase standards for certain charter school facilities; and requires approval before entering into a lease-purchase standards for certain charter school facilities; and requires approval before entering into a lease-purchase standards for certain charter school facilities; and requires approval before entering into a lease-purchase standards for certain charter school facilities; and requires approval before entering into a lease-purchase standards for certain charter school facilities; and requires approval before entering into a lease-purchase standards for certain charter school facilities; and requires approval before entering into a lease-purchase standards for certain charter school facilities; and requires approval before entering into a lease-purchase standards for certain charter school facilities; and requires approval before entering into a lease-purchase standards for certain charter school facilities; and requires approval before entering into a lease-purchase standards for certain charter school facilities; and requires approval before entering into a lease-purchase standards for certain charter school facilities; and requires approval before entering into a lease school facilities; and the sc	LAWS 2011, CHAPTER 69
22	agreement for school facilities. SB 35a , <i>Public Works Contract Subcontractor Bonds</i> (Sen. Asbill/Rep. Larrañaga) — Amends the <i>Procurement Code</i> to raise the minimum contract amount for which a subcontractor is required to provide a bond; and to require the contractor to provide a notarized list signed by the contractor and by each subcontractor whose payment exceeds the minimum contract amount, certifying that the bonds are in place. PUBLIC SCHOOL PERSONNEL	DID NOT PASS
23	HB 74a , <i>Science of Teaching Reading Requirement</i> (Rep. Stewart) — Amends the <i>School Personnel Act</i> to require that, effective January 1, 2013, to qualify for licensure to teach grades K-5, a candidate must demonstrate an understanding of, and ability to apply, the scientific research on teaching reading by passing a rigorous exam.	Laws 2011, Chapter 95
24	SB 202, <i>Student Teacher Alternative Curriculum</i> (Sen. Nava) — Amends the <i>Public School Code</i> to allow the Secretary of Public Education to waive class-size requirements for classes to which a student teacher who meets certain criteria has been assigned.	POCKET VETOED
	SCHOOL CALENDARS	
26	SB 145a , <i>Clarify School Year & Day Length</i> (Sen. Kernan) — Repeals the provision enacted in 2009 that requires that a school year consist of 180 full instructional days for a regular school calendar or 150 days for a variable school calendar, exclusive of professional development days and adjustments for cancelled days due to inclement weather.	Laws 2011, Chapter 154
	SPECIAL EDUCATION	
27	SB 192, <i>Conform To Federal Disability Definitions</i> (Sen. Lovejoy/Rep. Stewart) — Amends the <i>School Personnel Act</i> to align language in the state special education law with that in the federal law to which the state and public schools are accountable. <u>APPROPRIATIONS</u>	DID NOT PASS
28	SB 138 , <i>Minority Math & Science Achievement Program</i> (Sen. Nava) — Appropriates \$100,000 to the Higher Education Department for the MESA Program.	DID NOT PASS
29	SB 139 , <i>NM Tech Summer Science Program</i> (Sen. Nava) — Appropriates \$50,000 to New Mexico Tech for the Summer Science Program.	DID NOT PASS
	LESC ALTERNATIVES TO GOVERNMENT RESTRUCTURING TASK FORCE PROPOSALS	
30	HB 95, <i>School Budget Division of Education Dept.</i> (Rep. Miera) — Amends the <i>Public Education Department Act</i> to create a budget and finance division at PED.	DID NOT PASS

	PUBLIC EDUCATION-RELATED COST SAVING MEASURES	
31	HB 76a , <i>Create School Transportation Task Force</i> (Rep. Gonzales) — Creates a joint interim public school transportation task force, appointed by the Legislative Council, to examine provisions in current state and federal laws and regulations governing public school transportation in New Mexico, including: the public school transportation funding formula; the personnel costs to school districts and school bus contractors; the costs of fuel, equipment, and maintenance; and the administration of the public school transportation program.	DID NOT PASS
32	HB 120, New School & School Building Moratorium (Rep. Stewart) — Amends the Public School Code to add a temporary provision to establish a six-year moratorium (from January 2011 to January 2017) on new public schools to save the cost to the state of constructing and opening these facilities; and provides exceptions under certain circumstances.	DID NOT PASS
33	HJM 18 , <i>LESC Emergency Fund Distribution Work Group</i> (Rep. Roch) — Requests that the LESC create a work group to study the process of funding and distributing emergency supplemental funds to school districts; and requests that the work group submit a report to the LESC by November 2011.	DID NOT PASS
34	SB 142a, <i>Limit Certain Special Education Program Units</i> (Sen. Nava) — Amends the <i>Public School Finance Act</i> to provide that, in calculating related services (ancillary) units, school districts and charter schools may not exceed 1.5 times the PED guidelines for calculating related services full-time equivalents (FTEs) unless the Secretary of Public Education grants a waiver to a school district or charter school that can demonstrate that the number of ancillary staff is warranted and prudent.	DID NOT PASS
35	CS/SB 171, <i>School Fund Reversions & Transfers</i> (Sen. García) — Amends the <i>Public School Finance Act</i> to require that, at the end of a fiscal year, balances in the Public School Fund be transferred to the State Support Reserve Fund until the balance in that fund is \$10.0 million; and further requires that, after the transfer to the State Support Reserve Fund, any remaining balance in the Public School Fund revert to the General Fund.	DID NOT PASS
36	CS/SB 173, <i>Postsecondary School Building Moratorium</i> (Sen. Kernan) — Adds a new section of state law to place a temporary, six-year moratorium on new postsecondary educational sites and buildings; provides exemptions from the moratorium both for constitutionally created institutions and for community colleges; and prohibits expansion to a location or address at which an institution's students were not taught prior to January 1, 2011.	DID NOT PASS
37	SB 261a , <i>Instructional Material Adoption Cycle</i> (Sen. Rue) — Amends the <i>Instructional Material Law</i> to require an eight-year instructional material adoption cycle provided that the eight-year cycle shall only apply to instructional material adopted prior to January 1, 2014 and the department may adopt any cycle length it deems reasonable for material adopted after January 1, 2014.	POCKET VETOED

	LETTERS TO STATE AGENCIES AND OTHERS	
38	Letter Regarding Increased School Board Training Requirements: Write a letter to PED requesting that the department change rules relating to school board member and charter school governing board member training to increase the required training from five to 10 hours, five of which shall be focused on the financial and audit responsibilities of boards and governing bodies.	SENT JANUARY 17, 2011 NO RESPONSE RECEIVED TO DATE
39	 Letter Regarding Certain School Audit Issues: Write a letter to the Office of the State Auditor requesting that the office explore: 1) whether the state audit rule could be amended to allow certain school districts to submit their financial audits on December 15 rather than on November 15; and 2) the feasibility of allowing locally-chartered and state-chartered charter schools to have audits independent 	Sent January 17, 2011 Response Received May 20, 2011
40	of their authorizers. Letter Regarding SBO Successor Planning: Write a letter to PED requesting that PED include confirmation on the school budget questionnaire that school districts and charter schools have established school business official (SBO) successor planning as part of their internal control process.	SENT JANUARY 17, 2011 CONFIRMATION INCLUDED ON SCHOOL YEAR 2011-2012 SCHOOL BUDGET QUESTIONNAIRE
41	Letter Regarding CPA Training Courses: Write a letter to the New Mexico Association of School Business Officials (NMASBO) from the LESC requesting that NMASBO develop courses that count toward required annual Certified Public Accountant training.	SENT JANUARY 17, 2011 RESPONSE RECEIVED MAY 2, 2011
42	PED Office of Inspector General (OIG) positions: Write a letter to the House Appropriations and Finance Committee to include language in the <i>General Appropriation Act of 2011</i> to transfer six PED OIG positions to the Office of the State Auditor and to dedicate the positions to education-related reviews.	SENT JANUARY 26, 2011 NO LEGISLATIVE ACTION
43	Recapture Graduate New Mexico Funds: Request that the Governor reallocate unspent Graduate NM ARRA funds to the SEG.	IN APRIL 2011 GOVERNOR DEAUTHORIZED \$2.0 MILLION OF THOSE FUNDS; REALLOCATION TO BE DETERMINED

PASSED PUBLIC SCHOOL-RELATED LEGISLATION 50TH LEGISLATURE, 1ST SESSION, 2011

HOUSE BILLS

*H 1 FEED BILL [SGND (Jan. 27) Ch. 1], *Rep. W.K. Martinez* — appropriates funds to pay the expenses of the legislative session and other legislative activities, including the Legislative Education Study Committee (LESC).

H 2 GENERAL APPROPRIATION ACT OF 2011 [SGND (Apr. 8) Ch. 179 (partial

CS/H 2a

veto)], *Rep. Saavedra* — makes appropriations and authorizes expenditures by state agencies in FY 12, including: \$2.36 billion in recurring funds from the General Fund for Public School Support; \$2.7 million in related recurring appropriations, including \$10.7 million for the PED budget, \$6.2 million to K-3 Plus, and \$6.3 million to Pre-K; and \$5.7 million in nonrecurring related appropriations. Also appropriates \$420.5 million in federal flow-through funds. (CS/H 2, 3, 4, 5 & 6)

*H 8a DEVELOPMENT TRAINING PROGRAMS [SGND (Apr. 5) Ch. 62], *Rep. B. Luján* — appropriates \$5.0 million from the General Fund to the Development Training Fund for a development training program providing classroom and in-plant training to furnish qualified human resources for certain new or expanding industries and businesses in the state. (May affect public schools)

- H 14a SCHOOL PRIORITY FOR MILITARY CHILDREN [SGND (Apr. 1) Ch. 21], *Rep. Alcon* — amends the open enrollment provisions of the Public School Code to grant first priority for enrollment to students who had resided in a school's attendance area prior to an active duty military or National Guard parent being deployed to another location where the student is in custodial care.
- H 43a DEVELOP DIPLOMA STAMPS SYSTEM [POCKET VETO], *Rep. Stapleton/ Sen. Keller* — allows school districts to develop and adopt a voluntary system for awarding "diploma stamps" to be applied to the graduation diplomas of students who have excelled in the completion of career-technical education courses specified in rule. (For the LESC)
- *H 47a SCHOOL DISTRICT CASH BALANCES FOR EMERGENCY [SGND (Apr. 4) Ch. 39], *Rep. Bandy* — amends the Public School Code to allow school districts to keep their cash balances for emergency or operational expenditures, effective FY 11. (For the Government Restructuring Task Force)
- *H 53a NMFA PUBLIC PROJECT FUND PROJECTS [SGND (Apr. 1) Ch. 23], *Rep. Varela* — authorizes the New Mexico Finance Authority to make loans for public projects from the Public Project Revolving Fund, including loans for certain school districts.

H 59 UNEMPLOYMENT CONTRIBUTION TEMPORARY SCHEDULE [SGND

CS/H 59a (Apr. 8) Ch. 184 (partial veto)], *Rep. Stewart* — amends certain provisions of the Unemployment Compensation Law to expand eligibility or allow increased benefits; provides that extended benefits shall be paid only if fully reimbursed from federal sources; restricts benefits for students who are enrolled in a full-time course schedule in

PASSED PUBLIC SCHOOL-RELATED LEGISLATION 50TH LEGISLATURE, 1ST SESSION, 2011

an educational or training institution or program; and establishes a temporary schedule for contributions.

H 74a SCIENCE OF TEACHING READING REQUIREMENT [SGND (Apr. 6) Ch. 95], *Rep. Stewart* — amends the School Personnel Act to require that, to qualify for licensure to teach grades K-5, a candidate must demonstrate an understanding of, and ability to

to teach grades K-5, a candidate must demonstrate an understanding of, and ability to apply, the scientific research on teaching reading by passing a rigorous exam beginning in January 1, 2013. (For the LESC)

H 97a CHARTER SCHOOL CONVERSION ATTENDANCE [SGND (Apr. 5) Ch. 66],

Rep. Hall — amends the Assessment and Accountability Act to clarify that, if a traditional public school in Restructuring 2 is reopened as a state-chartered charter school pursuant to its restructuring plan, students already attending that school will have enrollment priority. (For the LESC)

H 113a CHARTER SCHOOL EXPENDITURE REPORTS [SGND (Mar. 30) Ch. 11], *Rep. Hall* — amends the Public School Capital Improvements Act and the Public School Buildings Act to require charter schools to report anticipated and actual expenditures of distributions made pursuant to those acts. (For the LESC and the Public School Capital Outlay Oversight Task Force)

H 115a TITLE-1 SUPPLEMENTAL EDUCATION SERVICES [SGND (Apr. 2) Ch. 32], *Rep. E. Chávez* — amends the Assessment and Accountability Act regarding supplemental educational services (SES) to require the Public Education Department (PED) to adopt rules (1) establishing a range of rates that providers may charge; and (2) requiring each SES provider to include in its application to PED documentation that the tutoring services to be offered are consistent with the instructional program offered by the district or charter school whose students the SES provider intends to serve. (For the LESC)

H 129a RETURNING EDUCATIONAL RETIREE PAYMENTS [SGND (Mar. 17) Ch. 6], *Rep. Varela* — amends the Educational Retirement Act to require retired members returning to work to make nonrefundable payments to the fund as if the members were not retired; and to reduce the payments made to the fund by the administrative unit.

H 137 CONTINUED EDUCATIONAL ASSISTANCE DEBT SERVICE [SGND (Apr. 8) Ch. 168], *Rep. Miera* — endorses legislation to repeal and replace sections of the Educational Assistance Act to allow the NM Student Loan Guarantee Corporation and the NM Educational Assistance Foundation to manage the orderly elimination of the Federal Family Education Loan Program portfolio and to explore other opportunities that could provide services to educational institutions and students in the state. (For the LESC)

H 160 PUBLIC RECORDS AVAILABILITY AND PROCEDURES [SGND (Apr. 8)

CS/H 160a Ch. 182], *Rep. E. Chávez* — requires a public records custodian to make public records available via electronic media; requires a public body to display procedures for requesting public records from and contact information for the public records custodian on a website; and removes exempt information in an electronic format using a method or redaction tool that prevents recovery of exempt information.

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 H 166 REVIEW CERTAIN TAX CREDITS [VETOED (Apr. 8)], Rep. Sandoval — adds
 CS/H 166 a new section and amends multiple sections of the Income Tax Act to require the Taxation and Revenue Department to produce a report on the effectiveness of certain tax credits, including the Job Mentorship Tax Credit for students enrolled in accredited secondary schools.

H 172a NO CORPORAL PUNISHMENT AS SCHOOL DISCIPLINE [SGND (Apr. 6)

Ch. 97], *Rep. Miera* — amends the Public School Code to eliminate corporal punishment as one of the possible disciplinary sanctions that school district discipline policies may include; and to require each local school board and each governing body of a charter school to prohibit the use of corporal punishment.

H 182 PENALTIES FOR SERVING ALCOHOL TO MINORS [VETOED (Apr. 6)],

- CS/H 182a *Rep. Maestas* amends a section of the Liquor Control Act to reduce the penalty for serving alcoholic beverages to minors (permits a server to have three violations for serving alcohol to minors before being charged with a fourth degree felony); changes the knowledge requirement for providing alcohol to minors; may suspend the driver's license of a minor in violation of the act for 90 days; and extends eligibility to receive a license for 90 days if the offender is too young to possess a driver's license. (May affect public schools)
- H 241a TEACHER LOAN REPAYMENT ACT [VETOED (Apr. 8)], Rep. Stapleton adds
- CS/H 241a new sections to higher education provisions in law to create the Teacher Loan Repayment Act for applicants who intend to practice as teachers in designated high-risk teacher positions; creates the Teacher Loan Repayment Fund; provides for repayment of principal and reasonable interest on loans from the federal government; and credits all money appropriated for the program to the fund.
 - H 252 DISTRICT & CHARTER SCHOOL FINANCIAL REPORTING [SGND (Mar. 30) Ch. 12], *Rep. King/Sen. Sapien* — creates new sections of the Public School Finance Act to require quarterly financial reporting to local school boards or governing bodies of charter schools; and provides the Public Education Department with the authority to promulgate rules governing the use of procurement, travel, and gas cards by school districts and charter schools.
 - H 268a RECYCLE PLANS IN SCHOOL DISTRICTS [POCKET VETO], *Rep. Maestas* creates a new section in the Public School Code to allow school districts to adopt recycling plans for the sale of recyclable materials; and to require that net proceeds from the sale of recyclable materials be used to fund fine arts education programs.

H 283 SCHOOL LEASE & LEASE-PURCHASE REQUIREMENTS [SGND (Apr. 5)

CS/H 283a Ch. 69], *Rep. W.K. Martinez* — amends statute regarding the sale of public property to exempt school district leases of facilities to a locally chartered or state-chartered charter school from State Board of Finance approval; requires standards for certain charter school facilities; requires approval before entering into a lease-purchase agreement for school facilities; and reconciles multiple amendments. (For the LESC and the Public School Capital Outlay Oversight Task Force)

- H 289 PUBLIC SCHOOL STANDARDIZED REPORTING DATES [SGND (Apr. 5) Ch. 70], *Rep. Baldonado* amends the Public School Finance Act to change the second reporting date to December 1 or the first working day in December; and to define the term "working day."
- H 294a STATE TREASURER TO DESIGNATE BOARD DESIGNEES [VETOED (Apr. 5)], *Rep. Maestas* — amends state law to authorize the State Treasurer to assign a designee for the Public Employees Retirement Board and the Educational Retirement Board.

H 298 SEX OFFENDER REGISTRATION REQUIREMENTS [VETOED (Apr. 7)],

CS/H 298a *Rep. Maestas* — amends the Law Enforcement Code regarding sex offender registration to provide for verification of registration; requires notice to registered offenders to verify registration; provides for 90 day verification of registration; clarifies the information available on the sex offender Internet website; and prohibits law enforcement from requiring additional information that is not required by state law. (May affect public schools)

H 299 RETROACTIVE CHILD SUPPORT NOT EXCEED 3 YEARS [POCKET VETO],

- CS/H 299a *Rep. Brown* amends the New Mexico Uniform Parentage Act to provide that retroactive child support not exceed six years from the date of filing the report. (May affect public schools)
 - H 310a ELECTRONIC INSTRUCTIONAL MATERIALS FOR SCHOOL [SGND (Apr. 7) Ch. 114], *Rep. Cervantes* — amends the Instructional Material Law to require publishers of instructional materials on the multiple list to provide instructional materials in electronic format by school year 2013-2014.
 - H 321a EDUCATIONAL DATA SYSTEM REVISIONS [POCKET VETO], *Rep. Madalena* — amends the Public School Code to add new members to the Data System Council; and to expand categories of data reporting.
 - H 347a JUVENILE DETENTION REQUIREMENTS MODIFICATIONS [VETOED (Apr. 8)], *Rep. Miera* — amends the Children's Code to modify juvenile detention requirements; expands detention options and hearing requirements for certain persons who are 18 years of age; requires regular sight supervision of a child held in an adult jail if the child is detained in a non-secure setting; and allows inspections to monitor compliance with federal and state requirements. (May affect public schools)
 - H 353 HIGHER ED. INST. ENDOWMENT FUND STANDARDS [SGND (Apr. 4) Ch. 44], *Rep. Larrañaga* — amends higher education provisions in current law to clarify the standards for investment of institutional endowment funds managed by public postsecondary educational institutions, specifically with regard to compliance with the Uniform Prudent Management of Institutional Funds Act and the Prudent Investor Rule.
 - H 394 BINGO & RAFFLE ACT ORGANIZATION DEFINITIONS [SGND (Apr. 5) Ch. 73], *Rep. Miera* — amends the definition of "Educational Organization" to include "recognized student organizations" and amends the definition of "Fraternal Organization"

to include "college and high school fraternities," as used in the New Mexico Bingo and Raffle Act.

H 411 STATE AGENCY SUBMISSION OF TIMELY AUDITS [SGND (Apr. 6) Ch. 106],

Rep. Varela — amends state law and the Department of Finance Act to require notifications to the Secretary of Finance and Administration of the failure to timely submit certain audits or certain financial reports; amends the Audit Act to provide for monetary sanctions against state agencies and state institutions for failing to submit timely audits; provides for monetary sanctions against municipalities and counties for failing to timely submit audits or financial reports; and adds the Legislative Finance Committee to agencies that must be notified when a school district, charter school, or regional education cooperative fails to submit a timely audit. (May affect public schools)

H 420a WEST LAS VEGAS HIGH SCHOOL LICENSE PLATES [POCKET VETO],

Rep. Vigil — creates a new section of the Motor Vehicle Code to provide for a special West Las Vegas Schools registration plate; collects fees; uses a portion of the fees to defray costs; and appropriates the remainder to the West Las Vegas School district.

- H 428 RAISE ORGANIZATION INCOME SUBJECT TO AUDIT [SGND (Apr. 8)
 Ch. 174], *Rep. Brown* amends state law to raise the audit threshold amount of gross annual income of an organization that transfers money to a state agency, including public school districts.
- H 475a SPEECH & HEARING THERAPIST REVISIONS [POCKET VETO], *Rep. Alcon* — amends the Speech-language Pathology, Audiology and Hearing Aid Dispensing Practices Act; adds a scope of practice for clinical fellows; increases board membership; conforms state licensure to national standards; changes renewal terms; increases license fees; and provides for bilingual and multi-lingual endorsements. (May affect public schools)

H 496 SCHOOL DISTRICT ELECTION NOTIFICATION [POCKET VETO],

FL/H 496

Rep. Sandoval — amends multiple sections of the School Election Law to change proclamation and publication procedures for school district elections; and changes notification requirements for school elections.

H 555a DELAY SCHOOL DAY & YEAR LENGTH CHANGES [POCKET VETO], *Rep. King* — amends state law to delay the applicability of changes to the school year

and length of the school day to school year 2012-2013; requires the Public Education Department (PED), the LESC, and other interested stakeholders to continue to study issues related to school calendars and the length of the school day; and requires PED to report its findings to the Governor and Legislature no later than December 15, 2011.

- H 558a INDUSTRIAL REVENUE BONDS TAXING ENTITY NOTICE [SGND (Apr. 5)
 Ch. 82], *Rep. King/Sen. Campos* amends the County Industrial Revenue Bond Act to require that notice be provided to all taxing entities in a county prior to an ordinance issuing industrial revenue bonds. (May affect public schools)
- *H 575a SCHOOL BUS FUEL COSTS FROM TRANS. EMERG. FUND [POCKET VETO], *Rep. Miera* — amends the Public School Code to provide for the payment of increased

school bus fuel costs from the Transportation Emergency Fund; and requires the Public Education Department to approve requests for funding and make distributions on a reimbursement basis.

H 628 CONTRIBUTION RATE CHANGES IN RETIREMENT PLANS [SGND (Apr. 8)
CS/H 628a Ch. 178], *Rep. Bratton* — amends the Public Employees Retirement Act and the Educational Retirement Act to change pension contributions for state employee plans administered by the Public Employees Retirement Association and the Educational Retirement Board (ERB); extends for another two years (FY 12 and FY 13) the two-year 1.5 percent contribution shift implemented for FY 10 and FY 11 from the employer to the employee for those employees making more than \$20,000; makes a one-year contribution shift of 1.75 percent from the employer rate to the employee rate for those making more than \$20,000 for FY 12; and delays the two remaining 0.75 percent increases for ERB, currently scheduled for FY 12 and FY 13, to FY 14 and FY 15.

HOUSE JOINT MEMORIALS

- HJM 16 RECOGNIZE VALUE OF DEVELOPMENTALLY DISABLED, *Rep. Miera/* Sen. Keller — urges the Governor, members of the executive branch, and members of the Legislature to recognize the value and respect the dignity of developmentally disabled individuals and to make a dedicated effort to identify and eradicate incidents of harsh labeling in official dialog and documents throughout state government. (May affect public schools)
- **HJM 22a INTERAGENCY COUNCIL ON CHILD HOMELESSNESS**, *Rep. O'Neill/ Sen. Ryan* — requests that the Governor issue an executive order to establish the Interagency Council on Child Homelessness to develop and implement a 10-year plan to end child homelessness; that several state agencies, including the Public Education Department, cooperate and participate in establishing the council; and that the council report annually to the Governor and the Interim Legislative Health and Human Services Committee.
- **HJM 37 "BEHAVIORAL HEALTH DAY,"** *Rep. Sandoval* proclaims February 17, 2011 to be "Behavioral Health Day" at the Legislature.

HOUSE MEMORIALS

- **HM 5** "NEW MEXICO MENTORSHIP WEEK," *Rep. Egolf* declares the week of January 24, 2011 through January 30, 2011 as "New Mexico Mentorship Week" in the House of Representatives. (May affect public schools)
- HM 6 "CHAVES COUNTY EVERY 15 MINUTES PROGRAM DAY," Rep. Ezzell declares January 26, 2011 "Chaves County Every 15 Minutes Program Day" at the House of Representatives; and recognizes the efforts of the program to generate youth awareness of the dangers of drinking and driving by conducting the program near the time of high school proms and graduations. [Identical to SM 11]
- **HM 8 TITLE 9'S 39TH CELEBRATION DAY**, *Rep. Picraux* proclaims January 25, 2011 as "Title 9's Thirty-ninth Birthday Celebration Day" in the House of Representatives.

* Emergency Clause

- **HM 11 "ECOART AMERICA CHALLENGE**," *Rep. Espinoza* requests that the Cultural Affairs Department, the Public Education Department, the superintendents of the Albuquerque and Santa Fe public school districts, and Artworks America, collaborate to implement the "Ecoart America Challenge" project in public middle schools in those communities; and encourages the superintendents of other school districts in New Mexico to join together to implement this project statewide.
- HM 13 GENDER-SPECIFIC DRUG TREATMENT STANDARDS, *Rep. Stewart* requests
 that the Behavioral Health Services Division of the Human Services Department convene a work group to create gender-specific treatment standards and rules for women and girls seeking treatment for substance abuse disorders; and to submit a report with recommendations to the Legislative Health and Human Services Committee by December 1, 2011. (May affect public schools)
 - **HM 16 "SCHOOL NUTRITION DAY,"** *Rep. King* declares February 10, 2011 as "School Nutrition Day" in the House of Representatives; and recognizes the contributions of food nutrition programs.
 - **HM 17 "SUPPORT THE NM ALLIANCE FOR YMCAS DAY,"** *Rep. Wallace* declares February 16, 2011 as "Support the New Mexico Alliance for YMCAs Day" in the House of Representatives.
 - HM 20 "ENTREPRENEURSHIP WEEK," *Rep. B. Luján* declares the week of February 19, 2011 through February 26, 2011 as "Entrepreneurship Week" in the House of Representatives.
 - **HM 21 JUVENILE JUSTICE GENDER-RESPONSIVE SERVICES**, *Rep. Stewart* requests that the Juvenile Justice Advisory Committee implement the plan, developed by the task force formed in response to House Memorial 40 of the 2nd Session of the 49th Legislature, for a continuum of gender-responsive services and programs for girls in the juvenile justice system. (May affect public schools)
 - HM 23 2012 CENTENNIAL CELEBRATION PROJECTS, *Rep. Tripp* encourages state, local, and tribal government agencies to participate in New Mexico's 2012 statehood centennial commemoration by creating and promoting projects designed to honor, commemorate, and celebrate the history, traditions, and future of the state while facilitating education, economic development, tourism, and civic pride. [Identical to SM 31]
 - HM 29 HISTORIC WOMEN MARKER & RECOGNITION, Rep. Varela celebrates the completion of the New Mexico Historic Women Marker Initiative by the New Mexico Women's Forum together with several state agencies; and requests that the New Mexico Centennial Steering Committee recognize these historic women in the centennial celebration. [Identical to SM 34]
 - **HM 31** "NEW MEXICO MESA DAY," *Rep. Sandoval* declares March 7, 2011 as "New Mexico MESA Day" at the House of Representatives.

- HM 33 ASIAN AMERICAN CENTER AT EXPO NM, Rep. Park requests that the State Fair Commission and Expo New Mexico facilitate dialogue between all interested parties and assess issues surrounding establishing and maintaining an Asian American Center for cultural and multiple purposes at Expo New Mexico. (May affect public schools)
- **HM 37 "WOMEN'S HISTORY MONTH,"** *Rep. E. Chávez* declares March 2011 to be "Women's Herstory Month" at the House of Representatives.
- **HM 43 STUDY TO ENACT THE CLEAN AIR ON CAMPUS ACT**, *Rep. Picraux* requests that the Associate Vice President for Administration in the Office of the Chancellor for Health Sciences at the University of New Mexico Health Sciences Center create a task force to study how to implement a Clean Air on Campus Act.
- HM 47 PEDESTRIAN OVERPASS IN SANTA FE STUDY, *Rep. B. Luján* requests that a safety study include the feasibility of constructing pedestrian overpasses on or near the Santa Fe Indian School campus and Cerrillos Road and the New Mexico School for the Deaf campus and Cerrillos Road or St. Francis Drive; resolves that the Department of Transportation work with both schools to address the safety issues associated with Cerrillos Road and St. Francis Drive and the two schools; and report to an appropriate interim committee on the potential solutions to the safety issues facing the students and staff of both schools by November 2011. [Identical to SM 67]
- **HM 49 "SCHOOL STUDENT TRANSPORTATION DAY,**" *Rep. T. García* recognizes the importance and value of New Mexico school bus drivers and declares March 11, 2011 as "School Student Transportation Day" in the House of Representatives.
- HM 52 AGENCY OFFICE CONSOLIDATION, *Rep. Maestas* requests that state agencies with offices in the Albuquerque metropolitan area collaborate with the Property Control Division of the General Services Department and the Capitol Buildings Planning Commission to achieve cost-effective consolidation of agency offices into state-owned facilities in Albuquerque. (May affect the Public Education Department)
- HM 53
 DOH IMPACT STUDY OF MEDICAL MARIJUANA ACTS, *Rep. Smith* requests
 that the Department of Health conduct a study of the impact on the state of the Controlled
 Substances Therapeutic Research Act and the Lynn and Erin Compassionate Use Act and
 present a report of its findings to the appropriate interim legislative committee by October
 2011. (May affect public schools)
 - HM 56a NATIONAL POPULAR VOTE COMPACT STUDY, *Rep. MH. Garcia* requests that the Secretary of State study the advantages and disadvantages to the state of New Mexico of joining a national popular vote compact with other states as an alternative to using the current electoral college system to elect the President of the United States; and further requests that the Secretary of State present findings of the study to the Legislative Council and the appropriate interim committee by November 2011.
 - **HM 71 CHILD SUPPORT FOR COLLEGE TASK FORCE**, *Rep. B. Luján* requests that the State Bar of New Mexico convene a task force to study how to incorporate the consideration and planning of a child's postsecondary education into the determination of a parent's child support obligation.

* Emergency Clause

- **HM 72 STUDY LOTTERY SCHOLARSHIPS AT TRIBAL COLLEGES**, *Rep. Jeff* requests that the Legislative Council create a task force to study the feasibility of permitting students at tribal colleges to qualify for the Legislative Lottery Scholarship.
- **HM 75 SPORTS AUTHORITY DIVISION TRANSFER**, *Rep. Maestas* requests that the Economic Development Department convene a work group to study sports and sports-related expenditures; create a long-term strategic plan for sports and sports tourism; and assess and recommend if the Sports Authority Division of the Tourism Department should be transferred to the Economic Development Department.
- HM 77 PRESCRIPTION DRUG ABUSE TASK FORCE, *Rep. Maestas* requests that the Department of Health convene a Prescription Drug Abuse and Overdose Task Force and provide recommendations for rules and enforcement protocols to address the increasing rate of addiction to and deaths due to accidental overdose of prescription drugs. (May affect public schools)

HOUSE RESOLUTION

HR 3 HOUSE WEBCASTING VIDEO IMAGES, *Rep. W.K. Martinez* — amends the House rules to expand the video images available from the Internet stream of House floor proceedings.

SENATE BILLS

S 17 REMOVE GOVERNOR FROM STATE INVESTMENT COUNCIL [VETOED

*CS/S 17a

(Apr. 8)], Sen. Keller — amends statute to change the membership, powers, and duties of the State Investment Council; provides for the election of a chair and vice chair of the council; and extends deadlines for monthly reports from 10 to 30 days after the close of each month. (May affect public schools) (CS/S 17 & 64)

S 23 CORINNE WOLF CHILDREN'S LAW CENTER [VETOED (Apr. 6)],

Sen. Ortiz y Pino — creates the Corinne Wolf Children's Law Center at the Institute of Public Law to provide education on child welfare and juvenile justice; creates the Child Protection Education Fund administered by the Board of Regents of the University of New Mexico; imposes a child protection education fee under certain circumstances; and requires these fees to be deposited into the Child Protection Education Fund. (May affect public education)

*S 38a NEW MEXICO HEALTH INSURANCE EXCHANGE ACT [VETOED (Apr. 8)],

CS/S 38a

a Sen. Feldman — creates the New Mexico Health Insurance Exchange Act; forms the New Mexico Health Insurance Exchange as a nonprofit public corporation; increases access to health insurance in New Mexico (includes students attending educational institutions inside or outside New Mexico as qualified individuals); provides for the appointment, powers and duties of a board of directors for the exchange; provides the Superintendent of Insurance of the Public Regulation Commission with rulemaking powers relating to the exchange; designates a Native American liaison to assist the executive director of the exchange in developing and ensuring implementation of communication and collaboration between the exchange and Native Americans in the state; and provides for transparency of exchange funding and operations. (CS/S 38 & 370)

S 41 HEALTH CARE STUDENT INTERN LIABILITY COVERAGE [SGND (Apr. 7) Ch. 120], Sen. P. Griego — amends the Public School Insurance Authority Act to provide liability insurance coverage for health care student interns currently anrolled in

provide liability insurance coverage for health care student interns currently enrolled in health care instructional programs offered by a member.

S 52 ELECTRONIC COPIES OF PUBLIC RECORDS [SGND (Apr. 8) Ch. 181],

CS/S 52a *Sen. Fischmann* — amends statute relating to the inspection of public records to provide for delivery of copies of public records in electronic format; allows the custodian to charge the actual costs associated with downloading copies of public records to a computer disk or storage device, including the actual cost of the computer disk or storage device; and provides that a custodian may engage in the sale of data as authorized by law, including imposing reasonable restrictions on the use of the database and the payment of a royalty or other consideration. (May affect public schools)

S 63 GOVERNMENT FOOD PURCHASING REQUIREMENTS [POCKET VETO],

Sen. Keller — adds a new section to and amends the Procurement Code to require the purchasing division of the General Services Department to require that a minimum percentage of the total dollar amount of food purchased by state agencies and local public bodies be for food produced in New Mexico. (May affect public schools)

S 78 SCHOOL DISTRICT BULLYING PREVENTION PROGRAMS [SGND (Apr. 4) Ch. 50], *Sen. García/Rep. Miera* — requires the Public Education Department to establish guidelines for bullying prevention policies to be promulgated by local school boards; requires local boards to promulgate policies by August 2011; and requires every public school to implement a bullying prevention program by August 2012. (For the LESC)

S 82a REMOVE STATE INVESTMENT OFFICER FROM BOARDS [SGND (Apr. 4) Ch. 51], *Sen. Sapien* — amends statute to remove the State Investment Officer from membership on several boards, including the Education Trust Board.

- **S 118a OPTIONAL TAX CONTRIBUTION TO SCHOOL FUND [POCKET VETO]**, Sen. Sapien — adds a new section to the Public School Finance Act in the Public School Code to provide an optional designation for a personal income tax contribution to the fund to supplement the State Equalization Guarantee distribution; creates and appropriates money to the School Program Enhancement Fund in the state treasury; and allocates money from the fund to each school district and charter school, under certain criteria.
- S 119a RETIREMENT BENEFICIARY DESIGNATION OF SPOUSE [SGND (Apr. 7) Ch. 122], *Sen. Sapien/Rep. Trujillo* — amends the Public Employees Retirement Act and the Educational Retirement Act to allow a retired member to designate a new beneficiary under certain circumstances and allows a member to select a different beneficiary under certain circumstances.
- **S 120a EARLY CHILDHOOD CARE & EDUCATION ACT [SGND (Apr. 7) Ch. 123]**, *Sen. Sapien/Rep. King* creates the Early Childhood Care and Education Act to establish a comprehensive early childhood care and education system through state and private programs; creates and designates the members of the State Early Learning Advisory Council, among them the Secretary of Public Education or a designee; and creates the Early Childhood Care and Education Fund as a non-reverting fund in the state treasury.
- S 133a STUDY UNM STUDENTS DIRECTLY TO DENTAL SCHOOL [SGND (Apr. 5) Ch. 76], Sen. Campos directs the Board of Regents at the University of New Mexico to fund a study regarding the feasibility of a program allowing Bachelor of Arts degree recipients to matriculate directly to dental school for a Doctor of Dental Science or Doctor of Dental Surgery degree.
- **S 141a NO EDUCATION DEPT. AUDITOR APPROVAL [SGND (Apr. 6) Ch. 87]**, Sen. Nava/Rep. Hall — amends the Audit Act to remove the requirement that the Public Education Department approve the selection of an independent auditor by a school district. (For the LESC)
- S 144a REQUIRE SCHOOL FREE BREAKFAST PROGRAMS [SGND (Apr. 2) Ch. 35], Sen. Nava — adds a new section of the Public School Code to require school districts and charter schools to establish free breakfast programs under certain conditions; and amends the Public School Code to provide that, if instruction occurs simultaneously with

breakfast being served or consumed pursuant to a state or federal program, that time shall be deemed a part of the instructional day.

S 145a CLARIFY SCHOOL YEAR & DAY LENGTH [SGND (Apr. 8) Ch. 154],

Sen. Kernan — repeals the provision enacted in 2009 that requires that a school year to consist of 180 full instructional days for a regular school calendar or 150 days for a variable school calendar, exclusive of professional development days and adjustments for cancelled days due to inclement weather. (For the LESC)

S 167a EQUAL PRE-K PROGRAM APPROPRIATIONS [SGND (Apr. 7) Ch. 126],

Sen. Beffort — adds a new section to the Pre-Kindergarten Act to require that the Public Education Department receive up to 50 percent and the Children, Youth and Families Department receive at least 50 percent of the funds appropriated for pre-kindergarten programs.

S 187 LFC REVIEW OF STATE FUNDING RECIPIENTS [VETOED (Mar. 18)],

Sen. Keller/Rep. Bandy — adds a new section of statute to provide for program evaluation and review by the Legislative Finance Committee of agencies and other entities that receive state funding. (May affect school districts and the Public Education Department)

- S 202 STUDENT TEACHER ALTERNATIVE CURRICULUM [POCKET VETO], Sen. Nava — amends the Public School Code to allow the Secretary of Public Education to waive class-size requirements for classes to which a student teacher who meets certain criteria has been assigned. (For the LESC)
- S 203a SCHOOL BUSINESS OFFICIAL LICENSURE [POCKET VETO], Sen. Nava/ Rep. Hall — adds a new section to the School Personnel Act to require the Public Education Department to license school business officials (SBOs); to track the denial, suspension, or revocation of SBO licenses; to assess the quality of and enforcement of training requirements for SBO licensure; and to require training for superintendents on the evaluation of SBOs. (For the LESC)

S 237a "COLLEGES IN ENERGY EFFICIENCY & BONDING ACT," [POCKET VETO] Sen. Keller — expands the scope of the Energy Efficiency and Renewable Energy Bonding Act to include public postsecondary educational institutions; calculates the estimated energy cost savings in the form of lower utility payments by the higher education institution; and deducts 90 percent from the operating budget of the department responsible for paying the utilities.

S 267a LAW ENFORCEMENT CONTRACTS WITH COLLEGES [SGND (Apr. 4) Ch. 53], Sen. Neville — amends two sections of current law (law enforcement and municipal courts) to allow a postsecondary educational institution to enter into a written agreement with a municipality for enforcement of non-moving traffic regulations; specifies that campus security personnel will not be given arrest powers; allows penalty assessments to be credited to the municipality or to the postsecondary educational institution; and provides for commissioning of security personnel.

S 269 EDUCATIONAL RETIREMENT BOARD BANK & ATTORNEYS [SGND (Apr.8)

- **CS/S 269a Ch. 157]**, *Sen. Sapien* amends the Educational Retirement Act to authorize the Educational Retirement Board to select a custodial bank and to hire attorneys on a contingent fee basis; and creates a suspense fund.
 - **S 272a 3RD AND 4TH GRADE ADDED TO PED GRADING SYSTEM [SGND (Apr. 4) Ch. 54]**, *Sen. Beffort* amends the Public School Code to add grades 3 and 4 to the standardized grading system currently required for grades 5 through 12 in the public schools.

S 285a AMEND CHILD PLACEMENT AGENCY LICENSING ACT [SGND (Apr. 7) Ch. 130], *Sen. Ortiz y Pino* — amends the Child Placement Agency Licensing Act in the Domestic Affairs Code to clarify responsibilities of child placement agencies; states that the regulations shall not proscribe or interfere with the religious beliefs or training of the organization unless it endangers the child's health or safety; and clarifies revocations, suspensions, denials, and nonrenewals of licenses to operate a child placement agency or a foster home. (May affect public education)

- **S 290 DEFINING "HABITUAL TRUANT," [SGND (Apr. 7) Ch. 146]** *Sen. Nava* amends the Compulsory School Attendance Law in the Public School Code to clarify the definition of habitual truant as a student who has accumulated the equivalent of 10 days or more of unexcused absences within a school year. (May affect public schools)
- S 297a REMOVE BENEFIT CAPS FOR CERTAIN COVERAGES [POCKET VETO], Sen. Ortiz y Pino — amends the Health Maintenance Organization Law and the Nonprofit Health Care Plan Law in the Insurance Code to increase the \$3,500 maximum benefits caps for the Family, Infant, Toddler program coverage to \$10,000. (May affect public schools)
- S 304 FULL-SERVICE COMMUNITY SCHOOLS ACT [POCKET VETO], Sen. Nava adds new sections to the Public School Code to create the Full-Service Community Schools Act and its corresponding program; and creates the Full-Service Community Schools Fund to be administered by the Public Education Department.
- S 314 AUTISM EDUCATION PLAN DEVELOPMENT [VETOED (Apr. 8)], Sen. Harden — amends the Public School Code and creates a new section to require the use of certain information when developing an education plan for or evaluating a student with autism spectrum disorder.
- S 327a CERTAIN PUBLIC SCHOOL INFO ON SUNSHINE PORTAL [SGND (Mar. 30) Ch. 13], *Sen. Rue* — amends the Sunshine Portal Transparency Act to require that certain public school information be available on the Sunshine Portal; and clarifies certain provisions and allows access to additional information.
- **S 329a ERB MEMBERS TO APPOINT DESIGNEES [SGND (Apr. 8) Ch. 160]**, *Sen. Nava* — amends the Educational Retirement Board (ERB) section in the Public School Code to authorize certain members of the ERB to appoint designees to serve on the board; specifies qualifications for the designees; and requires members appointed by the Governor to be approved by the Senate and have a background in investments, finance,

or pension fund administration (the provisions of the amendment do not affect the status of the existing appointees).

S 330a FAMILY, INFANT, TODDLER PROGRAM ENROLLMENT [SGND (Apr. 8)

Ch. 166], *Sen. Nava* — amends the Public School Code and provisions relating to the education of the disabled by the Department of Health to eliminate the option of having a child who has reached his or her third birthday and enrolled in the Family, Infant, Toddler program to remain in the program or enroll in a public school preschool program.

***S 331a** AMEND DEFINITIONS IN ED. TECH EQUIPMENT ACT [SGND (Apr. 7)

Ch. 149], *Sen. Nava* — amends definitions in the Education Technology Equipment Act to include new tools used in the educational process and remove old ones.

S 337a PRECINCT CONSOLIDATION FOR CERTAIN ELECTIONS [SGND (Apr. 7) Ch 131] San Marglas/Ran Lamas amonds the Election Code to allow the

Ch. 131], *Sen. Morales/Rep. James* — amends the Election Code to allow the consolidation of precincts for primary and general elections to make voting more convenient and accessible, as long as the consolidation does not result in delays and the consolidated precinct location is centrally located; and provides procedures for consolidating precincts. (May affect local school boards)

- *S 341a TIMELY PAYMENT PROVISIONS INCLUSIONS [POCKET VETO], Sen. Nava — amends the Public School Code to provide that timely payment provisions include bond anticipation notes and lease purchase arrangements.
- S 360a STUDENT ASSESSMENT REQUIREMENTS SUSPENSION [SGND (Apr. 8) Ch. 161], Sen. Nava — suspends, for one year, almost all student assessments currently required in state law but not in federal law. (For the LESC)

S 361a LEVEL ONE TEACHER LICENSURE ALTERNATIVES [SGND (Apr. 2) Ch. 36],

Sen. Nava — requires the Public Education Department (PED) to issue an alternative Level 1 license to a candidate with a baccalaureate degree who has received a passing score on a state-approved subject-area examination in the subject area of instruction related to the license, and who, within two years of beginning teaching, completes a minimum of 12 semester hours in teaching principles in a program approved by PED.

S 369a PUBLIC RECORDS PROVISIONS REORGANIZATION [SGND (Apr. 7)

Ch. 134], *Sen. Ulibarri/Rep. Strickler* — amends state law related to the inspection of public records and recording; provides for the protection of certain personal identifying information; updates and clarifies recording procedures and fees; and eliminates fees for the cost of determining whether any public record is subject to disclosure. (May affect public schools)

*S 373 CAPITAL OUTLAY REAUTHORIZATION [SGND (Apr. 8) Ch. 183],

*CS/S 373a Sen. Cisneros — reauthorizes the unexpended balance from the proceeds of severance tax bonds issued for projects to revert to the Severance Tax Bonding Fund; reappropriates balances; expands or changes purposes, extends expenditure periods, changes agencies; establishes conditions for the reversion of unexpended balances of appropriations made by the Legislature in prior years, among them the reallocation of \$20,000 of the unexpended balance of the appropriation to the Public Education

Department for a facility for Christine Duncan Community School in Albuquerque to the State Fair Commission to construct and equip the multipurpose room at the African American Performing Arts Center.

- S 395 MARRIAGE LICENSE PROCEDURES [POCKET VETO], Sen. Martinez/ Rep. Cook — amends the Public Assistance Code to change procedures for collection and use of Social Security numbers for use in child support enforcement; and, among other provisions, clarifies procedures related to restrictions on marriage for minors (restricts the issuance of a marriage license to any person 16 or 17 years of age). (May affect public schools)
- *S 408a CREATE INTERIM REDISTRICTING COMMITTEE [SGND (Apr. 8) Ch. 185], Sen. Lopez — creates a Joint Interim Legislative Redistricting Committee composed of nine members from each house; and calls for one organizational meeting to develop a work plan and budget for its interim tasks. (May affect the Public Education Commission)
- S 417a NATIVE AMERICAN SUICIDE PREVENTION [SGND (Mar. 31) Ch. 15], Sen. Lovejoy — requires the Interagency Behavioral Health Purchasing Collaborative to establish a statewide clearinghouse for Native American suicide prevention and three culturally based suicide prevention initiatives for Native Americans subject to available funds.
- S 418a DEFINE SCHOOL DISCIPLINARY RISKS [POCKET VETO], Sen. Ortiz y Pino amends a section of the Public School Code to provide for definition of school disciplinary risks and procedures; requires school districts to develop policies that offer alternatives to long term suspension, expulsion, or referral to law enforcement agencies; and requires school districts to submit a report to the Public Education Department.
- S 427a A-B-C-D-F SCHOOLS RATING SYSTEM [SGND (Mar. 29) Ch. 10], Sen. Asbill adds a new section of the Public School Code to create the A-B-C-D-F Schools Rating Act; provides for a rating system to grade public schools in a way easily understandable by parents, school personnel, and the community; establishes criteria for rating public schools; provides school options; provides Public Education Department-approved funding for failing schools to implement scientifically based instructional programs linked to improved student achievement; creates a New Mexico School Recognition Program; and provides financial rewards to high-achieving public schools.
- **S 432 GOVERNMENTAL CONDUCT & CONTRACTS [SGND (Apr. 7) Ch. 138]**, *Sen. Eichenberg* — amends and adds a new section of the Governmental Conduct Act to extend provisions to include public officers and employees of political subdivisions of the state; expands the definition of "contract"; allows public officers and employees to contract with the agency that employs them under certain conditions; and prohibits certain acts by public officers and employees. (May affect public schools)
- S 446a CHARTER SCHOOL CONTRACTS [SGND (Mar. 30) Ch. 14], Sen. Sapien/ Rep. King — amends and adds new sections to the Charter Schools Act to provide for contracts between a charter school and the chartering authority; to establish procedures

regarding conflicts of interest for a charter school governing body and school personnel; and to provide an annual evaluation process for charter schools.

S 476a NO COLLEGE CREDITS NEEDED FOR STATE POLICE [SGND (Apr. 6)

Ch. 91], *Sen. P. Griego* — amends state law to remove the requirement for at least 60 hours of college credits as a qualification to be a member of the New Mexico State Police.

S 520 MUNICIPAL CORPORATION BOND DEPOSITS [SGND (Apr. 6) Ch. 92],

Sen. Beffort — amends state law to eliminate the requirement that all bids for municipal corporation bonds be accompanied by deposits; and requires only the best bidder to make a deposit prior to acceptance of the bid. (May affect public schools)

S 574 CYFD EMPLOYEES OF GOOD MORAL CHARACTER [SGND (Apr. 8)

CS/S 574a Ch. 163], *Sen. Rodriguez* — amends and adds a new section of the Children, Youth and Families Department Act to require all employees, staff members, prospective employees, volunteers, and their supervisors at the Children, Youth and Families Department (CYFD) who have direct unsupervised contact with department clients to be of good moral character; prohibits all persons who have been convicted of a felony offense from being employees, staff members, volunteers, or supervisors at the CYFD who have direct unsupervised contact with department clients; and requires fingerprint and nationwide history record searches for all department employees, staff members, volunteers, and their supervisors who have direct unsupervised contact with department employees, staff members, volunteers, and their supervisors who have direct unsupervised contact with department employees, staff members, volunteers, and their supervisors who have direct unsupervised contact with department clients. (May affect public schools)

S 605 EXPAND ELIGIBLE PRE-K PROVIDERS [SGND (Apr. 7) Ch. 140], Sen. Nava —

CS/S 605a

amends the Pre-Kindergarten Act to expand the number of providers eligible to offer prekindergarten services by allowing providers from any communities with public Title I elementary schools; requires the Public Education Department and the Children, Youth and Families Department to request and evaluate proposals or applications for prekindergarten services; and gives priority to programs according to the Title I status of the schools in those communities and the percentage of the children served living within the attendance zone of a Title I school, without regard to the adequate yearly progress status of the schools in the community.

S 617 PUBLIC WORKS CONTRACTOR REGISTRATION [SGND (Apr. 6) Ch. 94],

CS/S 617a *Sen. Martinez* — amends state law to require that a public works contractor be given at least a 30-day notice before the expiration of the contractor's registration certificate and pay a registration fee of \$400 every two years. (May affect public schools)

SENATE JOINT MEMORIALS

SJM 23 ACADEMIC CHAMPIONS FOR CHILDREN TASK FORCE, *Sen. Pinto* requests that the Interagency Behavioral Health Purchasing Collaborative convene a task force (in cooperation with the Public Education Department) to develop a process to train, educate, and empower parents, caregivers, social workers, and behavioral therapists to become academic champions for children and thereby reduce aggressive behavior in schools and the need for clinical interventions. (May affect public schools)

- SJM 24 TRIBAL LANGUAGE SURVIVIAL SUPPORT, *Sen. Pinto* calls for the Legislature to support tribal language survival; requests the fulfillment of statutory obligations regarding the 2003 Indian Education Act and the State Bilingual Multicultural Education Act; and cites the positive correlation between student achievement and first language learning. (May affect public schools)
- **SJM 35 STUDY INDIAN EDUCATION IMPACT AID MONEY**, *Sen. Pinto* requests that the LESC study the use of impact aid set-aside money for Indian education and determine if the local process used by districts ensures collaboration with tribal leaders and leads to an accurate identification of local needs; and requests that the LESC hold hearings to receive testimony from government officials and stakeholders in the American Indian community.

SENATE JOINT RESOLUTION

SJR 11a TRANSFER OF STATE-OWNED PROPERTY, *Sen. M. Sanchez* — proposes the transfer of 9.35 acres of state-owned real property to the Los Lunas Public Schools; and resolves that the property shall not be sold or transferred until it has been reviewed by the Capitol Buildings Planning Commission.

SENATE MEMORIALS

- SM 1ASIAN AMERICAN CENTER AT STATE FAIR, Sen. Keller requests that the
State Fair Commission and Expo New Mexico engage in a dialog to locate and maintain
an Asian American Center at Expo New Mexico. (May affect public schools)
- **SM 3 "NM FAMILY & PARENT INVOLVEMENT DAY,"** *Sen. B. Sanchez* declares Wednesday, January 19, 2011, as "New Mexico Family and Parent Involvement Day" in the Senate.
- **SM 4** "NEW MEXICO MENTORSHIP," *Sen. Kernan* declares the week of January 24, 2011 through January 30, 2011 as "New Mexico Mentorship Week" in the Senate.
- **SM 9** "AUTISM DAY," *Sen. Feldman* recognizes the New Mexico chapter of the Autism Society of America and declares February 21, 2011 as "Autism Day" in the Senate.
- SM 11 "CHAVES COUNTY EVERY 15 MINUTES PROGRAM DAY," Sen. Jennings declares January 26, 2011 as "Chaves County Every 15 Minutes Program Day" in the Senate; recognizes the efforts of the program to generate youth awareness of the dangers of drinking and driving by conducting the program near the time of high school proms and graduations. [Identical to HM 6]
- **SM 26** "CHILD ABUSE PREVENTION WEEK," *Sen. García* declares the first week of July 2011 as "Child Abuse Prevention Week" in the Senate; and provides legislative support to a group of elementary school students in Vado, New Mexico, who are engaged in the "Future Problem Solver" group.
- **SM 29 "ADULT BASIC EDUCATION & LITERACY DAY,"** *Sen. Kernan* declares February 15, 2011 as "Adult Basic Education and Literacy Day" in the Senate.

- SM 31 2012 CENTENNIAL CELEBRATION PROJECTS, Sen. Ortiz y Pino encourages that state, local, and tribal government agencies participate in New Mexico's 2012 statehood centennial commemoration by creating and promoting projects designed to honor, commemorate, and celebrate the history, traditions, and future of the state while facilitating education, economic development, tourism, and civic pride. [Identical to HM 23]
- **SM 32 "WESTERN NM UNIVERSITY FOUNDERS DAY,"** *Sen. Morales* declares February 11, 2011 "Western New Mexico University Founders Day" in the Senate.
- **SM 33** "NEW MEXICO MESA DAY," *Sen. Cravens* declares March 7, 2011 as "New Mexico MESA Day" in the Senate.
- SM 34 HISTORIC WOMEN MARKER & RECOGNITION, Sen. Ingle celebrates the completion of the New Mexico Historic Women Marker Initiative by the New Mexico Women's forum together with several state agencies; and requests that the New Mexico Centennial Steering Committee recognize these historic women in the centennial celebration. [Identical to HM 29]
- **SM 38 "ENTREPRENEURSHIP WEEK,"** *Sen. García* declares the week of February 19, 2011 through February 26, 2011 as "Entrepreneurship Week" in the Senate; recognizes coalitions like the New Mexico Youth Entrepreneurship Network; and encourages youth to be excited about entrepreneurship education.
- **SM 44** "SCHOOLS ON THE RISE DAY," *Sen. Nava* declares March 10, 2011 as "Schools on the Rise Day" in the Senate.
- SM 52 INDIAN EDUCATION ACT EFFECTIVENESS, Sen. Lovejoy requests that the LESC and the Interim Legislative Indian Affairs Committee convene a joint subcommittee to assess the effectiveness of the Indian Education Act; and that the Joint Subcommittee make recommendations on certain matters to the LESC and the Legislative Indian Affairs Committee by October 1, 2011.
- **SM 53 "ALBUQUERQUE HIGH SCHOOL DAY,"** *Sen. E. Griego* recognizes February 25, 2011 as "Albuquerque High School Day" in the Senate.
- **SM 56 ADOLESCENT OPIOID ADDICTION TREATMENT STUDY**, *Sen. E. Griego* requests that the Interagency Behavioral Health Purchasing Collaborative develop a comprehensive, statewide plan for treatment of opioid addiction among adolescents and present the plan to the Interim Legislative Health and Human Services Committee by October 2011.
- SM 57 NATIVE AMERICAN EARLY CHILDHOOD PROGRAM STUDY, Sen. Lovejoy — requests that the Interim Legislative Health and Human Services Committee establish a subcommittee to identify opportunities and make recommendations for Native American communities to develop an infrastructure of early childhood programs and services; and resolves that the subcommittee seek testimony and recommendations from the Public Education Department and other childhood program providers to identify available federal and grant funding for the services.

* Emergency Clause

- **SM 58 NM SERVICE LEARNING PROGRAMS RECOGNITION**, *Sen. Nava* recognizes the accomplishments and contributions of service learning programs in the state of New Mexico.
- **SM 59 "DOMESTIC VIOLENCE LASTS A LIFETIME DAY,"** *Sen. Morales* proclaims March 4, 2011 "For a Child, Domestic Violence Lasts a Lifetime Day" in the Senate; and recognizes a connection between children who are exposed to domestic violence and negative educational achievement.
- **SM 61 "SOUTH VALLEY DAY,"** *Sen. E. Griego* recognizes the rich cultural history of Albuquerque's South Valley and declares March 3, 2011 "South Valley Day" in the Senate.
- **SM 63** "ATHLETIC TRAINER DAY," *Sen. Morales* declares March 3, 2011 "Athletic Trainer Day" and the month of March 2011 as "National Athletic Training Month" in the Senate.
- SM 65 GENDER-SPECIFIC TREATMENT STANDARDS STUDY, Sen. Lopez requests that the Behavioral Health Sciences Division of the Human Services Department convene a work group to create gender-specific treatment standards and rules for women and girls seeking treatment for substance abuse disorders and submit a report with recommendations to the Legislative Health and Human Services Committee by December 1, 2011. (May affect public schools)
- **SM 67 PEDESTRIAN OVERPASS IN SANTA FE STUDY**, *Sen. P. Griego* requests that a safety study include the feasibility of constructing pedestrian overpasses on or near the Santa Fe Indian School campus and Cerrillos Road and the New Mexico School for the Deaf campus and Cerrillos Road or St. Francis Drive; resolves that the Department of Transportation work with both schools to address the safety issues associated with Cerrillos Road and St. Francis Drive and the two schools; and report to an appropriate interim committee on the potential solutions to the safety issues facing the students and staff of both schools by November 2011. [Identical to HM 47]
- **SM 70 RURAL ISOLATION UNITS STUDY**, *Sen. Lovejoy* requests that the LESC study the provisions of law governing the rural isolation units provided through the public school funding formula and report its findings and recommendations to the appropriate interim legislative committee by December 1, 2011.
- **SM 71 NORTHWEST QUADRANT PUBLIC SCHOOL ACCESS STUDY**, *Sen. Lovejoy* requests that the Public Education Department study access to public education in the northwest quadrant of the state and report its findings to the LESC by August 1, 2011.

SENATE RESOLUTION

SR 4 SENATE COMMITTEE WEBCASTING, *Sen. Jennings* — amends the Senate rules to allow photography, audio, or video recording and streaming of Senate Committee proceedings with the permission of the chair and ranking member.