

HOUSE EDUCATION COMMITTEE SUBSTITUTE FOR
HOUSE BILL 82

45TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2001

AN ACT

RELATING TO PUBLIC SCHOOLS; CREATING FUNDS; CHANGING PURPOSES
OF FUNDS; ESTABLISHING A CONSORTIUM; ENACTING THE EDUCATION
REFORM APPROPRIATION ACT; AMENDING AND ENACTING SECTIONS OF
THE NMSA 1978; MAKING APPROPRIATIONS; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 22-2-6.12 NMSA 1978 (being Laws 2000
(2nd S.S.), Chapter 14, Section 2) is amended to read:

"22-2-6.12. PUBLIC SCHOOL READING PROFICIENCY FUND--
CREATED. --

A. The "public school reading proficiency fund" is
created in the state treasury. The fund shall consist of
appropriations, gifts, grants and donations. The fund shall
be administered by the [state] department [of public
education], and money in the fund is appropriated to the

1 department to distribute awards to ~~[local]~~ public schools that
2 implement innovative, research-based reading programs and to
3 provide staff development programs to train teachers to teach
4 reading. Money from the fund shall not be used by the
5 department or school districts for administration.

6 B. Prior to the 2001-2002 school year, the [state]
7 department [of public education] shall develop procedures and
8 rules for [the application] applications to and [award of
9 money] expenditures from the public school reading proficiency
10 fund, including criteria upon which to evaluate innovative,
11 research-based reading programs and related staff development
12 programs.

13 C. The department shall identify appropriate
14 teaching models to train teachers to teach reading and
15 writing, particularly to those students who cannot read at
16 grade level. The models shall have demonstrated success in
17 providing teachers with the knowledge and skills needed to
18 increase student achievement in reading and writing. The
19 department shall provide technical assistance to school
20 districts, including providing trainers to teach the
21 appropriate models.

22 D. Disbursements of the public school reading
23 proficiency fund shall be made by warrant of the department of
24 finance and administration pursuant to vouchers signed by the
25 state superintendent [of public instruction]. Any unexpended

1 or unencumbered balance remaining in the fund at the end of
 2 any fiscal year shall not revert to any other fund but shall
 3 remain to the credit of the fund. "

4 Section 2. A new section of the Public School Code,
 5 Section 22-2C-6 NMSA 1978, is enacted to read:

6 "22-2C-6. [NEW MATERIAL] ENTERPRISE ACTIVITIES--
 7 ACCOUNTS. --

8 A. When established by the department, a center
 9 may develop and offer an enterprise activity to any school
 10 district in the state and may charge participating school
 11 districts for the activity. A school district is not required
 12 to purchase an enterprise activity from any center.

13 B. A "regional service center enterprise fund" is
 14 established in the state treasury for each center. Money
 15 received from enterprise activities shall be accounted for
 16 separately and shall be deposited in the center's regional
 17 service center enterprise fund. The income from investment of
 18 the fund shall be credited to the fund, and money in the fund
 19 shall not revert to the general fund at the end of any fiscal
 20 year. Money in the fund is appropriated to the center and
 21 shall be distributed on warrants issued by the department of
 22 finance and administration pursuant to vouchers signed by the
 23 director or his authorized representative. "

24 Section 3. A new section of the Public School Code,
 25 Section 22-13C-5 NMSA 1978, is enacted to read:

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1 "22- 13C- 5. [NEW MATERIAL] PROBATIONARY SCHOOL
2 INTERVENTION FUND CREATED. --

3 A. The "probationary school intervention fund" is
4 created in the state treasury. The fund shall consist of
5 money appropriated to the fund, earnings from investment of
6 the fund, federal funds available for the purposes of the fund
7 and other gifts, grants and donations. The money in the fund
8 shall not revert to any other fund at the end of a fiscal
9 year. The department shall administer the fund, and money in
10 the fund is appropriated to the department to carry out the
11 purposes of the Probationary School Intervention Act. No more
12 than three percent of the fund may be used by the department
13 to cover administrative costs. Money in the fund shall be
14 expended upon warrant of the secretary of finance and
15 administration pursuant to vouchers signed by the state
16 superintendent or his authorized representative.

17 B. The department may provide grants from the fund
18 based on approved applications from probationary schools.
19 Grants shall be provided directly to the probationary school,
20 and the money shall be used solely for expenditures approved
21 in the application. "

22 Section 4. A new section of the Public School Code is
23 enacted to read:

24 "[NEW MATERIAL] FAMILY AND YOUTH RESOURCE FUND. --The
25 "family and youth resource fund" is created in the state

underscored material = new
[bracketed material] = delete

1 treasury. The fund shall consist of appropriations, gifts,
 2 grants, donations and earnings from investment of the fund.
 3 The fund shall not be transferred to any other fund at the end
 4 of a fiscal year. The fund shall be administered by the
 5 department, and money in the fund is appropriated to the
 6 department to carry out the purposes of the Family and Youth
 7 Resource Act. Money in the fund shall be disbursed on
 8 warrants issued by the secretary of finance and administration
 9 pursuant to vouchers signed by the state superintendent or his
 10 authorized representative. "

11 Section 5. A new section of the Public School Code is
 12 enacted to read:

13 "[NEW MATERIAL] HIGH SCHOOL CORE CURRICULA TESTS--
 14 DEVELOPMENT. --

15 A. The colleges of education at New Mexico's
 16 universities shall form a consortium to develop criterion-
 17 referenced end-of-course tests for a designated core of high
 18 school subject areas that are required for graduation,
 19 including algebra 1, geometry, English 10, United States
 20 history and biology. The tests shall be completed and ready
 21 to administer before the end of the 2002-2003 school year.

22 B. The consortium shall work closely with:

- 23 (1) the department to determine the subject
 24 areas to be tested and the order of tests to be developed; and
 25 (2) the department, public school personnel

1 and other interested persons in the development of the
2 criterion-referenced tests.

3 C. The consortium may charge a reasonable fee to
4 administer and score the tests. Money collected from the fee
5 may be used by the consortium to continue to improve and
6 update the tests. "

7 Section 6. SHORT TITLE. --Sections 6 through 12 of this
8 act may be cited as the "Education Reform Appropriation Act".

9 Section 7. TEACHER IMPROVEMENT APPROPRIATIONS. --

10 A. One hundred twenty thousand dollars (\$120,000)
11 is appropriated from the general fund to the legislative
12 education study committee for expenditure in fiscal years 2001
13 and 2002 to work in collaboration with the state department of
14 public education to contract for an independent study of the
15 impact on the instructional staff training and experience
16 index of the new professional educator licensing and salary
17 system and the state equalization guarantee distribution. Any
18 unexpended or unencumbered balance remaining at the end of
19 fiscal year 2002 shall revert to the general fund.

20 B. The following amounts are appropriated from the
21 general fund to the state department of public education for
22 expenditure in fiscal year 2002 unless otherwise specified for
23 the purposes stated, and any unexpended or unencumbered
24 balance remaining at the end of fiscal year 2002 shall revert
25 to the general fund:

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1 (1) two million two hundred thousand dollars
2 (\$2,200,000) for the statewide teacher mentorship program for
3 beginning teachers. The department shall distribute funds to
4 first-year local school districts based on the number of
5 first-year participants in the teacher mentorship program in
6 each school district;

7 (2) twenty-two million three hundred ninety-
8 one thousand one hundred dollars (\$22,391,100) to provide an
9 equivalent of five additional days for professional
10 development for teachers; and

11 (3) five hundred thousand dollars (\$500,000)
12 for expenditure in fiscal years 2001 and 2002 to conduct a
13 public information campaign on the value of teaching.

14 Section 8. STUDENT IMPROVEMENT APPROPRIATIONS. --

15 A. The following amounts are appropriated from the
16 general fund to the state department of public education for
17 expenditure in fiscal year 2002 unless otherwise specified for
18 the purposes stated, and any unexpended or unencumbered
19 balance remaining at the end of fiscal year 2002 shall revert
20 to the general fund:

21 (1) four million dollars (\$4,000,000) to pay
22 teachers to teach intensive summer education programs for
23 students in need of assistance;

24 (2) three million five hundred sixty-five
25 thousand three hundred dollars (\$3,565,300) for school

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1 districts to provide art and music programs at the first and
2 second grade levels;

3 (3) twenty thousand dollars (\$20,000) for
4 expenditure in fiscal years 2001 and 2002 to conduct a public
5 information campaign on the value of multilingualism; and

6 (4) twenty thousand dollars (\$20,000) for
7 expenditure in fiscal years 2001 and 2002 to conduct a public
8 information campaign to promote literacy.

9 B. Nine million seven hundred fifty thousand
10 dollars (\$9,750,000) is appropriated from the general fund to
11 the family and youth resource fund for expenditure in fiscal
12 year 2002 to carry out the purposes of the Family and Youth
13 Resource Act. Any unexpended or unencumbered balance
14 remaining at the end of fiscal year 2002 shall revert to the
15 general fund.

16 Section 9. ACCOUNTABILITY APPROPRIATIONS. --

17 A. The following amounts are appropriated from the
18 general fund to the state department of public education for
19 expenditure in fiscal years 2001 and 2002 unless otherwise
20 specified for the purposes stated, and any unexpended or
21 unencumbered balance remaining at the end of fiscal year 2002
22 shall revert to the general fund unless otherwise specified:

23 (1) four hundred thousand dollars (\$400,000)
24 to conduct special education assessments;

25 (2) one million dollars (\$1,000,000) to

1 purchase commercially available criterion-referenced end-of-
2 course tests for designated core high school courses required
3 for graduation;

4 (3) two hundred twenty thousand dollars
5 (\$220,000) for expenditure in fiscal year 2002 to expand the
6 writing assessment program by two grades and to score writing
7 portfolios in accordance with the language arts performance
8 standard rubric or the New Mexico writing portfolio rubric;

9 (4) one hundred thousand dollars (\$100,000)
10 to train teachers to score writing portfolios;

11 (5) seven hundred fifty thousand dollars
12 (\$750,000) for expenditure in fiscal years 2001 through 2003
13 to contract with a consortium of colleges of education to
14 develop high school criterion-referenced end-of-course tests,
15 and any unexpended or unencumbered balance remaining at the
16 end of fiscal year 2003 shall revert to the general fund;

17 (6) sixty thousand dollars (\$60,000) to
18 create, with parent and student involvement, parent and
19 student charters enumerating parental and student
20 responsibilities for student achievement;

21 (7) thirty thousand dollars (\$30,000) to
22 develop a process whereby parents, businesses and community
23 members regularly review standards and assessment systems for
24 relevance and objectivity; and

25 (8) one hundred thousand dollars (\$100,000)

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1 to conduct a public information campaign promoting the
2 importance of parental involvement and school attendance.

3 B. Three million dollars (\$3,000,000) is
4 appropriated from the general fund to the probationary school
5 intervention fund for expenditure in fiscal year 2002 and
6 subsequent fiscal years to carry out the purposes of the
7 Probationary School Intervention Act. Any balance remaining
8 at the end of a fiscal year shall not revert to the general
9 fund.

10 Section 10. EARLY INTERVENTION APPROPRIATIONS. --The
11 following amounts are appropriated from the general fund to
12 the department of health for expenditure in fiscal years 2001
13 and 2002 for the following purposes, and any unexpended or
14 unencumbered balance remaining at the end of fiscal year 2002
15 shall revert to the general fund:

16 A. eight thousand one hundred dollars (\$8,100) to
17 provide informational handouts that explain the important role
18 of literacy and a literacy-rich environment in childhood
19 development and academic success to parents at hospitals,
20 clinics and doctors' offices;

21 B. five hundred thousand dollars (\$500,000) for
22 grants to local school districts currently working with their
23 local department of health offices to provide voluntary home
24 visiting programs; and

25 C. eighty thousand dollars (\$80,000) for

1 expenditure in fiscal year 2002 to develop and provide for
 2 four training programs for best practice in family development
 3 home visiting services in locations accessible to providers
 4 statewide in conjunction with the state department of public
 5 education, the children, youth and families department and the
 6 human services department.

7 Section 11. DEPARTMENT APPROPRIATIONS. --The following
 8 amounts are appropriated from the general fund to the state
 9 department of public education for expenditure in fiscal years
 10 2001 and 2002 unless otherwise specified for the purposes
 11 stated, and any unexpended or unencumbered balance remaining
 12 at the end of fiscal year 2002 shall revert to the general
 13 fund:

14 A. four hundred seventy-five thousand dollars
 15 (\$475,000) for expenditure in fiscal year 2002 to align
 16 salaries of licensed school employees in the department to
 17 those in the professional educator licensing and salary
 18 system;

19 B. two hundred thousand dollars (\$200,000) to
 20 staff the school performance standards and assessments council
 21 and to accelerate the continued development of educational
 22 standards and assessments;

23 C. twenty thousand dollars (\$20,000) to staff the
 24 education regulation review task force; and

25 D. one hundred thousand dollars (\$100,000) for

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1 expenditure in fiscal year 2002 to staff the family and youth
2 resource advisory committee and to carry out the purposes of
3 the Family and Youth Resource Act.

4 Section 12. PERMANENT FUND ECONOMIC STUDY
5 APPROPRIATION. --

6 A. One hundred fifty thousand dollars (\$150,000)
7 is appropriated from the general fund to the legislative
8 council service for expenditure in fiscal years 2001 and 2002
9 for an economic and fiscal impact study of the state's
10 permanent funds. Any unexpended or unencumbered balance
11 remaining at the end of fiscal year 2002 shall revert to the
12 general fund.

13 B. The legislative council service shall
14 coordinate the study with the state investment council and the
15 state department of public education to conduct a broad-based
16 economic and fiscal impact study of the current state policies
17 underlying the accumulation of public funds into permanent
18 funds and the distribution of amounts from the funds based on
19 a policy of ensuring the long-term real value of the
20 distributions from the funds in relation to the state's
21 operating budget. The study shall:

22 (1) include an economic and fiscal analysis
23 of the costs and benefits to the state of increasing the
24 distributions from the state's permanent funds and investing
25 that money in programs that will improve the quality of

1 education in New Mexico;

2 (2) quantify the potential economic gains of
3 investing in human resources of the state through improved
4 education compared to investing the money in financial assets
5 with immediate financial returns to the state; and

6 (3) measure the direct and indirect effect of
7 such investment on the state's revenue base and its
8 expenditure needs.

9 Section 13. EMERGENCY. --It is necessary for the public
10 peace, health and safety that this act take effect
11 immediately.