RELATING TO PUBLIC SCHOOLS; PROVIDING FOR PHYSICAL EDUCATION IN GRADES KINDERGARTEN THROUGH SIX IN ELEMENTARY SCHOOLS; ADDING PHYSICAL EDUCATION PROGRAM UNITS AND CHARTER SCHOOL STUDENT ACTIVITIES PROGRAM UNITS INTO THE PROGRAM COST CALCULATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:
Section l. A new section of the Public School Finance Act is enacted to read:
"ELEMENTARY PHYSICAL EDUCATION PROGRAM UNITS.--
A. The number of elementary physical education program units is determined by multiplying the number of students in elementary physical education by the cost differential factor of six one-hundredths.
B. As used in this section, "elementary physical education" means eligible physical education programs that serve students in kindergarten through grade six in a public school classified by the department as an elementary school."

Section 2. Section 22-8-18 NMSA 1978 (being Laws 1974, Chapter 8, Section 8, as amended) is amended to read:
"22-8-18. PROGRAM COST CALCULATION--LOCAL
RESPONSIBILITY.--
A. The total program units for the purpose of computing the program cost shall be calculated by multiplying HB 208
the sum of the program units itemized as Paragraphs (1) through (6) in this subsection by the instructional staff training and experience index and adding the program units itemized as Paragraphs (7) through (12) in this subsection. The itemized program units are as follows:
(1) early childhood education;
(2) basic education;
(3) special education, adjusted by
subtracting the units derived from membership in class D special education programs in private, nonsectarian, nonprofit training centers;
(4) bilingual multicultural education;
(5) fine arts education;
(6) elementary physical education;
(7) size adjustment;
(8) at-risk program;
(9) enrollment growth or new district
adjustment;
(10) special education units derived from membership in class D special education programs in private, nonsectarian, nonprofit training centers;
(ll) national board for professional teaching standards certification; and
(12) charter school student activities.
B. The total program cost calculated as prescribed HB 208
in Subsection $A$ of this section includes the cost of early childhood, special, bilingual multicultural, fine arts and vocational education and other remedial or enrichment programs. It is the responsibility of the local school board or governing body of a charter school to determine its priorities in terms of the needs of the community served by that board. Funds generated under the Public School Finance Act are discretionary to local school boards and governing bodies of charter schools, provided that the special program needs as enumerated in this section are met."

Section 3. A new section of Chapter 22, Article 13 NMSA 1978 is enacted to read:
"ELEMENTARY PHYSICAL EDUCATION.--
A. As used in this section:
(1) "eligible students" means students in kindergarten through grade six in a public school classified by the department as an elementary school; and
(2) "physical education" includes programs of education through which students participate in activities related to fitness education and assessment; active games and sports; and development of physical capabilities such as motor skills, strength and coordination.
B. Elementary physical education programs that serve eligible students are eligible for funding if those programs meet academic content and performance standards for

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elementary physical education programs.
C. In granting approval for funding of elementary physical education programs, the department shall provide that programs are first implemented in public schools that have the highest proportion of students most in need based on the percentage of students eligible for free or reduced-fee lunch or grade-level schools that serve an entire school district and in public schools with available space. If the department determines that an elementary physical education program is not meeting the academic content and performance standards for elementary physical education programs, the department shall notify the school district that the public school's failure to meet the academic content and performance standards will result in the cessation of funding for the following school year. The department shall compile the program results submitted by the school districts each year and make an annual report to the legislative education study committee and the legislature.
D. As they become eligible for elementary physical education program funding, public schools shall submit to the department their elementary physical education program plans that meet academic content and performance standards and other guidelines of the department. At a minimum, the plan shall include the elementary physical education program being taught and an evaluation component. To be eligible for state

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financial support, an elementary physical education program shall:
(1) provide for the physical education needs of students defined in this section; and
(2) use teachers with a license endorsement for physical education.
E. The department shall annually determine the programs and the consequent number of students in elementary physical education that will receive state financial support in accordance with funding available in each school year."

