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AN ACT

RELATING TO PUBLIC SCHOOLS; PROVIDING PROCEDURES FOR MEETING  
THE NEEDS OF STATE-CHARTERED AND LOCALLY CHARTERED CHARTER  
SCHOOLS FOR ADEQUATE FACILITIES; CREATING A FUND.

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

Section 1. A new section of the Public School Capital  
Outlay Act, Section 22-24-6.1 NMSA 1978, is enacted to read:

"22-24-6.1. PROCEDURES FOR A STATE-CHARTERED CHARTER  
SCHOOL.--All of the provisions of the Public School Capital  
Outlay Act apply to an application by a state-chartered  
charter school for grant assistance for a capital project  
except:

A. the portion of the cost of the project to be  
paid from the fund shall be calculated pursuant to Paragraph  
(5) of Subsection B of Section 22-24-5 NMSA 1978 using data  
from the school district in which the state-chartered charter  
school is located;

B. in calculating a reduction pursuant to  
Paragraph (6) of Subsection B of Section 22-24-5 NMSA 1978,  
the amount to be used in Subparagraph (a) of that paragraph  
shall equal the total of all legislative appropriations made  
after January 1, 2007 for nonoperating expenses either  
directly to the charter school or to another governmental  
entity for the purpose of passing the money through directly

1 to the charter school, regardless of whether the charter  
2 school was a state-chartered charter school at the time of  
3 the appropriation or later opted to become a state-chartered  
4 charter school, except that the total shall not include any  
5 such appropriation if, before the charter school became a  
6 state-chartered charter school, the appropriation was  
7 previously used to calculate a reduction pursuant to  
8 Paragraph (6) of Subsection B of Section 22-24-5 NMSA 1978;  
9 and

10 C. if the council determines that the  
11 state-chartered charter school does not have the resources to  
12 pay all or a portion of the total cost of the capital outlay  
13 project that is not funded with grant assistance from the  
14 fund, to the extent that money is available in the charter  
15 school capital outlay fund, the council shall make an award  
16 from that fund for the remaining amount necessary to pay for  
17 the project. The council may establish, by rule, a procedure  
18 for determining the amount of resources available to the  
19 charter school and the amount needed from the charter school  
20 capital outlay fund."

21 Section 2. A new section of the Public School Capital  
22 Outlay Act, Section 22-24-6.2 NMSA 1978, is enacted to read:

23 "22-24-6.2. PUBLIC FACILITIES FOR CHARTER SCHOOLS.--

24 A. The council shall develop a program for  
25 assisting charter schools to be located in public buildings

1 or in buildings being acquired by charter schools pursuant to  
2 a lease purchase agreement.

3 B. A locally chartered or state-chartered charter  
4 school, desiring assistance pursuant to this section, shall  
5 make application to the council for a grant. The application  
6 shall include:

7 (1) a summary of the efforts that have been  
8 made by the charter school to be located in a public  
9 facility;

10 (2) an estimate of the costs necessary to  
11 bring the public facilities up to the statewide adequacy  
12 standards; and

13 (3) such other information as required by  
14 rule of the council.

15 C. The public school facilities authority shall  
16 review the information submitted by the charter school and  
17 rank the application with similar applications pursuant to a  
18 methodology adopted by the council.

19 D. After a public hearing and to the extent that  
20 money is available in the charter school capital outlay fund  
21 for such purposes, the council shall approve grants from the  
22 fund on the established priority basis.

23 E. An award made pursuant to this section shall  
24 not be considered when calculating an amount to offset grants  
25 to a school district or state-chartered charter school

1 pursuant to Paragraph (6) of Subsection B of Section 22-24-5  
2 NMSA 1978 or Subsection B of Section 22-24-6.1 NMSA 1978."

3 Section 3. A new section of the Public School Capital  
4 Outlay Act is enacted to read:

5 "CHARTER SCHOOL CAPITAL OUTLAY FUND.--

6 A. The "charter school capital outlay fund" is  
7 created in the state treasury. The fund shall consist of  
8 appropriations, gifts, grants, donations and bequests made to  
9 the fund. Income from the fund shall be credited to the  
10 fund, and money in the fund shall not revert or be  
11 transferred to any other fund at the end of a fiscal year.  
12 Money in the fund is appropriated to the council for the  
13 purposes of making grants pursuant to Subsection B of this  
14 section. Expenditures from the fund shall be made on warrant  
15 of the secretary of finance and administration pursuant to  
16 vouchers signed by the director of the public school  
17 facilities authority.

18 B. Balances in the charter school capital outlay  
19 fund shall be used for the following purposes and, to the  
20 extent money is available in the fund, in the following  
21 order:

22 (1) for making grants to state-chartered  
23 charter schools pursuant to Subsection C of Section 22-24-6.1  
24 NMSA 1978 to assist with the local match needed for an  
25 approved public school capital outlay project; and

1                   (2) if the council determines that money in  
2 the fund is not needed for grants pursuant to Paragraph (1)  
3 of this subsection, remaining balances in the fund may be  
4 used for providing assistance to charter schools pursuant to  
5 Section 22-24-6.2 NMSA 1978."

6                   Section 4. DELAYED REPEAL--REVERSION OF FUND  
7 BALANCES.--

8                   A. On July 1, 2012, Section 22-24-6.2 NMSA 1978,  
9 as enacted by Section 2 of this act, and Section 3 of this  
10 act are repealed.

11                   B. Upon the repeal of Section 3 of this act, the  
12 proportion of the unencumbered balance of the charter school  
13 capital outlay fund that is attributable to proceeds of  
14 severance tax bonds shall revert to the severance tax bonding  
15 fund and the remaining unencumbered balance shall revert to  
16 the general fund.

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