AN ACT

RELATING TO EDUCATION; ALLOWING REGIONAL EDUCATION COOPERATIVES TO PROVIDE EDUCATION-RELATED SERVICES TO NONMEMBERS; ALLOWING COOPERATIVES TO APPLY FOR AND RECEIVE GOVERNMENT AND PRIVATE FUNDING FOR EDUCATIONAL PROGRAMS; CHANGING ACCOUNTABILITY PROCEDURES.

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

Section 1. Section 22-2B-3 NMSA 1978 (being Laws 1993, Chapter 232, Section 3, as amended) is amended to read:

"22-2B-3. REGIONAL EDUCATION COOPERATIVES AUTHORIZED.--

A. The department may authorize the existence and operation of "regional education cooperatives". Upon authorization by the department, local school boards may join with other local school boards or other state-supported educational institutions to form cooperatives to provide education-related services. Cooperatives shall be deemed individual state agencies administratively attached to the department; provided that:

(1) pursuant to the rules of the department, cooperatives may own, and have control and management over, buildings and land independent of the director of the property control division of the general services department;

(2) cooperatives shall not submit budgets to the department of finance and administration but shall submit HB 197 Page 1 them to the department. The department shall, by rule, determine the provisions of the Public School Finance Act relating to budgets and expenditures that are applicable to cooperatives; and

(3) pursuant to the rules of the department, the secretary may, after considering the factors specified in Section 22-8-38 NMSA 1978, designate a cooperative council as a board of finance with which all funds appropriated or distributed to it shall be deposited. If such a designation is not made or if such a designation is suspended by the secretary, the money appropriated or to be distributed to a cooperative shall be deposited with the state treasurer. Unexpended or unencumbered balances in the account of a cooperative shall not revert.

B. The department shall, by rule, establish minimum criteria for the establishment and operation of cooperatives. The department shall also establish procedures for oversight of cooperatives to ensure compliance with department rule. Cooperatives shall be exempt from the provisions of the Personnel Act.

C. With council approval, a cooperative may provide revenue-generating education-related services to nonmembers, so long as those services do not detract from the cooperative's ability to fulfill its responsibilities to its members.

HB 197 Page 2 D. With council approval, a cooperative may apply for and receive public and private grants as well as gifts, donations, bequests and devises and use them to further the purposes and goals of the cooperative.

E. Each cooperative shall cooperate with the department as required by federal-state plans or department rules in the effectuation and administration of its educational programs. Each cooperative shall submit reports to the department at such times and in such form as required by department rule. Reports shall include an evaluation of the effectiveness of the technical assistance and other services provided to members of the cooperative and any nonmember public and private entities to which the cooperative provided educational services. The reports and evaluations submitted pursuant to this subsection shall be made available upon request to the legislative education study committee and the legislative finance committee."

Section 2. Section 22-2B-5 NMSA 1978 (being Laws 1993, Chapter 232, Section 5) is amended to read:

"22-2B-5. REGIONAL EDUCATION COORDINATING COUNCILS--DUTIES.--

A. Each council shall oversee the function and operation of a cooperative. At the direction of the council, the cooperative shall provide:

> (1) education-related services to members of HB 197 Page 3

the cooperative;

(2) technical assistance and staffdevelopment opportunities to members of the cooperative;

(3) cooperative purchasing capabilities andfiscal management opportunities to members of the cooperative;

(4) such additional services to members of the cooperative as may be determined by the council to be appropriate; and

(5) revenue-generating education-related services to nonmembers when the council determines that the provision of such services will not interfere with the cooperative's ability to fulfill its responsibilities to its members.

B. Pursuant to rule of the department, each council shall:

(1) adopt a budget and administrative guidelines as necessary to carry out the purposes of the cooperative; and

(2) hire an executive director and necessary
additional staff."

Section 3. EFFECTIVE DATE.--The effective date of the provisions of this act is July 1, 2009.______ HB 197 Page 4