

HOUSE BILL 5

**54TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2019**

INTRODUCED BY

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FOR THE LEGISLATIVE FINANCE COMMITTEE

AN ACT

RELATING TO PUBLIC EDUCATION; MAKING CHANGES TO THE PUBLIC  
SCHOOL FUNDING FORMULA; CHANGING THE DEFINITION OF "SCHOOL-AGE  
PERSON"; REQUIRING PERFORMANCE-BASED BUDGETING; CREATING A  
RURAL POPULATION RATE; LIMITING SCHOOL SIZE ADJUSTMENTS;  
LIMITING CHARTER SCHOOL MEMBERSHIP; PROVIDING FOR EXTENDED  
LEARNING TIME; CREATING A REFORM FUND; MAKING K-5 PLUS AN  
ONGOING PROGRAM; INCREASING TEACHER AND PRINCIPAL MINIMUM  
SALARIES; REPEALING THE K-3 PLUS PROGRAM; MAKING AN  
APPROPRIATION.

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

**SECTION 1.** Section 22-1-2 NMSA 1978 (being Laws 2003,  
Chapter 153, Section 3, as amended by Laws 2015, Chapter 58,  
Section 2 and by Laws 2015, Chapter 108, Section 1) is amended  
to read:

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1 "22-1-2. DEFINITIONS.--As used in the Public School Code:

2 A. "academic proficiency" means mastery of the  
3 subject-matter knowledge and skills specified in state academic  
4 content and performance standards for a student's grade level;

5 B. "charter school" means a school authorized by a  
6 chartering authority to operate as a public school;

7 C. "commission" means the public education  
8 commission;

9 D. "department" means the public education  
10 department;

11 E. "home school" means the operation by the parent  
12 of a school-age person of a home study program of instruction  
13 that provides a basic academic educational program, including  
14 reading, language arts, mathematics, social studies and  
15 science;

16 F. "instructional support provider" means a person  
17 who is employed to support the instructional program of a  
18 school district, including educational assistant, school  
19 counselor, social worker, school nurse, speech-language  
20 pathologist, psychologist, physical therapist, occupational  
21 therapist, recreational therapist, marriage and family  
22 therapist, interpreter for the deaf and diagnostician;

23 G. "licensed school employee" means teachers,  
24 school administrators and instructional support providers;

25 H. "local school board" means the policy-setting

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1 body of a school district;

2 I. "local superintendent" means the chief executive  
3 officer of a school district;

4 J. "parent" includes a guardian or other person  
5 having custody and control of a school-age person;

6 K. "private school" means a school, other than a  
7 home school, that offers on-site programs of instruction and  
8 that is not under the control, supervision or management of a  
9 local school board;

10 L. "public school" means that part of a school  
11 district that is a single attendance center in which  
12 instruction is offered by one or more teachers and is  
13 discernible as a building or group of buildings generally  
14 recognized as either an elementary, middle, junior high or high  
15 school or any combination of those and includes a charter  
16 school;

17 M. "school" means a supervised program of  
18 instruction designed to educate a student in a particular  
19 place, manner and subject area;

20 N. "school administrator" means a person licensed  
21 to administer in a school district and includes school  
22 principals, central district administrators and charter school  
23 head administrators;

24 O. "school-age person" means a person who is at  
25 least five years of age prior to 12:01 a.m. on September 1 of

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1 the school year, ~~and~~ who has not received a high school  
2 diploma or its equivalent ~~[A maximum age of twenty-one shall be~~  
3 ~~used for a person who is classified as special education~~  
4 ~~membership as defined in Section 22-8-21 NMSA 1978 or as a~~  
5 ~~resident of a state institution]~~ and who has not reached the  
6 person's twenty-second birthday on the first day of the school  
7 year and meets other criteria provided in the Public School  
8 Finance Act;

9 P. "school building" means a public school, an  
10 administration building and related school structures or  
11 facilities, including teacher housing, that is owned, acquired  
12 or constructed by the school district as necessary to carry out  
13 the functions of the school district;

14 Q. "school bus private owner" means a person, other  
15 than a school district, the department, the state or any other  
16 political subdivision of the state, that owns a school bus;

17 R. "school district" means an area of land  
18 established as a political subdivision of the state for the  
19 administration of public schools and segregated geographically  
20 for taxation and bonding purposes;

21 S. "school employee" includes licensed and  
22 nonlicensed employees of a school district;

23 T. "school principal" means the chief instructional  
24 leader and administrative head of a public school;

25 U. "school year" means the total number of contract

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1 days offered by public schools in a school district during a  
2 period of twelve consecutive months;

3 V. "secretary" means the secretary of public  
4 education;

5 W. "state agency" or "state institution" means the  
6 New Mexico military institute, New Mexico school for the blind  
7 and visually impaired, New Mexico school for the deaf, New  
8 Mexico boys' school, girls' welfare home, New Mexico youth  
9 diagnostic and development center, Sequoyah adolescent  
10 treatment center, Carrie Tingley crippled children's hospital,  
11 New Mexico behavioral health institute at Las Vegas and any  
12 other state agency responsible for educating resident children;

13 X. "state educational institution" means an  
14 institution enumerated in Article 12, Section 11 of the  
15 constitution of New Mexico;

16 Y. "substitute teacher" means a person who holds a  
17 certificate to substitute for a teacher in the classroom;

18 Z. "teacher" means a person who holds a level one,  
19 two or three-A license and whose primary duty is classroom  
20 instruction or the supervision, below the school principal  
21 level, of an instructional program or whose duties include  
22 curriculum development, peer intervention, peer coaching or  
23 mentoring or serving as a resource teacher for other teachers;

24 AA. "certified school instructor" means a ~~[teacher~~  
25 ~~or instructional support provider]~~ licensed school employee;

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1 and

2 BB. "certified school employee" or "certified  
3 school personnel" means a licensed school employee."

4 SECTION 2. A new section of the Public School Code is  
5 enacted to read:

6 "[NEW MATERIAL] SHORT TITLE.--Sections 2 through 5 of this  
7 act may be cited as the "K-5 Plus Act"."

8 SECTION 3. A new section of the Public School Code is  
9 enacted to read:

10 "[NEW MATERIAL] K-5 PLUS--ELIGIBILITY--REQUIREMENTS.--

11 A. A school district or charter school may apply to  
12 participate in the K-5 plus program and is eligible to receive  
13 program units for students enrolled in elementary schools  
14 approved by the department to participate in the K-5 plus  
15 program. In approving schools for participation in K-5 plus,  
16 the department shall prioritize elementary schools:

17 (1) in which eighty percent or more of the  
18 elementary school's students are eligible for free or reduced-  
19 fee lunch;

20 (2) that are low-performing elementary  
21 schools;

22 (3) that participated in the 2018 K-3 plus or  
23 K-5 plus program; and

24 (4) that meet criteria established by  
25 department rule.

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- 1                   B. Each K-5 plus program shall:
- 2                   (1) provide no fewer than twenty-five
- 3 additional instructional days prior to the start of the regular
- 4 school year;
- 5                   (2) keep students that participate in the K-5
- 6 plus program with the same teacher and cohort of students
- 7 during the regular school year;
- 8                   (3) include additional professional
- 9 development for K-5 plus teachers in how young children learn
- 10 to read;
- 11                   (4) be implemented school-wide; and
- 12                   (5) be mandatory for all students in the
- 13 participating elementary school no later than the 2022-2023
- 14 school year.

15                   C. An elementary school is ineligible for K-5 plus

16 program units if it fails to meet the requirements of

17 Subsection B of this section."

18                   SECTION 4. A new section of the Public School Code is

19 enacted to read:

20                   "[NEW MATERIAL] K-5 PLUS--OVERSIGHT--REPORTING.--

- 21                   A. The department shall:
- 22                   (1) enforce the provisions of the K-5 Plus
- 23 Act;
- 24                   (2) issue rules for the development and
- 25 implementation of K-5 plus programs;

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1 (3) assist school districts and charter  
2 schools in developing and evaluating K-5 plus programs;

3 (4) develop and disseminate information on  
4 best practices in the area of academic success of early  
5 learners;

6 (5) establish reporting and evaluation  
7 requirements, including student and program assessments, for  
8 schools participating in the program;

9 (6) annually report to the legislature and the  
10 governor on the efficacy of K-5 plus programs; and

11 (7) establish a K-5 plus advisory committee  
12 composed of representatives of school districts and charter  
13 schools that participate in the K-5 plus program, the  
14 legislative education study committee, the legislative finance  
15 committee and other stakeholders. The advisory committee shall  
16 meet twice a year to advise the department on K-5 plus  
17 implementation.

18 B. Students participating in K-5 plus shall be  
19 evaluated at the beginning of K-5 plus, and their progress  
20 shall be measured through department-approved summative and  
21 formative assessments."

22 SECTION 5. A new section of the Public School Code is  
23 enacted to read:

24 "[NEW MATERIAL] K-5 PLUS--APPLICATION.--

25 A. School districts and charter schools that wish

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1 to participate in the K-5 plus program shall apply to  
2 participate in their annual educational plans submitted to the  
3 department pursuant to the Public School Finance Act.

4 B. No later than October 15 of each year, a school  
5 district or charter school that wishes to apply for a new K-5  
6 plus program for the next fiscal year shall submit to the  
7 department the actual number of students participating in its  
8 K-5 plus programs in the current year and an estimate of the  
9 number of students the school district or charter school  
10 expects will participate in K-5 plus programs in the next year.  
11 The department shall not approve a new K-5 plus program unless  
12 the school district or charter school notifies the department  
13 of its intent to start a new program as required by this  
14 section.

15 C. No later than November 15 of each year, the  
16 department shall notify the legislature of the number of  
17 students participating in K-5 plus programs in the current  
18 school year and of the number of students projected to  
19 participate in K-5 plus programs in the next school year."

20 SECTION 6. Section 22-8-2 NMSA 1978 (being Laws 1978,  
21 Chapter 128, Section 3, as amended) is amended to read:

22 "22-8-2. DEFINITIONS.--As used in the Public School  
23 Finance Act:

24 A. "ADM" or "MEM" means membership;

25 B. "membership" means the total enrollment of

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1 qualified students on the current roll of a class or school on  
2 a specified day. The current roll is established by the  
3 addition of original entries and reentries minus withdrawals.  
4 Withdrawals of students, in addition to students formally  
5 withdrawn from the public school, include students absent from  
6 the public school for as many as ten consecutive school days;  
7 provided that withdrawals do not include students in need of  
8 early intervention and habitual truants the school district is  
9 required to intervene with and keep in an educational setting  
10 as provided in Section 22-12-9 NMSA 1978;

11 C. "basic program ADM" or "basic program MEM" means  
12 the MEM of qualified students but excludes the full-time-  
13 equivalent MEM in early childhood education and three- and  
14 four-year-old students receiving special education services;

15 D. "cost differential factor" is the numerical  
16 expression of the ratio of the cost of a particular segment of  
17 the school program to the cost of the basic program in grades  
18 four through six;

19 E. "department" or "division" means the public  
20 education department;

21 F. "early childhood education ADM" or "early  
22 childhood education MEM" means the full-time-equivalent MEM of  
23 students attending approved early childhood education programs;

24 G. "full-time-equivalent ADM" or "full-time-  
25 equivalent MEM" is that membership calculated by applying to

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1 the MEM in an approved public school program the ratio of the  
2 number of hours per school day devoted to the program to six  
3 hours or the number of hours per school week devoted to the  
4 program to thirty hours;

5 H. "operating budget" means the annual financial  
6 plan and educational plan required to be submitted by a local  
7 school board or governing body of a state-chartered charter  
8 school;

9 I. "performance measure" means a quantitative  
10 indicator used to assess the output or outcome of an approved  
11 program;

12 J. "performance target" means the expected level of  
13 performance of a program's performance measure;

14 [~~F.~~] K. "program cost" is the product of the total  
15 number of program units to which a school district is entitled  
16 multiplied by the dollar value per program unit established by  
17 the legislature;

18 [~~J.~~] L. "program element" is that component of a  
19 public school system to which a cost differential factor is  
20 applied to determine the number of program units to which a  
21 school district is entitled, including MEM, full-time-  
22 equivalent MEM, teacher, classroom or public school;

23 [~~K.~~] M. "program unit" is the product of the  
24 program element multiplied by the applicable cost differential  
25 factor;

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1           ~~[E.]~~ N. "public money" or "public funds" means all  
2 money from public or private sources received by a school  
3 district or state-chartered charter school or officer or  
4 employee of a school district or state-chartered charter school  
5 for public use;

6           ~~[M.]~~ O. "qualified student" means a public school  
7 student who:

- 8                   (1) has not graduated from high school;
- 9                   (2) is regularly enrolled in one-half or more  
10 of the minimum course requirements approved by the department  
11 for public school students; and

- 12                   (3) in terms of age and other criteria:
  - 13                           (a) is at least five years of age prior  
14 to 12:01 a.m. on September 1 of the school year;

- 15                           (b) is at least three years of age at  
16 any time during the school year and is receiving special  
17 education services pursuant to rules of the department; ~~[or]~~

- 18                           (c) except as provided in Subparagraph  
19 (d) of this paragraph, has not reached the student's  
20 twenty-second birthday on the first day of the school year [~~and~~  
21 ~~is receiving special education services pursuant to rules of~~  
22 ~~the department~~]; or

- 23                           (d) has reached the student's twenty-  
24 second birthday on the first day of the 2019-2020 school year,  
25 is counted in a school district's or charter school's MEM on

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1 the third reporting date of the 2018-2019 school year, has been  
2 continuously enrolled in the same public school since that  
3 reporting date and is still enrolled in that school;

4 P. "rural population rate" means that proportion of  
5 the total population within a school district's geographic  
6 boundaries that lives in a rural area and not in an urban area  
7 as defined by the United States census bureau;

8 ~~[N-]~~ Q. "staffing cost multiplier" means:

9 (1) for fiscal year 2019, the instructional  
10 staff training and experience index;

11 (2) for fiscal year 2020, the weighted average  
12 of the instructional staff training and experience index at  
13 seventy-five percent and the teacher cost index at twenty-five  
14 percent;

15 (3) for fiscal year 2021, the weighted average  
16 of the instructional staff training and experience index at  
17 fifty percent and the teacher cost index at fifty percent;

18 (4) for fiscal year 2022, the weighted average  
19 of the instructional staff training and experience index at  
20 twenty-five percent and the teacher cost index at seventy-five  
21 percent; and

22 (5) for fiscal year 2023 and subsequent fiscal  
23 years, the teacher cost index; and

24 ~~[O-]~~ R. "state superintendent" means the secretary  
25 of public education or the secretary's designee."

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1           SECTION 7. Section 22-8-5 NMSA 1978 (being Laws 1967,  
2 Chapter 16, Section 59, as amended) is amended to read:

3           "22-8-5. RULES--PROCEDURES.--

4           A. The department, in consultation with the state  
5 auditor, shall establish rules and procedures for a uniform  
6 system of accounting and budgeting of funds for all public  
7 schools and school districts of the state. The rules,  
8 including revisions or amendments, shall become effective  
9 ~~[only] upon [approval by the state board and]~~ filing with the  
10 state records center and archives and publication. A copy  
11 shall also be filed with the department of finance and  
12 administration.

13           B. All public schools and school districts shall  
14 comply with the rules and procedures prescribed and shall, upon  
15 request, submit additional reports concerning finances to the  
16 department, including an accounting of the costs of services  
17 related to providing a program included in the educational plan  
18 approved by the department. In addition, upon request, all  
19 public schools and school districts shall file reports with the  
20 department containing pertinent details regarding applications  
21 for federal money or federal grants-in-aid or regarding federal  
22 money or federal grants-in-aid received, including details of  
23 programs, matching funds, personnel requirements, salary  
24 provisions and program numbers, as indicated in the catalog of  
25 federal domestic assistance, of the federal funds applied for

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1 and of those received.

2 C. Upon request by the department of finance and  
3 administration, the legislative finance committee or the  
4 legislative education study committee, the department shall  
5 [~~timely~~] furnish information and data obtained from public  
6 schools and school districts [~~pursuant to Subsection B of this~~  
7 ~~section~~] and information compiled by the department related to  
8 public school finances within ten business days."

9 SECTION 8. Section 22-8-6 NMSA 1978 (being Laws 1967,  
10 Chapter 16, Section 60, as amended by Laws 1999, Chapter 281,  
11 Section 21 and by Laws 1999, Chapter 291, Section 2) is amended  
12 to read:

13 "22-8-6. OPERATING BUDGETS--EDUCATIONAL PLANS--  
14 SUBMISSION--FAILURE TO SUBMIT.--

15 A. Prior to April 15 of each year, each local school  
16 board shall submit to the department an operating budget for the  
17 school district and any locally chartered charter [~~schools~~]  
18 school in the school district for the ensuing fiscal year.  
19 [~~Upon written approval of the state superintendent~~]

20 B. The date for the submission of the operating  
21 budget for each school district and each charter school as  
22 required by this section may be extended to a later date fixed  
23 by the [~~state superintendent~~] secretary.

24 [~~B.~~] C. The operating budget required by this  
25 section may include:

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1 (1) estimates of the cost of insurance  
2 policies for periods up to five years if a lower rate may be  
3 obtained by purchasing insurance for the longer term; or

4 (2) estimates of the cost of contracts for the  
5 transportation of students for terms extending up to four years.

6 [~~C.~~] D. The operating budget required by this  
7 section shall include a budget for each charter school of the  
8 membership projected for each charter school, the total program  
9 units generated at that charter school and approximate  
10 anticipated disbursements and expenditures at each charter  
11 school.

12 E. For fiscal year 2021 and subsequent fiscal years,  
13 each school district's and each locally chartered or state-  
14 chartered charter school's educational plan shall include:

15 (1) information on the instructional time  
16 offered by the school district or charter school, including the  
17 number of instructional days by school site and the number of  
18 hours in each instructional day and the frequency of early-  
19 release days;

20 (2) a narrative explaining the identified  
21 services to improve the academic success of at-risk students;

22 (3) a narrative explaining the services  
23 provided to students enrolled in the following programs:

24 (a) bilingual multicultural education  
25 programs;

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1                   (b) extended learning time programs,  
2 including a report of how the extended learning time is used to  
3 improve the academic success of students and professional  
4 learning of teachers; and

5                   (c) K-5 plus programs;

6                   (4) a narrative explaining the school  
7 district's or charter school's beginning teacher mentorship  
8 programs as well as class size and teaching load information;

9                   (5) a narrative explaining supplemental  
10 programs or services offered by the school district or charter  
11 school to ensure that the Bilingual Multicultural Education Act,  
12 the Indian Education Act and the Hispanic Education Act are  
13 being implemented by the school district or charter school;

14                   (6) a narrative describing the amount of  
15 program cost generated for services to students with  
16 disabilities and the spending of these revenues on services to  
17 students with disabilities, which shall include the following:

18                   (a) program cost generated for students  
19 enrolled in approved special education programs;

20                   (b) budgeted expenditures of program  
21 cost, for students enrolled in approved special education  
22 programs, on students with disabilities;

23                   (c) the amount of program cost generated  
24 for personnel providing ancillary and related services to  
25 students with disabilities;

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1                   (d) budgeted expenditures of program cost  
2 for personnel providing ancillary and related services to  
3 students with disabilities, on special education ancillary and  
4 related services personnel; and

5                   (e) a description of the steps taken to  
6 ensure that students with disabilities have access to a free and  
7 appropriate public education; and

8                   (7) a common set of performance targets and  
9 performance measures, as determined by the department in  
10 consultation with the department of finance and administration,  
11 the legislative finance committee and the legislative education  
12 study committee.

13                   ~~[D.]~~ F. If a local school board or governing board  
14 of a charter school fails to submit ~~[a]~~ an operating budget  
15 pursuant to this section, the department shall prepare the  
16 operating budget for the school district or charter school for  
17 the ensuing fiscal year. A local school board or governing  
18 board of a charter school shall be considered as failing to  
19 submit ~~[a]~~ an operating budget pursuant to this section if the  
20 budget submitted exceeds the total projected resources of the  
21 school district or charter school or if the budget submitted  
22 does not comply with the law or with rules and procedures of the  
23 department."

24                   SECTION 9. Section 22-8-6.1 NMSA 1978 (being Laws 1993,  
25 Chapter 227, Section 8, as amended) is amended to read:

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1 "22-8-6.1. CHARTER SCHOOL OPERATING BUDGETS--MAXIMUM

2 MEM.--

3 A. Each state-chartered charter school shall submit  
4 to the charter schools division of the department a school-based  
5 operating budget. The operating budget shall be submitted to  
6 the division for approval or amendment pursuant to the Public  
7 School Finance Act and the Charter Schools Act. Thereafter, the  
8 operating budget shall be submitted to the [~~public education~~]  
9 commission for review.

10 B. Each locally chartered charter school shall  
11 submit to the local school board a school-based operating budget  
12 for approval or amendment. The approval or amendment authority  
13 of the local school board relative to the charter school  
14 operating budget is limited to ensuring that sound fiscal  
15 practices are followed in the development of the operating  
16 budget and that the charter school operating budget is within  
17 the allotted resources. The local school board shall have no  
18 veto authority over individual line items within the charter  
19 school's proposed financial budget or over any item in the  
20 educational plan, but shall approve or disapprove the operating  
21 budget in its entirety. Upon final approval of the [~~local~~]  
22 charter school operating budget by the local school board, the  
23 individual charter school operating budget shall be included  
24 separately in the budget submission to the department required  
25 pursuant to the Public School Finance Act and the Charter

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1 Schools Act.

2 C. For its first year of operation, a charter  
3 school's operating budget shall be based on the projected number  
4 of program units generated by the school and its students using  
5 the at-risk index and the staffing cost multiplier of the school  
6 district in which the charter school is located, and the charter  
7 school's operating budget shall be adjusted using the qualified  
8 MEM on the first reporting date of the current school year. For  
9 its second and subsequent fiscal years of operation, a charter  
10 school's operating budget shall be based on the number of  
11 program units generated by the charter school and its students  
12 using the average of the MEM on the second and third reporting  
13 dates of the prior year, the at-risk index of the school  
14 district in which the charter school is located and the charter  
15 school's staffing cost multiplier.

16 D. For fiscal year 2020, maximum MEM in each charter  
17 school shall be determined by the department. The department  
18 shall ensure that aggregate MEM for all charter schools does not  
19 exceed twenty-seven thousand. Prior to the deadline for the  
20 submission of a charter school's operating budget, the  
21 department shall notify each charter school of the maximum MEM  
22 that will be used to calculate the charter school's program  
23 cost. When considering increases or decreases to a charter  
24 school's maximum MEM, the department shall prioritize increases  
25 to charter schools with a demonstrated track record of success

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1 in meeting the academic and development needs of students and  
2 meeting performance targets pursuant to Paragraph (7) of  
3 Subsection E of Section 22-8-6 NMSA 1978. When allocating  
4 maximum MEM in each charter school, the department shall ensure  
5 that aggregate charter school MEM in a school district with  
6 fewer than one thousand three hundred MEM does not exceed ten  
7 percent of the total MEM in the school district."

8 SECTION 10. Section 22-8-9 NMSA 1978 (being Laws 1967,  
9 Chapter 16, Section 63, as amended) is amended to read:

10 "22-8-9. BUDGETS--MINIMUM REQUIREMENTS.--

11 A. [A] An operating budget for a school district  
12 shall not be approved by the department [~~that~~] if the  
13 educational plan does not provide for:

14 (1) a school year and school day as provided  
15 in Section 22-2-8.1 NMSA 1978; and

16 (2) a pupil-teacher ratio or class or teaching  
17 load as provided in Section 22-10A-20 NMSA 1978.

18 B. The department shall, by rule, establish the  
19 requirements for an instructional day, the standards for an  
20 instructional hour and the standards for a full-time teacher and  
21 for the equivalent thereof."

22 SECTION 11. Section 22-8-10 NMSA 1978 (being Laws 1967,  
23 Chapter 16, Section 65, as amended) is amended to read:

24 "22-8-10. BUDGETS--FIXING THE OPERATING BUDGET.--

25 A. Prior to June 20 of each year, each local school

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1 board and each governing board of a charter school shall, at a  
2 public hearing of which notice has been published by the local  
3 school board or governing board of a charter school, fix the  
4 operating budget for the school district or charter school for  
5 the ensuing fiscal year. At the discretion of the [~~state~~  
6 ~~superintendent~~] secretary or the local school board or governing  
7 body of a charter school, the department may participate in the  
8 public hearing.

9 B. Prior to the public hearing held to fix the  
10 operating budget for the school district or charter school, the  
11 local school board or governing body of a charter school shall  
12 give notice to parents explaining the budget process and  
13 inviting parental involvement and input in that process prior to  
14 the date for the public hearing. The educational plan submitted  
15 by the local school board or the governing body of a charter  
16 school to the department shall include information on parental  
17 involvement and input."

18 SECTION 12. Section 22-8-11 NMSA 1978 (being Laws 1967,  
19 Chapter 16, Section 66, as amended) is amended to read:

20 "22-8-11. BUDGETS--APPROVAL OF OPERATING BUDGET.--

21 A. The department shall:

22 (1) on or before July 1 of each year, approve  
23 and certify to each local school board and governing body of a  
24 charter school an operating budget for use by the school  
25 district or charter school;

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1                   (2) ensure that each program in a school  
2 district or charter school's operating budget meets the  
3 requirements of law and the department's rules and procedures  
4 and that no school district or charter school generates program  
5 units for a program not meeting the requirements of law and the  
6 department's rules or procedures;

7                   [~~(2)~~] (3) make corrections, revisions and  
8 amendments to the operating budgets fixed by the local school  
9 boards or governing bodies of charter schools and the secretary  
10 to conform the operating budgets to the requirements of law and  
11 to the department's rules and procedures; and

12                   [~~(3)~~] (4) ensure that a local school board or  
13 [~~for a charter school the~~] governing body of [~~the~~] a charter  
14 school is prioritizing resources [~~of a public school rated D or~~  
15 ~~F~~] toward proven programs and methods that are linked to  
16 improved student achievement [~~until the public school earns a~~  
17 ~~grade of C or better for two consecutive years~~].

18                   B. No school district or charter school or officer  
19 or employee of a school district or charter school shall make  
20 any expenditure or incur any obligation for the expenditure of  
21 public funds unless that expenditure or obligation is made in  
22 accordance with an operating budget approved by the department.  
23 This prohibition does not prohibit the transfer of funds  
24 pursuant to the department's rules and procedures.

25                   C. The department shall not approve and certify an

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1 operating budget of any school district or charter school that  
2 fails to demonstrate that parental involvement in the budget  
3 process was solicited.

4 D. The department shall not approve and certify an  
5 operating budget of any school district or charter school that  
6 the secretary determines has failed to provide sufficient data  
7 and information to determine if the school district or charter  
8 school is meeting the requirements of law or the department's  
9 rules and procedures."

10 SECTION 13. Section 22-8-18 NMSA 1978 (being Laws 1974,  
11 Chapter 8, Section 8, as amended) is amended to read:

12 "22-8-18. PROGRAM COST CALCULATION--LOCAL  
13 RESPONSIBILITY.--

14 A. [~~For fiscal year 2019, the total program units~~  
15 ~~for the purpose of computing the program cost shall be~~  
16 ~~calculated by multiplying the sum of the program units itemized~~  
17 ~~as Paragraphs (1) through (6) in this subsection by the staffing~~  
18 ~~cost multiplier and adding the program units itemized as~~  
19 ~~Paragraphs (7) through (14) in this subsection. For fiscal year~~  
20 ~~2020 and subsequent fiscal years] The total program units for  
21 the purpose of computing the program cost shall be calculated by  
22 multiplying the sum of the program units itemized as Paragraphs  
23 (1) and (2) in this subsection by the staffing cost multiplier  
24 and adding the program units itemized as Paragraphs (3) through  
25 [~~(14)~~] (16) in this subsection. The itemized program units are~~

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1 as follows:

- 2 (1) early childhood education;
- 3 (2) basic education;
- 4 (3) special education, adjusted by subtracting
- 5 the units derived from membership in class D special education
- 6 programs in private, nonsectarian, nonprofit training centers;
- 7 (4) bilingual multicultural education;
- 8 (5) fine arts education;
- 9 (6) elementary physical education;
- 10 (7) size adjustment;
- 11 (8) at-risk [~~program~~];
- 12 (9) enrollment growth or new district
- 13 adjustment;
- 14 (10) special education units derived from
- 15 membership in class D special education programs in private,
- 16 nonsectarian, nonprofit training centers;
- 17 (11) national board for professional teaching
- 18 standards certification;
- 19 (12) home school student [~~program unit~~];
- 20 (13) home school student activities; [~~and~~]
- 21 (14) charter school student activities;
- 22 (15) K-5 plus; and
- 23 (16) extended learning time.

24 B. The total program cost calculated as prescribed  
25 in Subsection A of this section includes the cost of early

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1 childhood, special, bilingual multicultural, fine arts and  
2 vocational education and other remedial or enrichment programs.  
3 It is the responsibility of the local school board or [~~for a~~  
4 ~~charter school the~~] governing body of [~~the~~] a charter school to  
5 determine its priorities in terms of the needs of the community  
6 served by that board. Except as otherwise provided in this  
7 section, funds generated under the Public School Finance Act are  
8 discretionary to local school boards and governing bodies of  
9 charter schools; provided that the special program needs as  
10 enumerated in this section are met; and provided further that  
11 [~~if a public school has been rated D or F for two consecutive~~  
12 ~~years~~] the department shall ensure that the local school board  
13 or [~~for a charter school, the~~] governing body of [~~the~~] a charter  
14 school is prioritizing resources for the public school toward  
15 proven programs and methods linked to improved student  
16 achievement [~~until the public school earns a C or better for two~~  
17 ~~consecutive years~~]."

18 SECTION 14. Section 22-8-23 NMSA 1978 (being Laws 1975,  
19 Chapter 119, Section 1, as amended) is amended to read:

20 "22-8-23. SIZE ADJUSTMENT PROGRAM UNITS.--

21 A. An approved public school, including a charter  
22 school, with a MEM of [~~less~~] fewer than [~~400~~] four hundred,  
23 including early childhood education full-time-equivalent MEM but  
24 excluding membership in class C and class D programs and  
25 excluding full-time-equivalent membership in three- and four-

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1 year-old developmentally disabled programs, that is  
2 geographically located in a school district with fewer than two  
3 thousand MEM, is eligible for additional program units.  
4 Separate schools established to provide special programs,  
5 including but not limited to vocational and alternative  
6 education, shall not be classified as public schools for  
7 purposes of generating size adjustment program units. The  
8 number of additional program units to which a school district or  
9 charter school is entitled under this subsection is the sum of  
10 elementary-junior high units and senior high units computed in  
11 the following manner:

$$\begin{array}{l} \text{Elementary-Junior High Units} \\ 200 - \text{MEM} \\ \hline \quad \quad \quad \times 1.0 \times \text{MEM} = \text{Units} \\ 200 \end{array}$$

16 where MEM is equal to the membership of an approved elementary  
17 or junior high school, including early childhood education full-  
18 time-equivalent membership but excluding membership in class C  
19 and class D programs and excluding full-time-equivalent  
20 membership in three- and four-year-old developmentally disabled  
21 programs;

$$\begin{array}{l} \text{Senior High Units} \\ 200 - \text{MEM} \\ \hline \quad \quad \quad \times 2.0 \times \text{MEM} = \text{Units} \\ 200 \end{array}$$

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1 or,

2 Senior High Units

3 400 - MEM

4 \_\_\_\_\_ x 1.6 x MEM = Units

5 400

6 whichever calculation for senior high units is higher, where  
7 MEM is equal to the membership of an approved senior high  
8 school excluding membership in class C and class D programs.

9 B. An approved public school with a MEM of fewer  
10 than four hundred, including early childhood education full-  
11 time-equivalent MEM but excluding MEM in class C and class D  
12 programs and excluding full-time-equivalent MEM in three- and  
13 four-year-old developmentally disabled programs, geographically  
14 located in a school district with two thousand MEM or more is  
15 eligible for additional program units computed in the following  
16 manner:

17 (1) for fiscal year 2020, sixty-six percent of  
18 the sum of elementary-junior high units and senior high units as  
19 prescribed in Subsection A of this section;

20 (2) for fiscal year 2021, thirty-three percent  
21 of the sum of elementary-junior high units and senior high units  
22 as prescribed in Subsection A of this section; and

23 (3) for fiscal year 2022 and subsequent fiscal  
24 years, no elementary-junior high units and senior high units as  
25 prescribed in Subsection A of this section.

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1            ~~[B.]~~ C. A school district with total MEM of [~~less~~]  
2 fewer than [~~4,000~~] four thousand, including early childhood  
3 education full-time-equivalent MEM, is eligible for additional  
4 program units. The number of additional program units to which  
5 a school district is entitled under this subsection is the  
6 number of district units computed in the following manner:

$$\begin{array}{r} \text{District Units} \\ 4,000 - \text{MEM} \\ \hline \qquad \qquad \qquad \qquad \qquad \qquad \qquad \qquad \times 0.15 \times \text{MEM} = \text{Units} \\ 4,000 \end{array}$$

11 where MEM is equal to the total district membership,  
12 including early childhood education full-time-equivalent  
13 membership.

14            ~~[C.]~~ ~~A school district with over 10,000 MEM with a~~  
15 ~~ratio of MEM to senior high schools less than 4,000:1 is~~  
16 ~~eligible for additional program units based on the number of~~  
17 ~~approved regular senior high schools that are not eligible for~~  
18 ~~senior high units under Subsection A of this section. The~~  
19 ~~number of additional program units to which an eligible school~~  
20 ~~district is entitled under this subsection is the number of~~  
21 ~~units computed in the following manner:~~

$$\begin{array}{r} 4,000 - \text{MEM} \\ \hline \hline \qquad \qquad \qquad \qquad \qquad \qquad \qquad \qquad \times 0.50 = \text{Units} \\ \text{Senior High Schools} \end{array}$$

25 where MEM is equal to the total district membership, including

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1 ~~early childhood education full-time-equivalent membership, and~~  
2 ~~where senior high schools are equal to the number of approved~~  
3 ~~regular senior high schools in the school district.]~~

4 D. A school district, as defined in Subsection R of  
5 Section 22-1-2 NMSA 1978, with a MEM of [~~less~~] fewer than [~~200~~]  
6 two hundred, including early childhood education full-time-  
7 equivalent MEM, is eligible for additional program units  
8 [~~provided that~~] if the department certifies that the school  
9 district has implemented practices to reduce scale  
10 inefficiencies, including shared service agreements with  
11 regional education cooperatives or other school districts for  
12 noninstructional functions and distance education. The numbers  
13 of additional program units to which a school district is  
14 entitled under this subsection is the number of units computed  
15 in the following manner:

$$200 - \text{MEM} = \text{Units}$$

17 where MEM is equal to the total district MEM, including early  
18 childhood education full-time-equivalent MEM.

19 E. A school district with a rural population rate  
20 greater than forty percent or a charter school initially  
21 chartered before July 1, 2018 and geographically located in a  
22 school district with a rural population rate greater than forty  
23 percent is eligible for additional program units. The number of  
24 additional program units to which a school district or charter  
25 school is entitled pursuant to this subsection is determined by

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1 multiplying the full-time-equivalent MEM by the rural population  
2 rate and the cost differential factor of 0.0333 for fiscal year  
3 2020, 0.0667 for fiscal year 2021 and 0.1 for fiscal year 2022  
4 and subsequent fiscal years."

5 SECTION 15. Section 22-8-23.3 NMSA 1978 (being Laws 1997,  
6 Chapter 40, Section 7, as amended) is amended to read:

7 "22-8-23.3. AT-RISK PROGRAM UNITS.--

8 A. A school district is eligible for additional  
9 program units if it establishes within its department-approved  
10 educational plan identified services to assist students to reach  
11 their full academic potential. A school district receiving  
12 additional at-risk program units shall include a report of  
13 specified services implemented to improve the academic success  
14 of at-risk students. The report shall identify the ways in  
15 which the school district and individual public schools use  
16 funding generated through the at-risk index and the intended  
17 outcomes. For purposes of this section, "at-risk student" means  
18 a student who meets the criteria to be included in the  
19 calculation of the three-year average total rate in Subsection B  
20 of this section. The number of additional units to which a  
21 school district is entitled under this section is computed in  
22 the following manner:

23 At-Risk Index x MEM = Units

24 where MEM is equal to the total district membership, including  
25 early childhood education, full-time-equivalent membership and

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1 special education membership and where the at-risk index is  
2 calculated in the following manner:

3 ~~[(1) for fiscal year 2019,~~  
4 ~~Three-Year Average Total Rate x 0.130 = At-Risk Index;~~  
5 ~~(2) for fiscal year 2020,~~  
6 ~~Three-Year Average Total Rate x 0.140 = At-Risk Index; and~~  
7 ~~(3) for fiscal year 2021 and subsequent fiscal~~  
8 ~~years]~~

9 Three-Year Average Total Rate x [0.150] 0.25 = At-Risk  
10 Index.

11 B. To calculate the three-year average total rate,  
12 the department shall compute a three-year average of the school  
13 district's percentage of membership used to determine its Title  
14 [F] 1 allocation, a three-year average of the percentage of  
15 membership classified as English language learners using  
16 criteria established by the [~~federal~~] office [~~of~~] for civil  
17 rights of the United States department of education and a three-  
18 year average of the percentage of student mobility. The  
19 department shall then add the three-year average rates. The  
20 number obtained from this calculation is the three-year average  
21 total rate.

22 C. The department shall recalculate the at-risk  
23 index for each school district every year."

24 SECTION 16. A new section of the Public School Finance  
25 Act is enacted to read:

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1            "[NEW MATERIAL] EXTENDED LEARNING TIME PROGRAM.--

2            A. A school district or charter school is eligible  
3 for additional program units if it establishes within its  
4 department-approved educational plan an extended learning time  
5 program that meets the requirements of Subsection B, C or D of  
6 this section.

7            B. An extended learning time program shall include:

8                    (1) a minimum of one hundred ninety  
9 instructional days per school year, with at least five and one-  
10 half instructional hours per instructional day for kindergarten  
11 through sixth grade and at least six instructional hours per day  
12 for seventh through twelfth grade;

13                    (2) after-school program opportunities for  
14 academic learning or extracurricular enrichment to students that  
15 do not supplant federally funded programs; and

16                    (3) a minimum of eighty noninstructional hours  
17 per school year for professional development for instructional  
18 staff.

19            C. An extended learning time program in a school  
20 district operating a four-day school week in fiscal year 2019 or  
21 in a school district with fewer than one thousand MEM operating  
22 a four-day school week may include:

23                    (1) a minimum of one hundred sixty  
24 instructional days per school year with at least six and one-  
25 half hours per instructional day for kindergarten through sixth

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1 grade and at least seven instructional hours per instructional  
2 day for seventh through twelfth grade;

3 (2) after-school program opportunities for  
4 academic learning or extracurricular enrichment to students that  
5 do not supplant federally funded programs; and

6 (3) a minimum of eighty noninstructional hours  
7 per school year for professional development for instructional  
8 staff.

9 D. With department approval, an elementary school  
10 that has an extended learning time program that qualifies for  
11 extended learning time program units pursuant to Subsection B or  
12 C of this section that also has a qualifying K-5 plus program  
13 pursuant to the K-5 Plus Act may structure the school year to  
14 provide the additional instructional time required pursuant to  
15 the applicable subsection of this section by extending existing  
16 instructional days.

17 E. The department shall establish standard  
18 requirements for school districts and charter schools to  
19 generate program units for after-school extended learning time,  
20 including standards, MEM calculations and hourly requirements  
21 for programs.

22 F. The number of additional units to which a school  
23 district or charter school is entitled under this section is  
24 computed in the following manner:

25 (1) for fiscal year 2020,

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1 (MEM x 0.04) + (MEM in after-school extended learning time  
2 programs x 0.01);

3 (2) for fiscal year 2021,  
4 (MEM x 0.06) + (MEM in after-school extended learning time  
5 programs x 0.06); and

6 (3) for fiscal year 2022 and subsequent fiscal  
7 years,  
8 (MEM x 0.08) + (MEM in after-school extended learning time  
9 programs x 0.11)."

10 SECTION 17. A new section of the Public School Finance  
11 Act is enacted to read:

12 "[NEW MATERIAL] K-5 PLUS PROGRAM UNITS.--The number of K-5  
13 plus program units is determined by multiplying the MEM in  
14 department-approved K-5 plus programs by the cost differential  
15 factor of 0.3. For each reporting date, MEM in K-5 plus  
16 programs shall be equal to the number of qualified students  
17 enrolled in an elementary school participating in the K-5 plus  
18 program."

19 SECTION 18. A new section of the Public School Finance  
20 Act is enacted to read:

21 "[NEW MATERIAL] NEW PROGRAM FUNDING.--For the first year  
22 of programs operating pursuant to the K-5 Plus Act, the  
23 Bilingual Multicultural Education Act, the Fine Arts Education  
24 Act or for extended learning time programs, a school district or  
25 charter school shall generate the applicable program units. A

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1 school district's or charter school's budget shall be based on  
2 the projected number of program units for the program's first  
3 year of operation and shall be adjusted using the qualified MEM  
4 on the first reporting date of the current school year."

5 SECTION 19. A new section of the Public School Finance  
6 Act is enacted to read:

7 "[NEW MATERIAL] PUBLIC EDUCATION REFORM FUND CREATED.--

8 A. The "public education reform fund" is created as  
9 a nonreverting fund in the state treasury and consists of  
10 appropriations; unspecified gifts, grants and donations to the  
11 fund; and income from investment of the fund.

12 B. Subject to legislative appropriation, money in  
13 the fund is appropriated to the department for the purposes of  
14 implementing evidence-based public education initiatives related  
15 to high-quality teaching and school leadership, extended  
16 learning opportunities for students, educational interventions  
17 for at-risk students, effective and efficient school  
18 administration or promoting public education accountability."

19 SECTION 20. Section 22-8B-6 NMSA 1978 (being Laws 1999,  
20 Chapter 281, Section 6, as amended) is amended to read:

21 "22-8B-6. CHARTER SCHOOL REQUIREMENTS--APPLICATION  
22 PROCESS--AUTHORIZATION--STATE BOARD OF FINANCE DESIGNATION  
23 REQUIRED--PUBLIC HEARINGS--SUBCOMMITTEES.--

24 A. A local school board has the authority to approve  
25 the establishment of a locally chartered charter school within

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1 that local school board's district.

2 B. No later than the second Tuesday of January of  
3 the year in which an application will be filed, the organizers  
4 of a proposed charter school shall provide written notification  
5 to the commission and the school district in which the charter  
6 school is proposed to be located of their intent to establish a  
7 charter school. Failure to notify may result in an application  
8 not being accepted.

9 C. A charter school applicant shall apply to either  
10 a local school board or the commission for a charter. If an  
11 application is submitted to a chartering authority, ~~[it must]~~  
12 the chartering authority shall process the application.  
13 Applications for initial charters shall be submitted by June 1  
14 to be eligible for consideration for the following fiscal year;  
15 provided that the June 1 deadline may be waived upon agreement  
16 of the applicant and the chartering authority.

17 D. An application shall include the total number of  
18 grades the charter school proposes to provide, either  
19 immediately or phased. A charter school may decrease the number  
20 of grades it eventually offers, but it shall not increase the  
21 number of grades or the total number of students proposed to be  
22 served in each grade.

23 E. An application shall include the total number of  
24 students the charter school proposes to serve in each of the  
25 charter school's first three years of operation. No later than

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1 June 15, each local school board and the commission shall notify  
2 the department as to the number of students each charter school  
3 applicant proposes to serve in each year.

4           ~~[E.]~~ F. An application shall include a detailed  
5 description of the charter school's projected facility needs,  
6 including projected requests for capital outlay assistance that  
7 have been approved by the director of the public school  
8 facilities authority or the director's designee. The director  
9 shall respond to a written request for review from a charter  
10 applicant within forty-five days of the request.

11           ~~[F.]~~ G. An application may be made by one or more  
12 teachers, parents or community members or by a public post-  
13 secondary educational institution or nonprofit organization.  
14 Municipalities, counties, private post-secondary educational  
15 institutions and for-profit business entities are not eligible  
16 to apply for or receive a charter.

17           ~~[G.]~~ H. An initial application for a charter school  
18 shall not be made after June 30, 2007 if the proposed charter  
19 school's proposed enrollment for all grades or the proposed  
20 charter school's proposed enrollment for all grades in  
21 combination with any other charter school's enrollment for all  
22 grades would equal or exceed ten percent of the total MEM of the  
23 school district in which the charter school will be  
24 geographically located and that school district has a total  
25 enrollment of not more than one thousand three hundred students.

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1           ~~[H.]~~ I. A state-chartered charter school shall not  
2 be approved for operation unless its governing body has  
3 qualified to be a board of finance.

4           ~~[I.]~~ J. The chartering authority shall receive and  
5 review all applications for charter schools submitted to it.  
6 The chartering authority shall not charge application fees.

7           ~~[J.]~~ K. The chartering authority shall hold at least  
8 one public hearing in the school district in which the charter  
9 school is proposed to be located to obtain information and  
10 community input to assist it in its decision whether to grant a  
11 charter school application. The chartering authority may  
12 designate a subcommittee of no fewer than three members to hold  
13 the public hearing, and, if so, the hearing shall be transcribed  
14 for later review by other members of the chartering authority.  
15 Community input may include written or oral comments in favor of  
16 or in opposition to the application from the applicant, the  
17 local community and, for state-chartered charter schools, the  
18 local school board and school district in whose geographical  
19 boundaries the charter school is proposed to be located.

20           ~~[K.]~~ L. The chartering authority shall rule on the  
21 application for a charter school in a public meeting by  
22 September 1 of the year the application was received; provided,  
23 however, that prior to ruling on the application for which a  
24 designated subcommittee was used, any member of the chartering  
25 authority who was not present at the public hearing shall

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1 receive the transcript of the public hearing together with  
2 documents submitted for the public hearing. If not ruled upon  
3 by that date, the charter application shall be automatically  
4 reviewed by the secretary in accordance with the provisions of  
5 Section 22-8B-7 NMSA 1978. The charter school applicant and the  
6 chartering authority may, however, jointly waive the deadlines  
7 set forth in this section.

8 [L.] M. A chartering authority may approve, approve  
9 with conditions or deny an application. A chartering authority  
10 may deny an application if:

11 (1) the application is incomplete or  
12 inadequate;

13 (2) the application does not propose to offer  
14 an educational program consistent with the requirements and  
15 purposes of the Charter Schools Act;

16 (3) the proposed head administrator or other  
17 administrative or fiscal staff was involved with another charter  
18 school whose charter was denied or revoked for fiscal  
19 mismanagement or the proposed head administrator or other  
20 administrative or fiscal staff was discharged from a public  
21 school for fiscal mismanagement;

22 (4) for a proposed state-chartered charter  
23 school, it does not request to have the governing body of the  
24 charter school designated as a board of finance or the governing  
25 body does not qualify as a board of finance; or

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1 (5) the application is otherwise contrary to  
2 the best interests of the charter school's projected students,  
3 the local community or the school district in whose geographic  
4 boundaries the charter school applies to operate.

5 [~~M.~~] N. If the chartering authority denies a charter  
6 school application or approves the application with conditions,  
7 it shall state its reasons for the denial or conditions in  
8 writing within fourteen days of the meeting. If the chartering  
9 authority grants a charter, the approved charter shall be  
10 provided to the applicant together with any imposed conditions.

11 [~~N.~~] O. A charter school that has received a notice  
12 from the chartering authority denying approval of the charter  
13 shall have a right to a hearing by the secretary as provided in  
14 Section 22-8B-7 NMSA 1978."

15 SECTION 21. Section 22-10A-7 NMSA 1978 (being Laws 2003,  
16 Chapter 153, Section 38, as amended) is amended to read:

17 "22-10A-7. LEVEL ONE LICENSURE.--

18 A. A level one license is a provisional five-year  
19 license for beginning teachers that requires as a condition of  
20 licensure that the licensee undergo a formal mentorship program  
21 for at least one full school year and an annual intensive  
22 performance evaluation by a school administrator for at least  
23 three full school years before applying for a level two license.

24 B. Each school district, in accordance with  
25 department rules, shall provide for the mentorship and

1 evaluation of level one teachers. At the end of each year and  
2 at the end of the license period, the level one teacher shall be  
3 evaluated for competency. If the teacher fails to demonstrate  
4 satisfactory progress and competence annually, the teacher may  
5 be terminated as provided in Section 22-10A-24 NMSA 1978. If  
6 the teacher has not demonstrated satisfactory progress and  
7 competence by the end of the five-year period, the teacher shall  
8 not be granted a level two license.

9 C. Except in exigent circumstances defined by  
10 department rule, a level one license shall not be extended  
11 beyond the initial period.

12 D. The department shall issue a standard level one  
13 license to an applicant who is at least eighteen years of age  
14 who:

15 (1) holds a baccalaureate degree from an  
16 accredited educational institution;

17 (2) has successfully completed a department-  
18 approved teacher preparation program from a nationally  
19 accredited or state-approved educational institution;

20 (3) has passed the New Mexico teacher  
21 assessments examination, including for elementary licensure  
22 beginning January 1, 2013, a rigorous assessment of the  
23 candidate's knowledge of the science of teaching reading; and

24 (4) meets other qualifications for level one  
25 licensure, including clearance of the required background check.

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1           E. The department shall issue an alternative level  
2 one license to an applicant who meets the requirements of  
3 Section 22-10A-8 NMSA 1978.

4           F. The department shall establish competencies and  
5 qualifications for specific grade levels, types and subject  
6 areas of level one licensure, including early childhood,  
7 elementary, middle school, secondary, special and vocational  
8 education.

9           G. ~~[With the adoption by the department of a highly~~  
10 ~~objective uniform statewide standard of evaluation for level one~~  
11 ~~teachers]~~ The minimum salary for a level one teacher ~~[shall be~~  
12 ~~thirty-six thousand dollars (\$36,000)]~~ is:

13                   (1) forty thousand dollars (\$40,000) for a  
14 standard nine and one-half month contract;

15                   (2) forty-two thousand two hundred dollars  
16 (\$42,200) for a teacher in an extended learning time program;  
17 and

18                   (3) forty-five thousand six hundred dollars  
19 (\$45,600) for a teacher in a K-5 plus program."

20           SECTION 22. Section 22-10A-10 NMSA 1978 (being Laws 2003,  
21 Chapter 153, Section 41, as amended) is amended to read:

22           "22-10A-10. LEVEL TWO LICENSURE.--

23           A. A level two license is a nine-year license  
24 granted to a teacher who meets the qualifications for that level  
25 and who annually demonstrates essential competency to teach. If

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1 a level two teacher does not demonstrate essential competency in  
2 a given school year, the school district shall provide the  
3 teacher with additional professional development and peer  
4 intervention during the following school year. If by the end of  
5 that school year the teacher fails to demonstrate essential  
6 competency, a school district may choose not to contract with  
7 the teacher to teach in the classroom.

8 B. The department shall issue a level two license to  
9 an applicant who successfully completes the level one license or  
10 is granted reciprocity as provided by department rules;  
11 demonstrates essential competency required by the department as  
12 verified by the local superintendent through the highly  
13 objective uniform statewide standard of evaluation; and meets  
14 other qualifications as required by the department.

15 C. The department shall provide for qualifications  
16 for specific grade levels, types and subject areas of level two  
17 licensure, including early childhood, elementary, middle,  
18 secondary, special and vocational education.

19 D. ~~[With the adoption by the department of the~~  
20 ~~statewide objective performance evaluation for level two~~  
21 ~~teachers]~~ The minimum salary for a level two teacher ~~[for a~~  
22 ~~standard nine and one-half month contract shall be forty-four~~  
23 ~~thousand dollars (\$44,000)]~~ is:

24 (1) fifty thousand dollars (\$50,000) for a  
25 standard nine and one-half month contract;

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1                   (2) fifty-two thousand eight hundred dollars  
2 (\$52,800) for a teacher in an extended learning time program;  
3 and  
4                   (3) fifty-six thousand nine hundred dollars  
5 (\$56,900) for a teacher in a K-5 plus program."

6           SECTION 23. Section 22-10A-11 NMSA 1978 (being Laws 2003,  
7 Chapter 153, Section 42, as amended) is amended to read:

8           "22-10A-11. LEVEL THREE LICENSURE--TRACKS FOR TEACHERS.--

9           A. A level three-A license is a nine-year license  
10 granted to a teacher who meets the qualifications for that level  
11 and who annually demonstrates instructional leader competencies.  
12 If a level three-A teacher does not demonstrate essential  
13 competency in a given school year, the school district shall  
14 provide the teacher with additional professional development and  
15 peer intervention during the following school year. If by the  
16 end of that school year the teacher fails to demonstrate  
17 essential competency, a school district may choose not to  
18 contract with the teacher to teach in the classroom.

19           B. The department shall grant a level three-A  
20 license to an applicant who has been a level two teacher for at  
21 least three years and holds a post-baccalaureate degree or  
22 national board for professional teaching standards  
23 certification; demonstrates instructional leader competence as  
24 required by the department and verified by the local  
25 superintendent through the highly objective uniform statewide

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1 standard of evaluation; and meets other qualifications for the  
2 license.

3 C. ~~[With the adoption by the department of a highly~~  
4 ~~objective uniform statewide standard of evaluation for level~~  
5 ~~three-A teachers]~~ The minimum salary for a level three-A teacher  
6 ~~[for a standard nine and one-half month contract shall be fifty-~~  
7 ~~four thousand dollars (\$54,000)]~~ is:

8 (1) sixty thousand dollars (\$60,000) for a  
9 standard nine and one-half month contract;

10 (2) sixty-three thousand three hundred dollars  
11 (\$63,300) for a teacher in an extended learning time program;  
12 and

13 (3) sixty-eight thousand three hundred dollars  
14 (\$68,300) for a teacher in a K-5 plus program.

15 D. The minimum salary for a counselor who holds a  
16 level three or three-A license as provided in the School  
17 Personnel Act and rules promulgated by the department shall be  
18 the same as provided for level three-A teachers pursuant to  
19 Subsection C of this section."

20 SECTION 24. Section 22-10A-11.4 NMSA 1978 (being Laws  
21 2015, Chapter 74, Section 2) is amended to read:

22 "22-10A-11.4. LEVEL THREE-B ADMINISTRATOR'S LICENSE--  
23 TRACKS FOR SCHOOL ADMINISTRATOR LICENSURE.--

24 A. A level three-B administrator's license is a  
25 five-year license granted to an applicant who meets the

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1 qualifications for that license. Licenses may be renewed upon  
2 satisfactory annual demonstration of instructional leader and  
3 administrative competency.

4 B. The department shall grant a level three-B  
5 administrator's license to an applicant who:

6 (1) has completed a department-approved  
7 administrator preparation program;

8 (2) holds a current level two or level three  
9 teacher's license; and

10 (3) holds a post-baccalaureate degree or  
11 national board for professional teaching standards  
12 certification.

13 C. The minimum annual salary for a licensed school  
14 principal or assistant school principal [~~shall be fifty thousand~~  
15 ~~dollars (\$50,000)~~] is the minimum salary for a level three-A  
16 teacher at the public school in which the school principal or  
17 assistant school principal is employed multiplied by the  
18 applicable responsibility factor.

19 D. The department shall adopt a highly objective  
20 uniform statewide standard of evaluation, including data sources  
21 linked to student achievement and an educational plan for  
22 student success progress, for school principals and assistant  
23 school principals and rules for the implementation of that  
24 evaluation system linked to the level of responsibility at each  
25 school level.

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