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HOUSE BILL 68

43RD LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 1998

INTRODUCED BY

MAX COLL

AN ACT

RELATING TO EDUCATION; AMENDING AND ENACTING SECTIONS OF THE
PUBLIC SCHOOL FINANCE ACT TO ESTABLISH A COST-OF-LIVING
ADJUSTMENT IN THE SCHOOL FUNDING FORMULA; MAKING AN
APPROPRIATION.

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

Section 1. Effective July 1, 1999, 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 SCHOOL BOARD
RESPONSIBILITY. --

A. The total program units for the purpose of
computing the program cost shall be calculated by multiplying
the sum of the program units itemized as Paragraphs (1)
through (4) ~~[in]~~ of this subsection by the cost-of-living

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1 index, multiplying that product by the instruction staff
2 training and experience index and adding the program units
3 itemized as Paragraphs (5) through (8) ~~[in]~~ of this
4 subsection. The itemized program units are as follows:
5 (1) early childhood education;
6 (2) basic education;
7 (3) special education, adjusted by
8 subtracting the units derived from membership in class D
9 special education programs in private, nonsectarian, nonprofit
10 training centers;
11 (4) bilingual multicultural education;
12 (5) size adjustment;
13 (6) at-risk program;
14 (7) enrollment growth or new district
15 adjustment; and
16 (8) special education units derived from
17 membership in class D special education programs in private,
18 nonsectarian, nonprofit training centers.

19 B. The total program cost calculated as prescribed
20 in Subsection A of this section includes the cost of early
21 childhood, special, bilingual multicultural and vocational
22 education and other remedial or enrichment programs. It is
23 the responsibility of the local school board to determine its
24 priorities in terms of the needs of the community served by
25 that board. Funds generated under the Public School Finance

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1 Act are discretionary to local school boards, provided that
2 the special program needs as enumerated in this section are
3 met. "

4 Section 2. Effective July 1, 1999, a new section of the
5 Public School Finance Act, Section 22-8-24.1 NMSA 1978, is
6 enacted to read:

7 "22-8-24.1. [NEW MATERIAL] COST-OF-LIVING INDEX. --

8 A. For the purpose of calculating the cost-of-
9 living index, the department shall establish and maintain a
10 database of housing costs in each school district. The
11 database shall be updated annually at the end of each fiscal
12 year. After establishing and updating the database, the
13 department shall calculate the average housing cost in each
14 school district and the average housing cost in the state.

15 B. A school district with an average housing cost
16 that is equal to or less than twenty percent above the
17 statewide average shall have a cost-of-living index of 1.0.

18 C. A school district with an average housing cost
19 that is greater than twenty percent but less than thirty
20 percent above the statewide average housing cost shall have a
21 cost-of-living index of 1.02.

22 D. A school district with an average housing cost
23 that is thirty percent or more above the statewide average
24 housing cost shall have a cost-of-living index of 1.04. "

25 Section 3. APPROPRIATION. -- Fifty thousand dollars

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1 (\$50,000) is appropriated from the general fund to the state
2 department of public education for expenditure in fiscal year
3 1999 for the purpose of performing or contracting for the
4 performance of a study to establish a database measuring
5 housing costs in the state's eighty-nine school districts.
6 Any unexpended or unencumbered balance remaining at the end of
7 fiscal year 1999 shall revert to the general fund.