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HOUSE BILL 169

44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

INTRODUCED BY

Roberto "Bobby" J. Gonzales

AN ACT

RELATING TO EDUCATION; REQUIRING THE ESTABLISHMENT OF RULES AND PROCEDURES FOR A UNIFORM SYSTEM OF ACCOUNTING AND BUDGETING FOR PUBLIC SCHOOLS; ESTABLISHING SCHOOL DISTRICT TEMPORARY OPERATING BUDGETS AS FINAL OPERATING BUDGETS; DECLARING AN EMERGENCY.

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

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

"22-8-5. [~~MANUAL OF ACCOUNTING AND BUDGETING~~] RULES-- PROCEDURES. --

A. The department shall [~~compile and publish a manual prescribing detailed regulations~~] establish rules and procedures for a uniform system of accounting and budgeting of funds for all public schools and school districts of the

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1 state. The [~~manual of regulations and any revision or~~
2 ~~amendments thereto~~] rules, including revisions or amendments,
3 shall become effective only upon approval by the state board
4 [~~of education~~] and the legislative finance committee and
5 filing with the state records center and publication. A copy
6 shall also be filed with the department of finance and
7 administration.

8 B. All public schools and school districts shall
9 comply with the [~~regulations prescribed in the manual of~~
10 ~~accounting and budgeting~~] rules and procedures prescribed and
11 shall, upon request, submit additional reports concerning
12 finances to the department. In addition, upon request, all
13 public schools and school districts shall file reports with
14 the department containing pertinent details regarding
15 applications for federal money or federal grants-in-aid or
16 regarding federal money or federal grants-in-aid received,
17 including [~~but not limited to~~] details of programs, matching
18 funds, personnel requirements, salary provisions and program
19 numbers, as indicated in the catalog of federal domestic
20 assistance, of the federal funds applied for and of those
21 received.

22 C. Upon request by the department of finance and
23 administration, the legislative finance committee or the
24 legislative education study committee, the [~~state~~] department
25 [~~of public education~~] shall timely furnish information and

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1 data obtained from public schools and school districts
2 pursuant to Subsection B of this section. "

3 Section 2. Section 22-8-6 NMSA 1978 (being Laws 1967,
4 Chapter 16, Section 60, as amended by Laws 1993, Chapter 224,
5 Section 2 and also by Laws 1993, Chapter 227, Section 9) is
6 amended to read:

7 "22-8-6. BUDGETS--SUBMISSION--FAILURE TO SUBMIT.--

8 A. Prior to April 15 of each year, each local school
9 board shall submit to the department an [~~estimated~~] operating
10 budget for the school district for the ensuing fiscal year.
11 Upon written approval of the state superintendent, the date
12 for the submission of the [~~estimated~~] operating budget as
13 required by this section may be extended to a later date fixed
14 by the state superintendent.

15 B. The [~~estimated~~] operating budget required by this
16 section may include:

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

20 (2) estimates of the cost of contracts for the
21 transportation of students for terms extending up to four
22 years.

23 C. The [~~estimated~~] operating budget required by this
24 section shall include a proposed breakdown for charter schools
25 in the [~~local~~] school district, by individual charter school,

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1 of the membership projected for each charter school, the total
2 program units generated at that charter school and approximate
3 anticipated disbursements and expenditures at each charter
4 school.

5 D. If a local school board fails to submit a budget
6 pursuant to this section, the department shall prepare the
7 ~~[estimated]~~ operating budget for the school district for the
8 ensuing fiscal year. A local school board shall be considered
9 as failing to submit a budget pursuant to this section if the
10 budget submitted exceeds the total projected resources of the
11 school district or if the budget submitted does not comply
12 with the law or ~~[the manual of accounting and budgeting]~~ with
13 rules and procedures of the department. "

14 Section 3. Section 22-8-7 NMSA 1978 (being Laws 1967,
15 Chapter 16, Section 61, as amended) is amended to read:

16 "22-8-7. BUDGETS--FORM --All budgets submitted to the
17 ~~[division]~~ department by a school district shall be in a form
18 specified by the ~~[manual of accounting and budgeting of the~~
19 ~~division]~~ department. "

20 Section 4. Section 22-8-10 NMSA 1978 (being Laws 1967,
21 Chapter 16, Section 65, as amended) is amended to read:

22 "22-8-10. BUDGETS--FIXING THE ~~[ESTIMATED]~~ OPERATING
23 BUDGET. --

24 A. Prior to June 20 of each year, each local school
25 board shall, at a public hearing of which notice has been

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1 published by the local school board, fix the [~~estimated~~
2 operating budget for the school district for the ensuing
3 fiscal year. At the discretion of the state superintendent or
4 the local school board, the department may participate in the
5 public hearing.

6 B. Prior to the public hearing held to fix the
7 [~~estimated~~] operating budget for the school district, the
8 local school board shall give notice to parents explaining the
9 budget process and inviting parental involvement and input in
10 that process prior to the date for the public hearing. "

11 Section 5. Section 22-8-11 NMSA 1978 (being Laws 1967,
12 Chapter 16, Section 66, as amended) is amended to read:

13 "22-8-11. BUDGETS-- [~~TEMPORARY--FINAL~~] APPROVAL OF
14 OPERATING BUDGET. --

15 A. The department shall:

16 (1) on or before July 1 of each year, approve
17 and certify to each local school board [~~a temporary~~] an
18 operating budget for use by the local school board [~~pending~~
19 ~~approval by the department of a final budget~~]; and

20 (2) make corrections, revisions and amendments
21 to the [~~estimated~~] operating budgets fixed by the local school
22 boards and the state superintendent to conform the budgets to
23 the requirements of law and [~~to the manual of accounting and~~
24 ~~budgeting; and~~

25 (3) ~~before the first Monday of September of~~

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1 ~~each year, approve and certify to each local school board and~~
2 ~~to the board of county commissioners of the county in which~~
3 ~~the school district is situated a final budget for use by the~~
4 ~~local school board, based upon the estimated budget fixed by~~
5 ~~the local school board and the state superintendent.] to the~~
6 department's rules and procedures.

7 B. No school board or officer or employee of a
8 school district shall make any expenditure or incur any
9 obligation for the expenditure of public funds unless that
10 expenditure or [~~contractual~~] obligation is made in accordance
11 with an operating budget approved by the department [~~but~~].
12 This prohibition does not prohibit the transfer of funds
13 [between line items within series of a budget] pursuant to the
14 department's rules and procedures.

15 C. The department shall not approve and certify [~~a~~
16 ~~temporary~~] an operating budget of any school district that
17 fails to demonstrate that parental involvement in the budget
18 process was solicited. "

19 Section 6. Section 22-8-12 NMSA 1978 (being Laws 1967,
20 Chapter 16, Section 67, as amended) is amended to read:

21 "22-8-12. [~~FINAL~~] OPERATING BUDGETS-- [~~ALTERATIONS OR~~]
22 AMENDMENTS. -- [~~Final~~] Operating budgets shall not be altered or
23 amended after approval and certification by the department,
24 except for the following purposes and according to the
25 following procedure:

. 125262. 1

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1 A. upon written request of any local school board,
2 the state superintendent may authorize transfer within the
3 budget, or provide for items not included, when the total
4 amount of the budget will not be increased thereby;

5 B. upon written request of any local school board,
6 the state superintendent, in conformance with the
7 ~~[regulations]~~ rules of the department, may authorize an
8 increase in any budget if the increase is necessary because of
9 the receipt of revenue that was not anticipated at the time
10 the budget was fixed and if the increase is directly related
11 to a special project or program for which the additional
12 revenue was received. The state superintendent shall make a
13 written report to the legislative finance committee of any
14 such budget increase;

15 C. upon written request of any local school board,
16 the state superintendent may authorize an increase in a budget
17 of not more than one thousand dollars (\$1,000); or

18 D. upon written request of any local school board,
19 the state superintendent, after notice and a public hearing,
20 may authorize an increase in a school budget in an amount
21 exceeding one thousand dollars (\$1,000). The notice of the
22 hearing shall designate the school district which proposes to
23 alter or amend its budget, together with the time, place and
24 date of the hearing. The notice of the hearing shall be
25 published at least once a week for two consecutive weeks in a

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1 newspaper of general circulation in the county in which the
2 school district is situated. The last publication of the
3 notice shall be at least three days prior to the date set for
4 the hearing. "

5 Section 7. Section 22-8-12.1 NMSA 1978 (being Laws 1978,
6 Chapter 128, Section 5, as amended) is amended to read:

7 "22-8-12.1. MEMBERSHIP PROJECTIONS AND BUDGET
8 REQUESTS. --

9 A. Each local school board shall submit annually, on
10 or before October 15, to the department:

11 (1) an estimate for the succeeding fiscal year
12 of:

13 (a) the membership of qualified students to
14 be enrolled in the basic program;

15 (b) the full-time-equivalent membership of
16 students to be enrolled in approved early childhood education
17 programs; and

18 (c) the membership of students to be
19 enrolled in approved special education programs;

20 (2) all other information necessary to
21 calculate program costs; and

22 (3) any other information related to the
23 financial needs of the school district as may be requested by
24 the department.

25 B. All information requested pursuant to Subsection
. 125262. 1

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1 A of this section shall be submitted on forms prescribed and
2 furnished by the department and shall comply with the [~~manual~~
3 ~~of accounting and budgeting published by the department~~]
4 department's rules and procedures.

5 C. The department shall:

6 (1) review the financial needs of each school
7 district for the succeeding fiscal year; and

8 (2) submit annually, on or before November 30,
9 to the secretary of finance and administration the
10 recommendations of the state board for:

11 (a) amendments to the public school finance
12 formula;

13 (b) appropriations for the succeeding
14 fiscal year to the public school fund for inclusion in the
15 executive budget document; and

16 (c) appropriations for the succeeding
17 fiscal year for pupil transportation and instructional
18 materials. "

19 Section 8. REPEAL. --Section 22-8-12.2 NMSA 1978 (being
20 Laws 1978, Chapter 149, Section 1, as amended) is repealed.

21 Section 9. EMERGENCY.--It is necessary for the public
22 peace, health and safety that this act take effect
23 immediately.

1 FORTY-FOURTH LEGISLATURE
2 FIRST SESSION, 1999
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6 February 17, 1999
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8 Mr. Speaker:
9

10 Your EDUCATION COMMITTEE, to whom has been referred
11

12 HOUSE BILL 169
13

14 has had it under consideration and reports same with
15 recommendation that it DO PASS, and thence referred to the
16 APPROPRIATIONS AND FINANCE COMMITTEE.
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18 Respectfully submitted,
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24 Rick Mi era, Chair man
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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

HEC/HB 169

Page 11

Adopted _____ Not Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 12 For 0 Against

Yes: 12

Excused: Blanton, Hamilton, Knauer, Marquardt

Absent: None

J: \99BillSWP\H0169

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1 FORTY- FOURTH LEGISLATURE
2 FIRST SESSION, 1999

3
4 February 27, 1999

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7 Mr. Speaker:

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9 Your APPROPRIATIONS AND FINANCE COMMITTEE, to
10 whom has been referred

11 HOUSE BILL 169

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13 has had it under consideration and reports same with
14 recommendation that it DO PASS.

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17 Respectfully submitted,

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23 Max Coll, Chairman
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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

Page 13

Adopted _____ Not Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 10 For 0 Against

Yes: 10

Excused: Coll, Heaton, Larrañaga, Picraux, Saavedra, Taylor, JP,

Watchman

Absent: None

J:\99BillsWP\H0169

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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

March 11, 1999

Mr. President:

Your EDUCATION COMMITTEE, to whom has been referred

HOUSE BILL 169

has had it under consideration and reports same with
recommendation that it DO PASS, and thence referred to the
FINANCE COMMITTEE.

Respectfully submitted,

Cynthia Nava, Chairman

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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

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Adopted _____ Not

Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 6 For 0 Against

Yes: 6

No: 0

Excused: Adair, Duran, Gorham, Jennings

Absent: None

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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

March 13, 1999

Mr. President:

Your FINANCE COMMITTEE, to whom has been referred

HOUSE BILL 169

has had it under consideration and reports same with
recommendation that it DO PASS.

Respectfully submitted,

Ben D. Altamirano, Chairman

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FORTY-FOURTH LEGISLATURE
FIRST SESSION, 1999

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Adopted _____ Not

Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 7 For 0 Against

Yes: 7

No: 0

Excused: Gri ego, Ingle, Lyons, McKi bben, Rodri guez, Tsosi e

Absent: None

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