

THE PUBLIC SCHOOL FUNDING FORMULA OVERVIEW

Fiscal Staff

Legislative Education Study Committee

Agenda

1. BACKGROUND
2. CURRENT FUNDING FORMULA
 - a) BASICS –goals of the Public School Funding Formula (PSFF);
 - b) MECHANICS – how the PSFF is calculated;
 - c) MODIFICATIONS – what happens when a change is made to the PSFF; and
 - d) EXAMPLE – example of a proposed modification to the PSFF (*House Bill 165*).

BACKGROUND

Context and history related to the PSFF.

Background (See Appendix A)

- Prior to 1974 the funding method for NM schools was based on local district wealth.
- During the 1974-1975 school year, the current funding formula was implemented.
- This formula was based on a model developed by the National Education Finance Project in the late 1960s and early 1970s.

Background

- In 2008 the American Institutes for Research (AIR) conducted an independent comprehensive study of the NM PSFF and found that:
 - ▣ additional funding would be required to bring school districts and charter schools to sufficient spending levels; and
 - ▣ in FY 2008 an additional \$334.7 million or a 14.5 percent increase in funding would be required to achieve sufficiency.

Background

- AIR recommended that the state consider a revised, simplified funding formula, including:
 - ▣ a smaller and simplified set of student-needs weighting factors to achieve an equitable distribution of funds according to student need;
 - ▣ a simplified set of programmatic weights for student grade level composition for elementary, middle, and high school students; and
 - ▣ an enrollment size weighting schedule that accounts separately for the scale of district operations and charter school operations.

CURRENT FUNDING FORMULA

- ✓BASICS
- ✓MECHANICS
- ✓MODIFICATIONS
- ✓EXAMPLE

Basics (See Appendix A)

The PSFF:

- recognizes different costs for various educational programs including grade level, special education (SPED), bilingual, fine arts and physical education (PE);
- is designed to distribute operational funds to school districts and charter schools in a non-categorical manner;
- provides for local school district autonomy in meeting local priorities and needs;

Basics

The PSFF:

- is student driven;
- operates under the principle that all students are entitled to an equal educational opportunity despite differences in local school district wealth; and
- establishes the educational need of each school district and charter school, based on the average number of students enrolled on the prior year's second and third reporting dates, and participating in the legislatively defined programs.

Mechanics

In order to determine the State Equalization Guarantee (SEG) distribution, the following information is required:

1. The appropriation to the SEG;
2. The appropriated **program cost**;
3. The **total statewide units**; and
4. The **unit value**.

Mechanics (See Appendix B)

FY 14 STATE EQUALIZATION GUARANTEE DISTRIBUTION (dollars in thousands)

The Final FY 13 and FY 14 Unit Values may be adjusted based on a final decision from the U.S. Dept. of Education regarding a waiver request from Maintenance of Effort requirements for state-level funding for special education.

FY 13 Final Unit Value \$3,673.54
FY 14 Prelim. Unit Value \$3,817.55

	FY 13 Appropriation	FY 14 Prelim. Unit Value FY 14 Appropriation CS/H 2 et al. as amended Laws 2013, Ch. 227 (partial veto)
1 PROGRAM COST	\$2,294,777.4	\$2,343,438.9
2 Laws 2011, Chapter 178 Retirement Adjustments	\$25,274.4	
3 ENROLLMENT GROWTH	\$11,099.5	\$6,937.1
4 New Charter Schools	\$8,182.4	
5 Year-to-year Base Unit Changes	(\$6,179.7)	
6 INSURANCE COSTS	\$10,284.9	\$17,566.9
7 FIXED COSTS	see line 83	\$3,841.6
8 1.5 percent ERB Retirement Swap Reversal		\$20,478.4
9 0.75 percent ERB Retirement Contribution Increase [see Selected Language, p. 4-5]		\$11,166.4
10 Compensation Increase (1.0 percent average) [see Selected Language, p. 4]		\$18,657.1
11 College and Career Readiness (AP, ACT, SAT, PSAT, Explore, Plan)		\$309.4
12 Early Reading Initiative [see line 53 and Selected Language, p. 5]		\$4,000.0
13 Adjustment to Meet Maintenance of Effort for Special Education for FY 14 [see Selected Language, p. 5]		to be determined *
14 PROGRAM COST	\$2,343,438.9	\$2,426,395.8
15 Dollar Difference over Previous Year's Appropriation		\$82,956.9
16 Percent Change		3.5%
17 LESS PROJECTED CREDITS	(\$69,000.0)	(\$63,000.0)
18 LESS OTHER STATE FUNDS (from driver's license fees)	(\$850.0)	(\$1,500.0)
19 STATE EQUALIZATION GUARANTEE	\$2,273,588.9	\$2,361,895.8

"OPENING THE DOORS"

Mechanics (See Appendix C)

Total Statewide Units

The steps of calculating the sum of the Total Statewide Units:

- Step 1) Calculate and total the **Program Units**;
- Step 2) Multiply the **Program Units** by the Instructional Staff Training & Experience (T&E) Index to obtain the **Adjusted Program Units**; and
- Step 3) Calculate the other **Add-on Units** using the individual cost differentials and calculation methods that recognize:
 - Local school and district needs;
 - Economies of scale;
 - Enrollment growth from one year to the next;
 - At-risk students;
 - National Board for Professional Teaching Standards certified teachers; and
 - Creation of a new district.
- Step 4) Sum the **Adjusted Program Units** and the **Add-on Units** to determine the **Total Statewide Units**

Mechanics:

Step 1 (See Appendix C)

Total Statewide Units Cont'd

	A	B	C	D	E	F
1	State Equalization Guarantee Computation					
2						
3	Grade Level/Program Membership		Times	Cost Differential = Units		
4	Kindergarten & 3- and 4-Year-Old DD	FTE MEM	×	1.44	S U M O F U N I T S	
5	Grade 1	MEM	×	1.20		
6	Grades 2-3	MEM	×	1.18		
7	Grades 4-6	MEM	×	1.045		
8	Grades 7-12	MEM	×	1.25		
9						
10	Special Education					
11	Related Services (Ancillary)	FTE STAFF	×	25.00		
12	A/B Level Service Add-on	MEM	×	0.70		
13	C Level Service Add-on	MEM	×	1.00		
14	D Level Service Add-on	MEM	×	2.00		
15	3- and 4-Year-Old DD Program Add-on	MEM	×	2.00		
16						
17	Bilingual Education	FTE MEM	×	0.50		
18						
19	Fine Arts Education	FTE MEM	×	0.05		
20						
21	Elementary Physical Education	FTE MEM	×	0.06		
22						
23	= TOTAL PROGRAM UNITS					

Mechanics:

Step 2 (See Appendix C)

Total Statewide Units Cont'd

- Multiply the TOTAL Program Units by the district or state-chartered charter schools Instructional Staff Training & Experience Index (T&E Index) to obtain the:

ADJUSTED PROGRAM UNITS.

	A	B	C	D	E	F
23		= TOTAL PROGRAM UNITS				
24						
25	T&E INDEX MULTIPLIER	→ Times Value from 1.000 - 1.500				
26		= ADJUSTED PROGRAM UNITS				
27						

Mechanics:

Step 2 (See Appendix D)

Total Statewide Units Cont'd

TABLE 1. T&E INDEX CALCULATION

Academic Classification	Years of Experience				
	0-2	3-5	6-8	9-15	Over 15
Bachelor's Degree or Less	0.75	0.90	1.00	1.05	1.05
Bachelor's Plus 15 Credit Hours	0.80	0.95	1.00	1.10	1.15
Master's or Bachelor's Plus 45 Credit Hours	0.85	1.00	1.05	1.15	1.20
Master's Plus 15 Credit Hours	0.90	1.05	1.15	1.30	1.35
Post-Master's or Master's Plus 45 Credit Hours	1.00	1.15	1.30	1.40	1.50

The following calculations for the T&E index shall be computed:

1. multiply the number of full-time equivalent (FTE) instructional staff in each academic classification by the numerical factor in the appropriate "years of experience" column provided in the table above;
2. add the products calculated in step 1; and
3. divide the total obtained in step 2 by the total number of FTE instructional staff.

There are two additional instructions included in statute regarding the T&E Index that require:

- the cost differential factor not be lower than 1.00 or higher than 1.50; and
- 1.12 to be the designated T&E Index for newly created school districts.

Mechanics:

Step 3 & 4 (See Appendix C)

Total Statewide Units Cont'd

- D-Level Non-Profit Training Center Special Education Units
- Size Adjustment Program Units
 - School Size: Elementary/Junior High, Senior High
 - District Size
 - Rural Isolation Units
- New District Adjustment Units
- At-Risk Factor
- Enrollment Growth Units
- National Board for Professional Teaching Standards Units
- Charter School Activities Units
- Home School Student Activities Units
- Save Harmless Units

After including these units, we have obtained our:

ADJUSTED + Add-on Units = GRAND TOTAL UNITS

	A	B	C	D	E	F
26		= ADJUSTED PROGRAM UNITS				
27		Plus				
28		D-Level NPTC Special Education Units				
29		Size Units (Elementary/Junior High; Senior High; District; Rural Isolation)				
30		New District Adjustment Units				
31		At-Risk Units				
32		Enrollment Growth Units				
33		National Board for				
34		Professional Teaching Standards Units				
35		Charter School Activities Units				
36		Home School Student Activities Units				
37		= TOTAL UNITS				
38		Plus Save Harmless Units				
39		= GRAND TOTAL UNITS				
40						
41						
42						
43						

Mechanics (See Appendix E)

Unit Value

The Unit Value is established using the following formula:

$$\text{Unit Value} = \frac{\text{Appropriated Program Cost}}{\text{Total Statewide Units}}$$

Mechanics (See Appendix E)

Unit Value Cont'd

- 1) Since the *General Appropriation Act (GAA) of 1992*, the Secretary of Public Education has been required to **establish a preliminary Unit Value** for the SEG to be used for districts to establish tentative budgets based on projected units.
- 2) Each GAA since the *GAA of 1992* has authorized the Secretary of Public Education, upon verification of the number of units statewide, to **adjust the program unit value**.
- 3) Beginning with the *GAA of 1998*, and in each GAA since, it has been specified that any adjustment to the program unit value (as referenced in #2, above) may occur **no later than January 31st for the corresponding fiscal year** (e.g. for FY 13, no later than January 31, 2013).

Mechanics (Appendices E & F)

Calculation of the FY 14 Unit Value:

- Remember, the following formula must hold:

$$\text{Unit Value} = \frac{\text{Appropriated Program Cost}}{\text{Total Statewide Units}}$$

- FY 14 Preliminary Unit Value calculation:

$$\$3,817.55 = \frac{\$2,426,395,800}{635,589.8}$$

- Appendix F provides a History of Unit Values since the introduction of the funding formula in 1974.

Modifications

- The PSFF has been modified several times since 1974 in efforts to improve equity of educational funding.

What happens when a change is made to the PSFF?

- Generally, due to the equalized nature of the PSFF, when modifications are made to the PSFF that affect **total statewide units**, it has an impact on the distribution to districts and state-chartered charter schools.

Modifications Cont'd

Types of Changes:

- A change that increases the **Total Statewide Units**
 - ▣ Modifying a cost differential factor; or
 - ▣ Modifying or adding new programs or components to the funding formula.

- A change that decreases the **Total Statewide Units**
 - ▣ Modifying a cost differential factor; or
 - ▣ Modifying or removing programs or components of the funding formula.

Modifications Cont'd

(See Appendix G)

Identifying the Winners & Losers – Questions to Ask:

- 1) Will this change result in an increase or decrease in the Total Statewide Units?
- 2) How does this increase or decrease in the Total Statewide Units impact the Unit Value?
- 3) Based on the changed Unit Value, how will districts and state-chartered charter schools see their SEG distribution change?

Example: (See Appendix H)

House Bill 165a – School Finance Units for Small Districts

- HB 165 proposed to modify the size adjustment program unit section of the *Public School Finance Act* to generate units for school districts with membership less than 200, including early childhood education, provided that the Public Education Department (PED) certifies that:
 - the school district has implemented practices to reduce scale inefficiencies,
 - including shared service agreements with regional education cooperatives (RECs) or
 - other school districts for non-instructional functions; and distance education.

Example: (See Appendix H)

ATTACHMENT 1. COMPARISON BETWEEN FY 13 UNITS AND SEG AND HB 165 HYPOTHETICAL (Uses FY 13 Units and SEG)

DISTRICT/ LOCALLY CHARTERED CHARTER	HB 165 Units	HB 165 Total Units	FY 13 Total Units	HB 165 SEG	FY 13 SEG	HB 165 Hold Harmless	HB 165 Revenues
ALAMOGORDO	0.000	11,086.417	11,086.417	\$39,471,657.89	\$39,552,921.33	(\$81,263.44)	
ALBUQUERQUE	0.000	161,693.720	161,693.720	\$588,949,467.57	\$590,134,682.54	(\$1,185,214.97)	
ACADEMIA DE LENGUA Y CULTURA	0.000	212.106	212.106	\$777,625.14	\$779,179.88	(\$1,554.74)	
ALB TALENT DEV SECONDARY	0.000	373.827	373.827	\$1,370,528.29	\$1,373,268.44	(\$2,740.15)	
ALICE KING COMMUNITY SCHOOL	0.000	537.140	537.140	\$1,969,268.04	\$1,973,205.28	(\$3,937.24)	
BATAAN MILITARY ACADEMY	0.000	354.788	354.788	\$1,300,727.31	\$1,303,327.91	(\$2,600.60)	
CHRISTINE DUNCAN COMMUNITY	0.000	286.502	286.502	\$1,050,376.50	\$1,052,476.56	(\$2,100.06)	
CORRALES INTERNATIONAL	0.000	571.858	571.858	\$2,096,551.52	\$2,100,743.24	(\$4,191.72)	
DIGITAL ARTS & TECH ACADEMY	0.000	585.761	585.761	\$2,147,522.84	\$2,151,816.46	(\$4,293.62)	
EL CAMINO REAL	0.000	777.871	777.871	\$2,851,838.44	\$2,857,540.23	(\$5,701.79)	
GORDON BERNELL	0.000	1,160.604	1,160.604	\$4,255,017.99	\$4,263,525.22	(\$8,507.23)	

Example

Results:

If HB 165 had been in place in FY 13:

- Approximately 1,333 additional units would have been generated statewide
- School districts with enrollment numbers below 200 would have been impacted positively.
- In order to “hold harmless” any losing districts or charter schools, a \$4.6 million appropriation of new money for FY 14 would have been necessary.
- This \$4.6 million would have allowed the change to take place without reducing the Unit Value or having any district or charter see their SEG distribution amount fall below FY 13 levels.
- However, as with any change, when an appropriation is used for a “hold harmless” provision, that appropriation does not flow through the current formula.

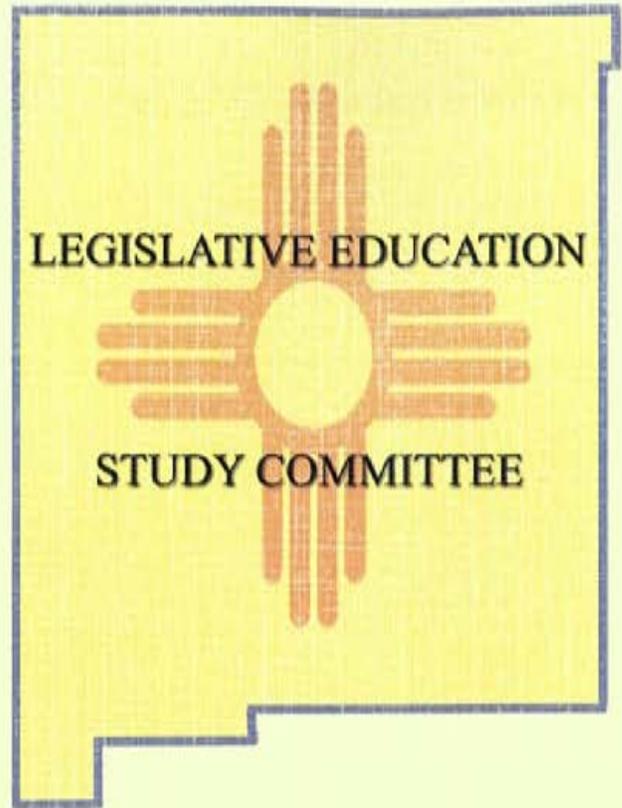
In Summary:

- Most modifications to the PSFF increase the number of Total Statewide Units.
- When that happens, ask how will the Unit Value be affected?
- If there is a change to the Unit Value, ask how the distribution to school districts and state-chartered charter schools will change and if there is an appropriation included with the legislation.
- Ask the bottom line question: who are the winners and who are the losers as a result of this change?

Thank You!



Questions?



PUBLIC SCHOOL FUNDING FORMULA OVERVIEW
LESC STAFF REPORT APPENDICES
June 2013 LESC Interim Meeting

LEGISLATIVE EDUCATION STUDY COMMITTEE

APPENDICES

Public School Funding Formula: Background and the Current Funding Formula

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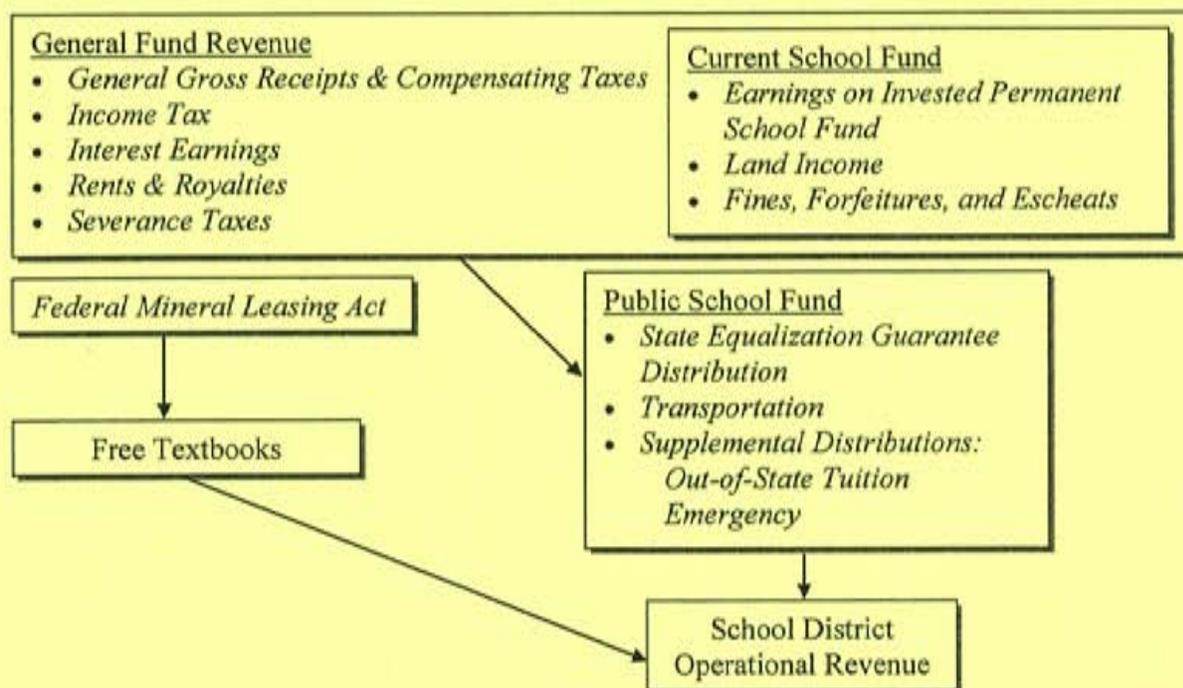
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NEW MEXICO PUBLIC SCHOOL FUNDING FORMULA

SOURCES OF PUBLIC SCHOOL FUNDING IN NEW MEXICO

Nearly all state-level school district and charter school¹ operational funds are derived from the following sources: the General Fund, the Current School Fund, and revenue from the *Federal Mineral Leasing Act*. Only one significant state appropriation is not distributed through the Public School Fund—the Free Textbook appropriation—which the Legislature appropriates out of revenue from the *Federal Mineral Leasing Act*. The Free Textbook allocation is determined by a district's or charter school's first reporting date² membership [§22-15-9 NMSA 1978].



¹ "Charter school" as used in this document refers to state-chartered charter schools unless otherwise specified.

² "Reporting date" refers to statutorily created dates for the reporting of student demographics including membership by school districts and charter schools to the Public Education Department. The reporting dates are: (1) the second Wednesday in October; (2) December 1 or the first working day in December; and (3) the second Wednesday in February. The reporting dates were previously referred to as 40th-day, 80th-day, and 120th-day reports.

METHOD OF DISTRIBUTION: THE PUBLIC SCHOOL FUNDING FORMULA

Enacted by the Legislature in 1974, the New Mexico Public School Funding Formula is based on a model developed by the National Education Finance Project in the late 1960s and early 1970s. The system supports the Legislature's policy that all students are entitled to an equal educational opportunity despite differences in local school district wealth. The formula is student driven and recognizes different costs for various educational programs.

Designed to distribute operational funds to school districts and charter schools in a noncategorical manner, the formula also provides for local school district and charter school autonomy. Formula dollars received by local districts and charter schools are not earmarked for specific programs. Within statutory and regulatory guidelines, school districts and charter schools have the latitude to spend their dollars according to local priorities.

The establishment of educational need by each school district and charter school (based on the number of students enrolled on an average of the prior year's second and third reporting dates and participating in legislatively defined programs as described beginning on the next page) is the first function of the Public School Funding Formula. The formula uses cost differential factors to reflect the relative costs incurred in providing these programs, making individual student needs the focal point of the formula.

The distribution of funds for each educational program is determined by the calculation of program units. Program units are the product of the number of students enrolled in a given program multiplied by the cost differential factor assigned to that program in statute. The program units are multiplied by the Instructional Staff Training and Experience (T&E) Index in each district and charter school to adjust for instructor education and experience. Each district's and charter school's T&E Index is calculated based upon five academic classifications and five levels of teaching experience. The T&E Index is used as a multiplier of the total program units.

The T&E Index for each school district and charter school is calculated in accordance with instructions issued by the Secretary of Education (see Table 1, below).

TABLE 1. T&E INDEX CALCULATION

Academic Classification	Years of Experience				
	0-2	3-5	6-8	9-15	Over 15
Bachelor's Degree or Less	0.75	0.90	1.00	1.05	1.05
Bachelor's Plus 15 Credit Hours	0.80	0.95	1.00	1.10	1.15
Master's or Bachelor's Plus 45 Credit Hours	0.85	1.00	1.05	1.15	1.20
Master's Plus 15 Credit Hours	0.90	1.05	1.15	1.30	1.35
Post-Master's or Master's Plus 45 Credit Hours	1.00	1.15	1.30	1.40	1.50

The following calculations for the T&E index shall be computed:

1. multiply the number of full-time equivalent (FTE) instructional staff in each academic classification by the numerical factor in the appropriate "years of experience" column provided in the table above;
2. add the products calculated in step 1; and
3. divide the total obtained in step 2 by the total number of FTE instructional staff.

There are two additional instructions included in statute regarding the T&E Index that require:

- the cost differential factor not be lower than 1.00 or higher than 1.50; and
- 1.12 to be the designated T&E Index for newly created school districts.

The following factors are then added to the adjusted program units (which are those units multiplied by the district's or charter school's T&E Index) if they are applicable:

- D-level non-profit training center special education units;
- adjustments for school and district size and rural isolation;
- creation of new districts,
- at risk-index;
- enrollment growth;
- National Board for Professional Teaching Standards (NBPTS)-certified teachers; and
- charter school and home school student activities.

Appendix C, "State Equalization Guarantee Computation," provides a graphic illustration of the calculation of units and determination of district revenues.

The current Public School Funding Formula has been in place for more than three decades and, during that time, has been under constant analysis. The results of these analyses have, for the most part, supported legislative enactment of data-based refinements to the structure of the formula while maintaining the philosophical concepts of educational equity for all students and local control.

In 1995-1996, a major study of the formula took place. The Legislature, the Executive, and the then State Board of Education commissioned a comprehensive study of the Public School Funding Formula and jointly appointed members to a task force to coordinate the study. The Public School Funding Formula Task Force selected a consultant, worked with the consulting group as it performed the study, received the results of the study, and made recommendations to the Legislature for changes to the formula, which the Legislature enacted in 1997. In its principal finding, the consulting group concluded that: "When evaluated on the basis of generally accepted standards of equity, the New Mexico Public School Funding Formula is a highly equitable formula...spending disparities are less than in other states" and are "statistically insignificant."

In 2005, the Legislature created the Funding Formula Task Force to address several issues that had arisen since the 1995-1996 study, including the adequacy of current educational programs to address the needs of all students, the alignment of the T&E Index with the three-tiered licensure system for teachers, and fiscal difficulties faced by school districts with a membership of 200 or less. However, the appropriation to fund the study was vetoed. In 2006, the Legislature extended the term of the task force through December 2007 and appropriated dollars for an independent study of the funding formula. As with the previous study, an independent contractor was selected to conduct a comprehensive examination of the Public School Funding Formula. Based on the tasks identified in the Request for Proposals and other discussions, the contractor provided several recommendations and an estimate of the cost of implementing those recommendations to the task force. On January 7, 2008, the task force adopted a discussion draft of a bill that incorporated those recommendations, and the Legislative Education Study Committee endorsed the task force recommendations on January 14, 2008. This legislation, however, did not pass in either the 2008 or the 2009 legislative sessions.

PROGRAM UNITS

Program units for each district or charter school are calculated as follows:

- **Early Childhood Education** – Kindergarten units are equal to the number of FTE students times a cost differential factor of 1.44. Each early childhood education student attending for half day (which includes all three- and four-year-old developmentally delayed students) equals 0.5 FTE. All full-day kindergarten students equal 1.0 FTE.
- **Basic Education Programs** – All students enrolled in grades 1-12 are in basic education programs. Units for basic programs equal the sum of:
 - the product of grade 1 student membership (MEM) times the cost differential factor of 1.2;
 - the product of grades 2-3 MEM times the cost differential factor of 1.18;
 - the product of grades 4-6 MEM times the cost differential factor of 1.045; and
 - the product of grades 7-12 MEM times the cost differential factor of 1.25.
- **Special Education Programs** – Special education students, including gifted students and students with disabilities, are classified as A, B, C, or D level depending on the intensity of services required. Special education students are counted first in grade level for basic education programs, then with the following additional special education units:
 - the product of the number of approved A and B level membership times the cost differential factor of 0.70;
 - the product of the C level MEM times the cost differential factor of 1.00;
 - the product of the D level MEM times the cost differential factor of 2.00;
 - the product of developmentally disabled three- and four-year-old children membership times the cost differential factor of 2.00; and
 - the product of the number of FTE personnel including diagnosticians in approved ancillary programs times the cost differential factor of 25.0.
- **Bilingual Education** – Bilingual programs for K-12 students attempt to ensure equal education opportunities for all students in New Mexico. Bilingual units are equal to the FTE students in these programs times the cost differential factor of 0.50.
- **Fine Arts Education** – Fine arts education units were added to the formula to provide additional funding to districts offering Public Education Department (PED)-approved elementary arts education programs that include visual arts, music, theater, and/or dance. Fine arts education units are equal to the FTE students in these programs times the cost differential factor of 0.05.
- **Elementary Physical Education** – The elementary physical education statute provides criteria to ensure that all schools will be eligible to participate in elementary physical education programs for students in kindergarten through grade 6 on a priority basis. Elementary physical education units are equal to the number of students in these programs times the cost differential factor of 0.06.

ADJUSTED PROGRAM UNITS

The sum of the program units for early childhood, basic education, special education, bilingual education, fine arts education, and elementary physical education is the **total program units**, which is then multiplied by the district's or charter school's T&E Index (see page 2, above). The resulting number of units is referred to as **adjusted program units**.

ADD-ON UNITS

Other factors that may be added for eligible school districts and charter schools include the following (all districts and charter schools are eligible for at-risk units):

- **Size Adjustment Program Units** – School size adjustment units are based on a different calculation of MEM³ than are other adjustments, including district size, rural isolation, new district adjustment, at-risk, enrollment growth, and save-harmless units:

- **School Size Units**

- Elementary-Junior High Size Units

$$\frac{200 - MEM}{200} \times 1.0 \times MEM = Units$$

- Senior High Size Units

$$\frac{200 - MEM}{200} \times 2.0 \times MEM = Units$$

OR

$$\frac{400 - MEM}{400} \times 1.6 \times MEM = Units$$

- **District Size Units**

$$\frac{4,000 - MEM}{4,000} \times 0.15 \times MEM = Units$$

- **Rural Isolation Units** – Sometimes called the “sparsity” factor. This factor applies to districts over 10,000 MEM with a ratio of MEM to senior high schools less than 4,000 to 1:

$$\frac{4,000 - MEM}{\text{No. of Senior High Schools}} \times 0.50 \times MEM = Units$$

- **New District Adjustment Units**

- A newly created district is eligible for the following units:

³The number of all students in grades K-12 and three- and four-year-old developmentally disabled students are included in MEM when calculating district size, rural isolation, new district adjustment, at-risk, enrollment growth, and save-harmless units; however, students receiving C-level or D-level special education services or who are enrolled in three- and four-year-old developmentally disabled programs are excluded from MEM when calculating school size.

$$(MEM \text{ for current year}) \times 0.147 = \text{Units}$$

- A school district whose membership decreases because of the creation of a new district is eligible for the following units:

$$(MEM \text{ for prior year} - MEM \text{ for current year}) \times 0.17 = \text{Units}$$

- **At-Risk Index** – Each year, PED is required to calculate each district's and charter school's at-risk index based on a three-year average of (1) the percentage of Title-I-eligible students; (2) the percentage of English language learners; and (3) the district's or charter school's mobility rate. The At-Risk Index is calculated as follows:

$$\text{Three Year Average Total Rate} \times 0.0915 = \text{At - Risk Index}$$

Each district and charter school is then eligible for additional program units computed in the following manner:

$$\text{At - Risk Index} \times MEM = \text{Units}$$

- **Enrollment Growth Program Units** – A school district or a charter school with an increase in MEM equal to or greater than 1.0 percent, when compared with the immediately preceding year, is eligible for additional program units as follows:

$$((MEM \text{ current year} - MEM \text{ previous year}) - (MEM \text{ current year} \times 0.01)) \times 1.5 = \text{Units}$$

Plus

$$(MEM \text{ current year} - MEM \text{ previous year}) \times 0.50 = \text{Units}$$

- **National Board for Professional Teaching Standards (NBPTS)** – Provides a yearly, one-time salary differential for teachers who are certified by NBPTS. The differential is calculated by multiplying 1.5 times the current year's unit value times the number of NBPTS-certified teachers employed by a district or charter school on or before the first reporting date of the school year (verified by PED). Districts and charter schools must provide at least the amount generated by the NBPTS certified teacher as a salary increase for each NBPTS certified teacher.
- **Charter School Activities Units** – If the charter school a student attends does not offer extracurricular activities, a charter school student in grades 7-12 may participate in extracurricular activities sanctioned by the New Mexico Activities Association (NMAA) at another public school in the school district. Charter school activities units are equal to the number of participating students times the cost differential factor of 0.1.
- **Home School Student Activities Units** – A home school student is eligible to participate in three NMAA-governed athletic activities at a public school in the student's attendance zone. Home school student activities units are equal to the number of participating students times the cost differential factor of 0.1.
- **Home School Student Course Units** – Beginning in school year 2014-2015, home school students who take one or more classes at a public school will generate additional units for

that district. The number of units will be determined by multiplying the number of home school students who are enrolled in one or more classes by a cost differential factor of 0.25 per class per student, up to the enrollment required to be a qualified student, which is one-half or more of the PED approved minimum course requirements.

ADDITIONAL TERMS

Listed below are additional terms related to the Public School Funding Formula:

- **Program Cost** – The amount of money assumed under the formula to be necessary for a given district or charter school with a particular configuration of students and educational programs to provide educational services.
- **Unit Value** – A dollar amount calculated by dividing the legislative appropriation for program cost by the total statewide units:

$$\text{Unit Value} = \frac{\text{Program Cost}}{\text{Total Statewide Units}}$$

- **State Equalization Guarantee (SEG) / Public School Funding Formula** – The largest single revenue source for public schools, which typically accounts for more than 80 percent of any district's or charter school's operational revenues. The SEG represents an attempt to assure all public school students have access to programs and services appropriate to their needs despite local geographical or economic conditions. It is noncategorical in nature and encourages local priority initiatives through the absence of categorical funding.
- **State Equalization Guarantee (SEG) Distribution** – The amount of money distributed to each school district and charter school to ensure that their operating revenue, including certain local and federal revenue, is equal to their program cost. In making the distributions, the state takes certain credits and deductions, as applicable to each district and charter school:
 - The state takes credit for 75 percent of the local 0.5-mill levies and 75 percent of Federal Forest Reserve funds and most Impact Aid (formerly Public Law 874) funds, with the exception of Impact Aid funds for special education or for students living on Indian lands, which remain in the local districts. School districts retain 25 percent for operational or other purposes.
 - Districts that participate in the Utility Conservation Program have an additional amount subtracted from the program cost; that amount is held in a separate fund to be used solely for that program.
 - In addition, participating districts or charter schools⁴ also have 90 percent of their certified portion of the debt service payments on bonds authorized pursuant to the *Energy Efficiency and Renewable Energy Bonding Act* subtracted from the program cost.
- **“Save Harmless”** – In determining program cost for a small school district or a charter school with a membership of 200 or fewer students, units are calculated using either the average of the MEM on the second and third reporting dates of the prior year or the first reporting date MEM of the current year, whichever is greater. When the number of units

⁴ Charter schools located in a school district building or a state building as defined in the *Energy Efficiency and Renewable Energy Bonding Act* are eligible for this program.

calculated on the basis of current year MEM is greater than the number of units calculated on the basis of the prior year averaged MEM, the difference is referred to as “save harmless.”

ADDITIONAL BACKGROUND INFORMATION

In the past, states relied primarily on local property taxes to fund both the operational and the capital outlay needs of their school districts. New Mexico decided more than 38 years ago that a change was needed. Since its enactment in 1974, the Public School Funding Formula has been the policy method by which the New Mexico Legislature continues to provide equity in funding for all students relying upon the wealth of the state rather than the property tax wealth of individual districts. In turn, other states have followed New Mexico's example. Now, that equity is no longer a primary concern, New Mexico, as are other states, is examining what constitutes an adequate educational program and the amount of funding sufficient to meet the educational needs of its most precious resource, its children.

State Equalization Guarantee Computation

	<u>Grade Level/Program Membership</u>	<u>Times</u>	<u>Cost Differential = Units</u>		
Program Units	Kindergarten & 3- and 4-Year-Old DD	FTE MEM	×	1.44	S U M O F U N I T S
	Grade 1	MEM	×	1.20	
	Grades 2-3	MEM	×	1.18	
	Grades 4-6	MEM	×	1.045	
	Grades 7-12	MEM	×	1.25	
	<u>Special Education</u>				
	Related Services (Ancillary)	FTE STAFF	×	25.00	
	A/B Level Service	MEM	×	0.70	
	C Level Service	MEM	×	1.00	
	D Level Service	MEM	×	2.00	
3- and 4-Year-Old DD Program	MEM	×	2.00		
	<u>Bilingual Education</u>	FTE MEM	×	0.50	
	<u>Fine Arts Education</u>	FTE MEM	×	0.05	
	<u>Elementary Physical Education</u>	FTE MEM	×	0.06	
= TOTAL PROGRAM UNITS					
Adjusted Program Units	T&E INDEX MULTIPLIER → Times Value from 1.000 – 1.500				
	= ADJUSTED PROGRAM UNITS				
Add-on Units	Plus				
	D-Level Nonprofit Training Center Special Education Units				
	Size (Elementary/Junior High; Senior High; District; Rural Isolation) Units				
	New District Adjustment Units				
	At-Risk Units				
	Enrollment Growth Units				
	National Board for Professional Teaching Standards Units				
	Charter School Activities Units				
	Home School Student Activities Units				
	= TOTAL UNITS				
Plus Save Harmless Units					
= TOTAL STATEWIDE UNITS					
Total Statewide Units × Unit Value = Program Cost					
– 75% Noncategorical Revenue Credits					
– Utility Conservation Program Contract Payments					
– 90% of the Certified Amount (<i>Energy Efficiency and Renewable Energy Bonding Act</i>)					
= STATE EQUALIZATION GUARANTEE					

NOTE: In 2013, legislation was enacted to create a new section of the *Public School Finance Act* to allow home-schooled students to enroll in classes at public schools. The legislation provides for the calculation and distribution of program units beginning with school year 2014-2015. The language, however, does not specify whether or not the new units are to be multiplied by the T&E Index.

CALCULATION OF THE TRAINING AND EXPERIENCE INDEX

(as reported by the PED Manual of Procedures for the Calculation of the Training and Experience Index)

The Training and Experience (T&E) Index was developed to help districts hire and retain better educated and more experienced instructional personnel. It is used as a multiplier in the public school funding formula. All of the units generated by students in the various grade levels, by students receiving special education services, by students in bilingual and fine arts programs, and by special education ancillary staff are added together and then multiplied by the T&E Index to produce adjusted program units.

Under current law, who qualifies for a school district's calculation of the T&E Index?

- only instructional personnel¹ can be considered, including individuals assigned to the district's instructional program;
- excludes certain personnel such as:
 - principals;
 - substitute teachers;
 - instructional aides;
 - secretaries; and
 - clerks.
- includes the following categories of personnel:
 - teachers in grades 1-12;
 - special education;
 - early childhood and preschool education;
 - vocational and technical instructors;
 - other instructors;
 - coordinators/subject matter specialists;
 - library/media specialists;
 - guidance counselors/social workers;
 - registered nurses;
 - diagnosticians;
 - speech therapists;
 - occupational therapists;
 - physical/recreational therapists;
 - psychologists/counselors;
 - audiologists;
 - interpreters;
 - orientation and mobility specialists; and
 - other operational personnel/eligible staff.

¹ Instructional Staff means the personnel assigned to the instructional program of the school district or charter school, excluding principals, substitute teachers, instructional aides, secretaries, and clerks.

What other information do school districts need in order to calculate the T&E Index?

- A school district must use the:
 - October payroll to determine the number of instructional staff;
 - number of years of experience that it allows for salary increment purposes on its salary schedule; and
 - academic degree and additional semester credit hours that it allows for salary increment purposes on its salary schedule.
- Pursuant to law, the Public Education Department developed the *Manual of Procedures for the Calculation of the Training and Experience Index*, which school districts must use as a procedural guide.
- School districts can also:
 - use the following matrix, which contains cost differential factors based on academic credentials and years of experience;

Academic Classification	Years of Experience				
	0 - 2	3 - 5	6 - 8	9 - 15	Over 15
Bachelor's degree or less	.75	.90	1.00	1.05	1.05
Bachelor's degree plus 15 credit hours	.80	.95	1.00	1.10	1.15
Master's degree or bachelor's degree plus 45 credit hours	.85	1.00	1.05	1.15	1.20
Master's degree plus 15 credit hours	.90	1.05	1.15	1.30	1.35
Post-master's degree or master's degree plus 45 credit hours	1.00	1.15	1.30	1.40	1.50

- be given some autonomy in how they place eligible personnel in the matrix; depending on local desires and expectations, different districts may recognize different numbers of years of out-of-district and/or out-of-state instructional experience in determining salaries;
 - choose to limit the type of academic hours that they will count as hours earned after a bachelor's degree;
- In the past, local school board policies have been the determining factor; whatever the local decision was it needed to have a salary differential that corresponded to an individual's placement on the matrix.

How does a school district calculate the T&E Index using the matrix?

The T&E Index for each school district shall be calculated in accordance with the instructions issued by the Secretary of Public Education. The following calculations for the T&E Index shall be computed:

1. multiply the number of full-time equivalent (FTE) instructional staff in each academic classification by the numerical factor in the appropriate "years of experience" column provided in the table above;
2. add the products calculated in step 1; and
3. divide the total obtained in step 2 by the total number of FTE instructional staff.

There are two additional instructions included in statute regarding the T&E Index that require:

- the cost differential factor not be lower than 1.00 or higher than 1.50; and
- 1.12 be the designated T&E Index for newly created school districts.

Additionally, according to the *Public School Finance Act*², a charter school within their first year of operation is authorized to use the T&E Index of the school district in which it is geographically located; however, for the second and subsequent fiscal years of operation, the charter school shall use its own T&E Index.

² NMSA 1978, Section 22-8-6.1

CALCULATING THE UNIT VALUE

The **Unit Value** is established using the following calculation:

$$\text{Unit Value} = \frac{\text{Appropriated Program Cost}}{\text{Total Statewide Units}}$$

- (1) Since the *General Appropriation Act (GAA) of 1992*, the Secretary of Public Education has been required to **establish a preliminary Unit Value** for the SEG to be used for districts to establish tentative budgets based on projected units.
- (2) Each *GAA* since the *GAA of 1992* has authorized the Secretary of Public Education, upon verification of the number of units statewide, to **adjust the program unit value**.
- (3) Beginning with the *GAA of 1998*, and in *each GAA* since, it has been specified that any adjustment to the program unit value (as referenced in #2, above) may occur **no later than January 31st for the corresponding fiscal year** (e.g. for FY 13, no later than January 31, 2013).

NOTE: Appendix F provides a history of Unit Values since 1974.

**HISTORY OF THE UNIT VALUE
(1974-1975 FINAL TO 2013-2014 PRELIMINARY)**

School Year	Preliminary Unit Value	Final Unit Value	Increase/ (Decrease) from previous year	Percent Difference
1974-1975		\$616.50		
1975-1976		\$703.00	\$86.50	14.0%
1976-1977		\$800.00	\$97.00	13.8%
1977-1978		\$905.00	\$105.00	13.1%
1978-1979		\$1,020.00	\$115.00	12.7%
1979-1980		\$1,145.00	\$125.00	12.3%
1980-1981		\$1,250.00	\$105.00	9.2%
1981-1982		\$1,405.00	\$155.00	12.4%
1982-1983 ¹	\$1,540.00	\$1,511.33	\$106.33	7.6%
1983-1984		\$1,486.00	(\$25.33)	-1.7%
1984-1985		\$1,583.50	\$97.50	6.6%
1985-1986 ²	\$1,608.00	\$1,618.87	\$35.37	2.2%
1986-1987		\$1,612.51	(\$6.36)	-0.4%
1987-1988		\$1,689.00	\$76.49	4.7%
1988-1989		\$1,737.78	\$48.78	2.9%
1989-1990		\$1,811.51	\$73.73	4.2%
1990-1991		\$1,883.74	\$72.23	4.0%
1991-1992		\$1,866.00	(\$17.74)	-0.9%
1992-1993 ³	\$1,851.73	\$1,867.96	\$1.96	0.1%
1993-1994	\$1,927.27	\$1,935.99	\$68.03	3.6%
1994-1995	\$2,015.70	\$2,029.00	\$93.01	4.8%
1995-1996	\$2,113.00	\$2,113.00	\$84.00	4.1%
1996-1997	\$2,125.83	\$2,149.11	\$36.11	1.7%
1997-1998	\$2,175.00	\$2,175.00	\$25.89	1.2%
1998-1999	\$2,322.00	\$2,344.09	\$169.09	7.8%
1999-2000 ⁴	\$2,460.00	\$2,460.00	\$115.91	4.9%
2000-2001	\$2,632.32	\$2,647.56	\$187.56	7.6%
2001-2002	\$2,868.72	\$2,871.01	\$223.45	8.4%
2002-2003	\$2,896.01	\$2,889.89	\$18.88	0.7%
2003-2004	\$2,977.23	\$2,976.20	\$86.31	3.0%
2004-2005	\$3,035.15	\$3,068.70	\$92.50	3.1%
2005-2006 ⁵	\$3,185.02	\$3,198.01	\$129.31	4.2%
2006-2007 ^{6,4}	\$3,444.35	\$3,446.44	\$248.43	7.8%
2007-2008	\$3,645.77	\$3,674.26	\$227.82	6.6%
2008-2009 ⁷	\$3,892.47	\$3,871.79	\$197.53	5.4%
2009-2010	\$3,862.79 ⁸	\$3,792.65 ⁹	(\$79.14)	-2.0%
2010-2011	\$3,712.45 ¹⁰	\$3,712.17 ¹¹	(\$80.48)	-2.1%
2011-2012	\$3,585.97	\$3,598.87	(\$113.30)	-3.1%
2012-2013	\$3,668.18	\$3,673.54 ¹²	\$74.67	2.1%
2013-2014	\$3,817.55		\$144.01	3.9%

¹ The 1982-1983 General Fund appropriation was reduced by 2.0 percent.

² The final unit value includes \$10.87 due to the ½ mill redistribution (Laws 1985, Chapter 15).

³ The "floating" unit value went into effect.

⁴ The basis for funding changed to the prior-year average membership of the 40th, 80th, and 120th school days.

⁵ For FY 06, appropriated program cost contains an additional \$51.8 million to implement the third year of the five-year phase-in of the three-tiered licensure system. Although this funding was distributed based on need in FY 06, the \$51.8 million was included in the calculation of the unit value in FY 07.

⁶ The basis for funding changed to the prior-year average membership of the 80th and 120th school days.

⁷ The 2009 legislative session solvency measures resulted in a \$20.68 decrease in the FY 09 unit value.

⁸ FY 10 initial unit value comprises \$3,606.40 in General Fund dollars and \$256.39 in federal funding from the American Recovery and Reinvestment Act of 2009 (ARRA).

⁹ FY 10 final unit value comprises \$3,458.06 in General Fund dollars and \$334.59 in federal ARRA funding.

¹⁰ FY 11 initial unit value comprises \$3,674.75 in General Fund dollars and \$37.70 in federal ARRA funding.

¹¹ FY 11 final unit value comprises \$3,572.34 General Fund, \$37.85 federal ARRA funding and \$101.98 in Education Jobs funding.

¹² The Final FY 13 and FY 14 Unit Values may be adjusted based on a final decision from the U.S. Department of Education regarding a waiver request from maintenance of effort requirements for state-level funding for special education.

Sources: LESC; Issues and Answers, 1982-83; A First Look at NM Public School Budgets, 1983-84 to 1998-99; PED final funded reports 1999-00 to present; and PED correspondence.

WINNERS & LOSERS:

ELEMENTS TO CONSIDER IN MODIFYING THE STATE EQUALIZATION GUARANTEE

1. **Will this change result in an increase or decrease in the Total Statewide Units?**
 - If yes, proceed to question 2.
 - If no, verify that this is the case and consider the change as one that does not influence the calculation of the State Equalization Guarantee (SEG) distribution.

2. **How does this increase or decrease in the Total Statewide Units impact the Unit Value?**
 - It will impact the Unit Value in the following ways:
 - If it is an increase in Total Statewide Units, this will result in a decrease of the Unit Value.
 - If it is a decrease in Total Statewide Units, this will result in an increase of the Unit Value.
 - Regardless of the answer, move on to question 3.

3. **Based on the changed Unit Value, how will districts and state-chartered charter schools see their SEG distribution change?**
 - A change that modifies the Unit Value will also result in a change of the SEG distribution, resulting in an increase in funding for some districts and state-chartered charter schools (commonly referred to as “winners”) and a decrease in funding for other districts and state-chartered charter schools (commonly referred to as “losers”).

NOTES:

- In general, changes to the funding formula that increase or decrease the Total Statewide Units will impact the Unit Value and have winners and losers.
- The existence of winners and losers, however, does not necessarily imply that a proposal will not result in a positive change.

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: HB 165a

51st Legislature, 1st Session, 2013

Tracking Number: .191412.1

Short Title: School Finance Units for Small Districts

Sponsor(s): Representatives Jimmie C. Hall, Nora Espinoza, and Dennis J. Roch
and Others

Analyst: David Craig and Mark Murphy

Date: February 27, 2013

AS AMENDED

The House Education Committee amendments:

- specify that the effective date of the provisions of this act is July 1, 2015; and
- make technical and clean-up changes to:
 - strike an unnecessary term “less” that was included in Section 1, Subsection A of the original bill (see “Original Technical Issues,” below); and
 - replace the term “less” with the term “fewer” in Section 1, Subsection D of the original bill.

Original Bill Summary:

HB 165 amends sections of the *Public School Finance Act* regarding the size adjustment items in the program cost calculation, commonly known as the public school funding formula.

HB 165 adds a new paragraph to the size adjustment program unit section that:

- generates units for school districts with membership less than 200, including early childhood education, provided that the Public Education Department (PED) certifies that:
 - the school district has implemented practices to reduce scale inefficiencies,
 - including shared service agreements with regional education cooperatives (RECs) or other school districts for non-instructional functions; and
 - distance education.

Fiscal Impact:

HB 165 does not contain an appropriation.

Fiscal Issues:

As indicated in the PED agency analysis “the funding formula is a revenue generator and the final per unit amount distributed to school districts and charter schools is dependent on the final

appropriation amount.” This “per unit amount distributed to school districts and charter schools” is commonly known as the unit value.

It appears that addition of new units to the public school funding formula without a corresponding proportionate increase in appropriations to the state equalization guarantee (SEG):

- may reduce the unit value; and
- a decrease to the unit value attributable only to the addition of a new program, may decrease funding for all other programs with a program cost funded through the formula.

As illustrated in Attachment 1, if HB 165 had been in place in FY 13:

- the unit value would have decreased from \$3,673.54¹ to \$3,666.21;
- 16 districts would have qualified for 1,333 additional units resulting in a net increase to their distributions of \$4.6 million; and
- 73 districts and 51 charter schools would see a corresponding decrease of about \$4.6 million resulting from the decreased unit value.

According to the Legislative Finance Committee’s fiscal impact report (FIR), and the PED and Department of Finance and Administration (DFA) agency analyses, the provisions of HB 165 either would eliminate, or was likely to eliminate, the need for emergency supplemental provisions for Mosquero in FY 12, provided that they implemented practices to reduce scale inefficiencies.”

As shown in Attachment 2, the amount needed for preliminary budgeted emergency supplemental funding in FY 13 is \$9.87 million. HB 3, as amended by the House Education Committee, contains the following appropriations for emergency supplemental distributions:

- \$2.5 million as a recurring categorical appropriation;
- \$4.0 million for emergency supplemental support to small rural isolated districts with a total MEM of fewer than 200; and
- \$2.5 million for emergency support to school districts experiencing shortfalls.

The provisions of HB 165 would have eliminated the need for emergency supplemental for the following school districts in FY 13:

- Mosquero Municipal Schools;
- Elida Municipal Schools; and
- Roy Municipal Schools.

It, therefore, appears that without proportionate increases to funding in the SEG, HB 165 would have increased the need for emergency supplemental for the following school districts in FY 13:

- Chama Valley Independent Schools;
- Cimarron Municipal Schools;
- Fort Sumner Municipal Schools;

¹ A previous copy of this bill analysis dated February 15, 2013 indicated an incorrect unit value of \$3,6744.54. This is a typographic error; the correct final unit value for FY 13 is \$3,673.54. The February 15, 2013 analysis in Attachment 1 was performed with the correct final unit value and the footnote also reflects this typographic error.

- Las Vegas City Public Schools;
- Melrose Public Schools;
- Mesa Vista Consolidated Schools;
- Socorro Consolidated Schools;
- Springer Municipal Schools; and
- West Las Vegas Public Schools.

Based on analysis of FY 13 figures (as illustrated in Attachment 1), the amount needed to “hold harmless” any corresponding decrease in SEG distributions to non-qualifying school districts and state-chartered charter schools is about \$4.6 million. Without an increase in overall funding for the SEG, the need for emergency supplemental funding for small school districts will likely continue.

Original Technical Issues:

On page 1, line 18, the word “less” is unnecessary and should be removed because of the addition of the word “fewer” on line 19.

Committee Referrals:

HEC/HAFC

Related Bills:

CS/HB 158 *School Performance-Based Budgeting*
 HB 245 *Stop Some Indian Impact Aid Credits*
 HB 459a *Special Education Equalization Guarantee*
 HB 460 *School Management Contracts & Charter Boards*
 HB 522 *Charter Schools Federal Grant Requirements*
 HB 622 *Charter Schools as Local Agencies*
 SB 325 *Stop Some Indian Impact Aid Credits*
 SB 378 *K-3 Plus Equalization Guarantee Distribution*
 SB 379 *Vocational Education Funding Differential*
 SB 380 *Compulsory Education for Children Age 4 & Up*

**ATTACHMENT 1. COMPARISON BETWEEN FY 13 UNITS AND SEG AND HB 165
HYPOTHETICAL (Uses FY 13 Units and SEG)**

DISTRICT/ LOCALLY CHARTERED CHARTER	HB 165 Units	HB 165 Total Units	FY 13 Total Units	HB 165 SEG	FY 13 SEG	HB 165 Hold Harmless	HB 165 Revenues
ALAMOGORDO	0.000	11,086,417	11,086,417	\$39,471,857.89	\$39,552,921.33	(\$81,263.44)	
ALBUQUERQUE	0.000	161,693.720	161,693.720	\$588,949,467.57	\$590,134,982.54	(\$1,185,214.97)	
ACADEMIA DE LENGUA Y CULTURA	0.000	212.106	212.106	\$777,625.14	\$779,179.88	(\$1,554.74)	
ALB TALENT DEV SECONDARY	0.000	373.827	373.827	\$1,370,528.29	\$1,373,268.44	(\$2,740.15)	
ALICE KING COMMUNITY SCHOOL	0.000	537.140	537.140	\$1,969,268.04	\$1,973,205.28	(\$3,937.24)	
BATAAN MILITARY ACADEMY	0.000	354.788	354.788	\$1,300,727.31	\$1,303,327.91	(\$2,600.60)	
CHRISTINE DUNCAN COMMUNITY	0.000	286.502	286.502	\$1,050,376.50	\$1,052,476.56	(\$2,100.06)	
CORRALES INTERNATIONAL	0.000	571.858	571.858	\$2,096,551.52	\$2,100,743.24	(\$4,191.72)	
DIGITAL ARTS & TECH ACADEMY	0.000	585.761	585.761	\$2,147,522.84	\$2,151,816.48	(\$4,293.62)	
EL CAMINO REAL	0.000	777.871	777.871	\$2,851,838.44	\$2,857,540.23	(\$5,701.79)	
GORDON BERNELL	0.000	1,160.604	1,160.604	\$4,255,017.99	\$4,263,525.22	(\$8,507.23)	
LA ACADEMIA DE ESPERANZA	0.000	965.890	965.890	\$3,541,155.58	\$3,548,235.55	(\$7,079.97)	
LOS PUENTES	0.000	528.702	528.702	\$1,938,332.56	\$1,942,207.95	(\$3,875.39)	
MONTESSORI OF THE RIO GRANDE	0.000	315.140	315.140	\$1,155,369.42	\$1,157,679.40	(\$2,309.98)	
MOUNTAIN MAHOGANY	0.000	374.054	374.054	\$1,371,360.52	\$1,374,102.33	(\$2,741.81)	
NATIVE AMERICAN COMM ACAD.	0.000	650.525	650.525	\$2,384,961.26	\$2,389,729.61	(\$4,768.35)	
NUESTROS VALORES	0.000	310.683	310.683	\$1,139,029.12	\$1,141,306.43	(\$2,277.31)	
PAPA	0.000	680.886	680.886	\$2,496,271.06	\$2,501,261.96	(\$4,990.90)	
ROBERT F. KENNEDY	0.000	683.832	683.832	\$2,507,071.72	\$2,512,064.21	(\$5,012.49)	
SIA TECH	0.000	673.009	673.009	\$2,467,392.33	\$2,472,325.48	(\$4,933.15)	
SOUTH VALLEY	0.000	642.125	642.125	\$2,354,165.10	\$2,358,871.87	(\$4,706.77)	
TWENTY FIRST CENT.	0.000	402.490	402.490	\$1,475,612.86	\$1,478,563.11	(\$2,950.25)	
ALBUQUERQUE W/CHARTERS	0.000	\$172,781.51	\$172,781.51	\$629,599,645.17	\$630,866,133.66	(\$1,266,488.49)	
ANIMAS	0.000	661.981	661.981	\$2,408,171.83	\$2,413,024.15	(\$4,852.32)	
ARTESIA	0.000	6,757.632	6,757.632	\$24,175,800.87	\$24,225,334.32	(\$49,533.45)	
AZTEC	0.000	5,595.978	5,595.978	\$20,210,014.75	\$20,251,033.27	(\$41,018.52)	
MOSAIC ACADEMY CHARTER	0.000	323.288	323.288	\$1,185,241.70	\$1,187,611.40	(\$2,369.70)	
AZTEC W/CHARTERS	0.000	\$5,919.27	\$5,919.27	\$21,395,256.45	\$21,438,644.67	(\$43,388.22)	
BELEN	0.000	7,995.778	7,995.778	\$29,177,728.04	\$29,236,337.09	(\$58,609.05)	
BERNALILLO	0.000	6,514.813	6,514.813	\$21,733,514.97	\$21,781,268.55	(\$47,753.58)	
BLOOMFIELD	0.000	5,539.080	5,539.080	\$19,674,158.32	\$19,714,759.77	(\$40,601.45)	
CAPITAN	0.000	1,067.172	1,067.172	\$3,822,681.48	\$3,830,503.85	(\$7,822.37)	
CARLSBAD	0.000	12,219.736	12,219.736	\$44,265,094.57	\$44,354,665.24	(\$89,570.67)	
JEFFERSON MONT. ACAD.	0.000	469.744	469.744	\$1,722,180.15	\$1,725,623.37	(\$3,443.22)	
CARLSBAD W/CHARTERS	0.000	\$12,689.48	\$12,689.48	\$45,987,274.72	\$46,080,288.61	(\$93,013.89)	
CARRIZOZO	34.130	475.998	441.868	\$1,724,307.40	\$1,602,418.54		\$121,888.86
CENTRAL CONS.	0.000	11,885.412	11,885.412	\$28,666,577.60	\$28,753,697.67	(\$87,120.07)	
CHAMA VALLEY	0.000	1,087.408	1,087.408	\$3,913,772.27	\$3,921,742.97	(\$7,970.70)	
CIMARRON	0.000	977.571	977.571	\$3,451,340.33	\$3,458,505.92	(\$7,165.59)	
MORENO VALLEY HIGH	0.000	241.415	241.415	\$885,078.09	\$886,847.66	(\$1,769.57)	
CIMARRON W/CHARTERS	0.000	\$1,218.99	\$1,218.99	\$4,336,418.42	\$4,345,353.58	(\$8,935.16)	
CLAYTON	0.000	1,358.982	1,358.982	\$4,934,624.65	\$4,944,585.99	(\$9,961.34)	
CLOUDCROFT	0.000	960.790	960.790	\$3,478,097.61	\$3,485,140.20	(\$7,042.59)	
CLOVIS	0.000	14,888.575	14,888.575	\$54,267,290.86	\$54,376,424.12	(\$109,133.26)	
COBRE CONS.	0.000	3,184.565	3,184.565	\$11,500,699.31	\$11,524,042.17	(\$23,342.86)	
CORONA	116.552	359.573	243.021	\$1,299,451.53	\$673,928.76		\$425,522.77
CUBA	0.000	1,485.784	1,485.784	\$4,707,640.04	\$4,718,530.84	(\$10,890.80)	

**ATTACHMENT 1. COMPARISON BETWEEN FY 13 UNITS AND SEG AND HB 165
HYPOTHETICAL (Uses FY 13 Units and SEG)**

DISTRICT/ LOCALLY CHARTERED CHARTER	HB 165 Units	HB 165 Total Units	FY 13 Total Units	HB 165 SEG	FY 13 SEG	HB 165 Hold Harmless	HB 165 Revenues
DEMING	0.000	9,324.343	9,324.343	\$33,998,746.05	\$34,067,093.48	(\$68,347.43)	
DEMING CESAR CHAVEZ	0.000	386.526	386.526	\$1,417,085.49	\$1,419,918.72	(\$2,833.23)	
DEMING W/CHARTERS	0.000	\$9,710.87	\$9,710.87	\$35,415,831.54	\$35,487,012.20	(\$71,180.66)	
DES MOINES	112.762	363.179	253.076	\$1,323,202.23	\$921,396.56		\$401,805.67
DEXTER	0.000	2,055.635	2,055.635	\$7,514,818.50	\$7,529,886.31	(\$15,067.81)	
DORA	0.000	678.550	678.550	\$2,477,475.30	\$2,482,449.07	(\$4,973.77)	
DULCE	0.000	1,640.211	1,640.211	\$3,638,220.82	\$3,650,243.57	(\$12,022.75)	
ELIDA	51.287	443.537	392.250	\$1,617,923.26	\$1,432,769.57		\$185,153.71
ESPAÑOLA	0.000	7,942.327	7,942.327	\$28,569,237.82	\$28,627,455.08	(\$58,217.26)	
CARINOS DE LOS ESPAÑOLA	0.000	542.626	542.626	\$1,989,380.87	\$1,993,358.32	(\$3,977.45)	
ESPAÑOLA	0.000	\$8,484.95	\$8,484.95	\$30,558,618.09	\$30,620,813.40	(\$62,194.71)	
ESTANCIA	0.000	1,984.395	1,984.395	\$7,234,623.93	\$7,249,169.55	(\$14,545.62)	
EUNICE	0.000	1,252.764	1,252.764	\$4,366,414.65	\$4,375,597.41	(\$9,182.76)	
FARMINGTON	0.000	18,251.525	18,251.525	\$66,372,108.42	\$66,505,892.10	(\$133,783.68)	
NEW MEXICO VIRTUAL ACADEMY	0.000	727.746	727.746	\$2,668,069.66	\$2,673,404.04	(\$5,334.38)	
FARMINGTON W/CHARTER	0.000	\$18,979.27	\$18,979.27	\$69,040,178.08	\$69,179,296.14	(\$139,118.06)	
FLOYD	0.000	644.003	644.003	\$2,354,903.24	\$2,359,623.78	(\$4,720.54)	
FT. SUMNER	0.000	874.288	874.288	\$3,185,269.91	\$3,191,678.44	(\$6,408.53)	
GADSDEN	0.000	25,931.963	25,931.963	\$94,848,415.57	\$95,038,496.86	(\$190,081.29)	
ANTHONY CHARTER	0.000	230.169	230.169	\$843,847.89	\$845,535.03	(\$1,687.14)	
GADSDEN W/CHARTER	0.000	\$26,162.13	\$26,162.13	\$95,692,263.46	\$95,884,031.89	(\$191,768.43)	
GALLUP	0.000	21,058.613	21,058.613	\$58,050,666.74	\$58,205,026.37	(\$154,359.63)	
MIDDLE COLLEGE HIGH	0.000	197.865	197.865	\$725,414.64	\$726,864.99	(\$1,450.35)	
GALLUP W/CHARTER	0.000	\$21,256.48	\$21,256.48	\$58,776,081.38	\$58,931,891.38	(\$155,809.98)	
GRADY	90.367	392.466	302.099	\$1,435,801.27	\$1,106,711.26		\$329,090.01
GRANTS	0.000	7,238.325	7,238.325	\$24,057,581.89	\$24,110,638.81	(\$53,056.92)	
HAGERMAN	0.000	1,013.019	1,013.019	\$3,703,377.67	\$3,710,803.10	(\$7,425.43)	
HATCH	0.000	2,507.978	2,507.978	\$9,173,077.03	\$9,191,460.51	(\$18,383.48)	
HOBBS	0.000	15,275.935	15,275.935	\$55,567,974.41	\$55,679,947.01	(\$111,972.60)	
HONDO	22.355	476.177	455.822	\$1,734,684.71	\$1,656,067.76		\$78,616.95
HOUSE	85.945	403.558	317.613	\$1,475,779.13	\$1,163,014.81		\$312,764.32
JAL	0.000	915.437	915.437	\$3,248,941.06	\$3,255,651.22	(\$6,710.16)	
JEMEZ MOUNTAIN	0.000	843.379	843.379	\$2,763,048.28	\$2,769,230.25	(\$6,181.97)	
LINDRITH AREA HERITAGE	0.000	60.473	60.473	\$221,706.72	\$222,149.98	(\$443.26)	
JEMEZ MOUNTAIN W/CHARTERS	0.000	\$903.85	\$903.85	\$2,984,755.00	\$2,991,380.23	(\$6,625.23)	
JEMEZ VALLEY	0.000	913.490	913.490	\$2,417,230.70	\$2,423,926.58	(\$6,695.88)	
SAN DIEGO RIVERSIDE CHARTER	0.000	219.647	219.647	\$805,272.03	\$806,882.04	(\$1,610.01)	
JEMEZ VALLEY W/CHARTER	0.000	\$1,133.14	\$1,133.14	\$3,222,502.73	\$3,230,808.62	(\$8,305.89)	
LAKE ARTHUR	60.362	437.717	386.976	\$1,571,817.10	\$1,388,626.48		\$183,190.62
LAS CRUCES	0.000	45,523.076	45,523.076	\$166,080,701.21	\$166,414,385.36	(\$333,684.15)	
LA ACADEMIA DOLORES HUERTA	0.000	307.186	307.186	\$1,126,208.39	\$1,128,460.06	(\$2,251.67)	
LAS MONTAÑAS	0.000	556.161	556.161	\$2,039,003.02	\$2,043,079.68	(\$4,076.66)	
LAS CRUCES W/CHARTER	0.000	\$46,386.42	\$46,386.42	\$169,245,912.62	\$169,585,925.10	(\$340,012.48)	
LAS VEGAS CITY	0.000	3,677.844	3,677.844	\$13,370,630.36	\$13,397,588.96	(\$26,958.60)	
LOGAN	0.000	801.184	801.184	\$2,917,245.54	\$2,923,118.22	(\$5,872.68)	
LORDSBURG	0.000	1,345.981	1,345.981	\$4,870,227.95	\$4,880,093.99	(\$9,866.04)	
LOS ALAMOS	0.000	6,910.632	6,910.632	\$24,955,306.00	\$25,005,960.94	(\$50,654.94)	
LOS LUNAS	0.000	14,786.462	14,786.462	\$53,992,711.20	\$54,101,095.97	(\$108,384.77)	
LOVING	0.000	1,417.317	1,417.317	\$5,136,020.28	\$5,146,409.21	(\$10,388.93)	
LOVINGTON	0.000	7,115.363	7,115.363	\$25,809,687.48	\$25,861,843.10	(\$52,155.62)	
MAGDALENA	0.000	1,061.585	1,061.585	\$3,511,703.56	\$3,519,484.98	(\$7,781.42)	
MAXWELL	104.045	419.374	322.239	\$1,531,915.58	\$1,178,160.29		\$353,755.29
MELROSE	0.000	563.446	563.446	\$2,056,949.86	\$2,061,079.92	(\$4,130.06)	
MESA VISTA	0.000	1,057.507	1,057.507	\$3,846,313.99	\$3,854,065.51	(\$7,751.52)	
MORA	0.000	1,246.322	1,246.322	\$4,509,671.45	\$4,518,806.99	(\$9,135.54)	

**ATTACHMENT 1. COMPARISON BETWEEN FY 13 UNITS AND SEG AND HB 165
HYPOTHETICAL (Uses FY 13 Units and SEG)**

DISTRICT/ LOCALLY CHARTERED CHARTER	HB 165 Units	HB 165 Total Units	FY 13 Total Units	HB 165 SEG	FY 13 SEG	HB 165 Hold Harmless	HB 165 Revenues
MORIARTY	0.000	5,729.037	5,729.037	\$20,818,302.72	\$20,860,296.56	(\$41,993.84)	
MOSQUERO	148.275	313.325	165.050	\$1,115,446.76	\$573,049.28		\$542,397.47
MOUNTAINAIR	0.000	852.252	852.252	\$3,101,495.25	\$3,107,742.26	(\$6,247.01)	
PEGOS	0.000	1,445.010	1,445.010	\$5,268,777.96	\$5,279,369.89	(\$10,591.93)	
PENASCO	0.000	1,263.817	1,263.817	\$4,583,385.82	\$4,592,649.60	(\$9,263.78)	
POJOAQUE	0.000	3,764.662	3,764.662	\$12,523,673.22	\$12,551,468.19	(\$27,594.97)	
PORTALES	0.000	5,584.626	5,584.626	\$20,389,313.34	\$20,430,248.65	(\$40,935.31)	
QUEMADO	38.957	476.244	459.629	\$1,235,222.65	\$1,177,677.65		\$57,545.00
QUESTA	0.000	1,063.710	1,063.710	\$3,821,055.43	\$3,828,852.42	(\$7,796.99)	
ROOTS & WINGS	0.000	141.148	141.148	\$517,478.21	\$518,512.82	(\$1,034.61)	
QUESTA W/CHARTERS	0.000	\$1,204.86	\$1,204.86	\$4,338,533.64	\$4,347,365.24	(\$8,831.60)	
RATON	0.000	2,482.931	2,482.931	\$9,048,144.63	\$9,066,344.52	(\$18,199.89)	
RESERVE	37.950	519.789	481.839	\$1,410,880.91	\$1,275,280.12		\$135,600.79
RIO RANCHO	0.000	29,007.822	29,007.822	\$105,862,036.58	\$106,074,663.92	(\$212,627.34)	
ROSWELL	0.000	17,583.419	17,583.419	\$64,192,539.24	\$64,321,425.70	(\$128,886.46)	
SIDNEY GUTIERREZ	0.000	164.678	164.678	\$603,744.13	\$604,951.22	(\$1,207.09)	
ROSWELL W/CHARTER	0.000	\$17,748.10	\$17,748.10	\$64,796,283.37	\$64,926,376.92	(\$130,093.55)	
ROY	158.230	292.936	134.706	\$1,071,225.14	\$492,108.13		\$579,117.01
RUIDOSO	0.000	3,928.307	3,928.307	\$13,966,843.94	\$13,995,638.43	(\$28,794.49)	
SAN JON	76.120	435.397	380.844	\$1,591,509.34	\$1,394,298.17		\$197,211.17
SANTA FE	0.000	22,346.005	22,346.005	\$80,860,500.67	\$81,024,296.89	(\$163,796.22)	
ACAD FOR TECH & CLASSICS	0.000	705.112	705.112	\$2,585,088.67	\$2,590,257.14	(\$5,168.47)	
MONTE DEL SOL	0.000	845.936	845.936	\$3,101,379.02	\$3,107,579.73	(\$6,200.71)	
TIERRA ENCANTADA CHARTER	0.000	660.638	660.638	\$2,422,037.64	\$2,426,880.12	(\$4,842.48)	
TURQUOISE TRAIL	0.000	839.976	839.976	\$3,079,528.41	\$3,085,685.44	(\$6,157.03)	
SANTA FE	0.000	\$25,397.67	\$25,397.67	\$92,048,534.41	\$92,234,699.32	(\$186,164.91)	
SANTA ROSA	0.000	1,530.352	1,530.352	\$5,581,089.06	\$5,592,306.54	(\$11,217.48)	
SILVER CITY CONS.	0.000	6,113.102	6,113.102	\$22,093,969.78	\$22,138,778.82	(\$44,809.04)	
SOCORRO	0.000	3,356.732	3,356.732	\$12,066,645.80	\$12,091,250.64	(\$24,604.84)	
COTTONWOOD CHARTER	0.000	311.609	311.609	\$1,142,424.03	\$1,144,708.13	(\$2,284.10)	
SOCORRO W/CHARTERS	0.000	\$3,668.34	\$3,668.34	\$13,209,069.83	\$13,235,958.77	(\$26,888.94)	
SPRINGER	0.000	594.143	594.143	\$2,168,301.56	\$2,172,656.63	(\$4,355.07)	
TAOS	0.000	4,932.711	4,932.711	\$17,804,149.04	\$17,840,305.81	(\$36,156.77)	
ANANSI CHARTER	0.000	276.703	276.703	\$1,014,451.31	\$1,016,479.54	(\$2,028.23)	
TAOS CHARTER	0.000	366.583	366.583	\$1,343,970.26	\$1,346,657.31	(\$2,687.05)	
VISTA GRANDE	0.000	346.957	346.957	\$1,272,017.22	\$1,274,560.42	(\$2,543.20)	
TAOS W/CHARTER	0.000	\$5,922.95	\$5,922.95	\$21,434,587.83	\$21,478,003.08	(\$43,415.25)	
TATUM	0.000	859.315	859.315	\$3,102,850.00	\$3,109,148.78	(\$6,298.78)	
TEXICO*	0.000	1,318.860	1,318.860	\$4,812,689.22	\$4,822,356.46	(\$9,667.24)	
TRUTH OR CONSEQ.	0.000	2,647.037	2,647.037	\$9,477,131.58	\$9,496,534.36	(\$19,402.78)	
TUCUMCARI	0.000	2,143.369	2,143.369	\$7,829,661.61	\$7,845,372.51	(\$15,710.90)	
TULAROSA	0.000	1,977.081	1,977.081	\$6,985,735.11	\$7,000,227.12	(\$14,492.01)	
VAUGHN	69.482	446.603	377.121	\$1,619,986.88	\$1,368,015.58		\$251,971.30
WAGON MOUND	127.025	373.336	246.311	\$1,355,477.02	\$891,582.15		\$463,894.87
WEST LAS VEGAS	0.000	3,337.359	3,337.359	\$12,145,961.79	\$12,170,424.63	(\$24,462.84)	
RIO GALLINAS CHARTER SCHOOL	0.000	237.020	237.020	\$868,965.09	\$870,702.45	(\$1,737.36)	
WEST LAS VEGAS W/CHARTER	0.000	\$3,574.38	\$3,574.38	\$13,014,926.88	\$13,041,127.08	(\$26,200.20)	
ZUNI	0.000	2,592.843	2,592.843	\$5,291,150.18	\$5,310,155.71	(\$19,005.53)	
STATE CHARTERED CHARTERS AND STATE TOTALS	HB 165 Units	HB 165 Total Units	FY 13 Total Units	HB 165 SEG	FY 13 SEG	HB 165 Hold Harmless	HB 165 Revenues
ACADEMY OF TRADES & TECH ST. CHARTER (APS)	0.000	331.291	331.291	\$1,214,582.38	\$1,217,010.74	(\$2,428.36)	
ACE (APS)	0.000	693.346	693.346	\$2,541,952.04	\$2,547,034.26	(\$5,082.22)	
ALBUQUERQUE INSTI. MATH & SCI. (AIMS) ST. (APS)	0.000	622.185	622.185	\$2,281,060.87	\$2,285,621.48	(\$4,560.61)	

**ATTACHMENT 1. COMPARISON BETWEEN FY 13 UNITS AND SEG AND HB 165
HYPOTHETICAL (Uses FY 13 Units and SEG)**

STATE CHARTERED CHARTERS AND STATE TOTALS	HB 165 Units	HB 165 Total Units	FY 13 Total Units	HB 165 SEG	FY 13 SEG	HB 165 Hold Harmless	HB 165 Revenues
ALBUQUERQUE SCHOOL OF EXCELLENCE ST. CHAR (APS)	0.000	571.099	571.099	\$2,093,768.86	\$2,097,955.02	(\$4,186.16)	
ALBUQUERQUE SIGN LANGUAGE ST. CHARTER (APS)	0.000	332.113	332.113	\$1,217,596.00	\$1,220,030.39	(\$2,434.39)	
ALDO LEOPOLD ST. CHARTER (SILVER CITY)	0.000	320.002	320.002	\$1,173,194.53	\$1,175,540.15	(\$2,345.62)	
ALMA D' ARTE STATE CHARTER (LAS CRUCES)	0.000	461.582	461.582	\$1,892,256.54	\$1,695,639.94	(\$3,383.40)	
AMY BIEHL ST. CHARTER (APS)	0.000	718.740	718.740	\$2,635,051.78	\$2,640,320.14	(\$5,268.36)	
ASK ACADEMY ST. CHARTER (RIO RANCHO)	0.000	543.677	543.677	\$1,993,234.05	\$1,997,219.21	(\$3,985.16)	
CESAR CHAVEZ COMM. ST. CHARTER (APS)	0.000	504.442	504.442	\$1,849,390.30	\$1,853,087.86	(\$3,697.56)	
CIEN AGUAS INTERNATIONAL ST. CHARTER (APS)	0.000	503.231	503.231	\$1,844,950.52	\$1,848,639.21	(\$3,688.69)	
CORAL COMMUNITY (APS)	0.000	130.385	130.385	\$478,018.79	\$478,974.51	(\$955.72)	
COTTONWOOD CLASSICAL ST. CHARTER (APS)	0.000	830.144	830.144	\$3,043,482.23	\$3,049,567.19	(\$6,084.96)	
CREATIVE ED. PREP INST #1 ST. CHARTER	0.000	463.559	463.559	\$1,699,504.84	\$1,702,902.53	(\$3,397.69)	
EAST MOUNTAIN ST. CHARTER (APS)	0.000	641.587	641.587	\$2,352,192.68	\$2,356,895.51	(\$4,702.83)	
ESTANCIA VALLEY (MORIARTY)	0.000	555.982	555.982	\$2,038,346.77	\$2,042,422.12	(\$4,075.35)	
GILBERT L. SENA STATE CHARTER (APS)	0.000	497.015	497.015	\$1,822,161.36	\$1,825,804.48	(\$3,643.12)	
HORIZON ACADEMY WEST ST. CHARTER (APS)	0.000	662.993	662.993	\$2,430,671.57	\$2,435,531.31	(\$4,859.74)	
INT'L SCHOOL MESA DEL SOL ST. CHARTER (APS)	0.000	455.293	455.293	\$1,669,199.75	\$1,672,537.05	(\$3,337.30)	
J. PAUL TAYLOR ACADEMY (LAS CRUCES)	0.000	311.069	311.069	\$1,140,444.28	\$1,142,724.41	(\$2,280.13)	
LA PROMESA ST. CHARTER (APS)	0.000	569.030	569.030	\$2,086,183.48	\$2,090,354.47	(\$4,170.99)	
LA RESOLANA LEADERSHIP (APS)	0.000	212.918	212.918	\$780,602.10	\$782,162.79	(\$1,560.69)	
LA TIERRA MONTESSORI	0.000	162.199	162.199	\$594,655.60	\$595,844.51	(\$1,188.91)	
LEARNING COMMUNITY (APS)	0.000	464.751	464.751	\$1,703,874.76	\$1,707,281.39	(\$3,406.63)	
MASTERS PROGRAM ST. CHARTER (SFPS)	0.000	375.424	375.424	\$1,376,383.22	\$1,379,135.08	(\$2,751.86)	
MCCURDY CHARTER SCHOOL (ESPANOLA)	0.000	793.306	793.306	\$2,908,426.38	\$2,914,241.32	(\$5,814.93)	
MEDIA ARTS COLLAB. ST. CHARTER (APS)	0.000	480.488	480.488	\$1,761,569.91	\$1,765,091.89	(\$3,521.98)	
MISSION ACHIEVEMENT & SUCCESS-MAS (APS)	0.000	265.797	265.797	\$974,467.62	\$976,415.91	(\$1,948.29)	
MONTESSORI ELEMMENTARY ST. CHARTER (APS)	0.000	534.307	534.307	\$1,958,881.67	\$1,962,798.14	(\$3,916.47)	

**ATTACHMENT 1. COMPARISON BETWEEN FY 13 UNITS AND SEG AND HB 165
HYPOTHETICAL (Uses FY 13 Units and SEG)**

STATE CHARTERED CHARTERS AND STATE TOTALS	HB 165 Units	HB 165 Total Units	FY 13 Total Units	HB 165 SEG	FY 13 SEG	HB 165 Hold Harmless	HB 165 Revenues
NEW AMERICA CHARTER SCHOOL ST. CH. (APS)	0.000	682.999	682.999	\$2,504,017.76	\$2,509,024.15	(\$5,006.39)	
NEW AMERICA SCHOOL (LAS CRUCES)	0.000	517.083	517.083	\$1,895,734.87	\$1,899,525.08	(\$3,790.21)	
NEW MEXICO INTERNATIONAL SCHOOL (APS)	0.000	317.303	317.303	\$1,163,299.43	\$1,165,625.26	(\$2,325.83)	
NEW MEXICO SCHOOL FOR THE ARTS ST. CH (SANTA FE)	0.000	480.602	480.602	\$1,761,987.86	\$1,765,510.67	(\$3,522.81)	
NORTH VALLEY ACADEMY ST. CHARTER (APS)	0.000	717.852	717.852	\$2,631,796.18	\$2,637,058.04	(\$5,261.86)	
RALPH J. BUNCHE ACADEMY (APS)	0.000	201.566	201.566	\$738,983.28	\$740,460.76	(\$1,477.48)	
RED RIVER VALLEY (QUESTA)	0.000	144.295	144.295	\$529,015.77	\$530,073.45	(\$1,057.68)	
SAGE MONTESSORI CHARTER (APS)	0.000	278.218	278.218	\$1,020,005.61	\$1,022,044.95	(\$2,039.34)	
SCHOOL OF DREAMS ST. CHARTER (LOS LUNAS)	0.000	833.250	833.250	\$3,054,869.48	\$3,060,977.21	(\$6,107.73)	
SOUTH VALLEY PREP ST. CHARTER (APS) ²	0.000	291.625	291.625	\$1,069,158.49	\$1,071,296.10	(\$2,137.61)	
SOUTHWEST AER.,MATH & SCIENCE- SAMS (APS)	0.000	566.146	566.146	\$2,075,610.13	\$2,079,759.98	(\$4,149.85)	
SOUTHWEST INTERMEDIATE LEARNING CENTER (APS)	0.000	252.943	252.943	\$927,342.16	\$929,196.23	(\$1,854.07)	
SOUTHWEST PRIMARY LEARNING CENTER (APS)	0.000	230.894	230.894	\$846,505.89	\$848,198.34	(\$1,692.45)	
SOUTHWEST SECONDARY LEARNING CENTER (APS)	0.000	622.564	622.564	\$2,262,450.36	\$2,267,013.76	(\$4,563.40)	
TAOS ACADEMY ST. CHARTER (TAOS)	0.000	454.089	454.089	\$1,664,785.63	\$1,668,114.11	(\$3,328.48)	
TAOS INTEGRATED SCHOOL OF ARTS ST. (TAOS)	0.000	291.338	291.338	\$1,068,106.29	\$1,070,241.80	(\$2,135.51)	
THE GREAT ACADEMY (APS)	0.000	569.866	569.866	\$2,089,248.43	\$2,093,425.55	(\$4,177.12)	
TIERRA ADENTRO ST. CHARTER (APS)	0.000	503.085	503.085	\$1,844,415.26	\$1,848,102.87	(\$3,687.61)	
UPLIFT COMMUNITY SCHOOL (APS)	0.000	213.785	213.785	\$783,780.70	\$785,347.75	(\$1,567.05)	
VILLAGE ACADEMY ST. CHARTER (BERNALILLO)	0.000	107.826	107.826	\$395,312.76	\$396,103.12	(\$790.36)	
WALATOWA CHARTER SCHOOL (JEMEZ VALLEY)	0.000	230.531	230.531	\$845,175.06	\$846,864.85	(\$1,689.79)	
WILLIAM W & JOSEPHINE DORN	0.000	23.821	23.821	\$87,332.79	\$87,507.40	(\$174.61)	
STATEWIDE TOTAL	1333.844	636,686.639	636,415.894	\$2,267,182,657.40	\$2,267,181,437.96	(\$4,618,306.37)	\$4,619,525.81
(DIFFERENCES IN SEG DUE TO ROUNDING)					\$1,219.44		\$1,219.44

Note: Assumes Unit Value decreases from \$3,673.54 to \$3,666.21 due to no appropriation.

Attachment 2COMPARISON OF FY 13 BUDGETED EMERGENCY
SUPPLEMENTAL AND HB 165

	Budgeted 2012-2013	HB 165 SEG Impact	Need after HB 165
Carrizozo	\$265,000	\$121,888.86	\$143,111.14
Chama	\$701,906	(\$7,970.70)	\$709,876.70
Cimarron	\$433,593	(\$8,935.16)	\$442,528.16
Corona	\$540,000	\$425,522.77	\$114,477.23
Des Moines	\$560,000	\$401,805.67	\$158,194.33
Elida	\$105,000	\$185,153.71	\$0.00
Ft. Sumner	\$145,828	(\$6,408.53)	\$152,236.53
Grady	\$565,850	\$329,090.01	\$236,759.99
Hondo	\$222,000	\$78,616.95	\$143,383.05
House	\$335,000	\$312,764.32	\$22,235.68
Lake Arthur	\$661,169	\$183,190.62	\$477,978.38
Las Vegas City	\$500,000	(\$26,958.60)	\$526,958.60
Maxwell	\$549,500	\$353,755.29	\$195,744.71
Melrose	\$265,000	(\$4,130.06)	\$269,130.06
Mesa Vista	\$163,175	(\$7,751.52)	\$170,926.52
Mosquero	\$520,000	\$542,397.47	\$0.00
Quemado	\$543,000	\$57,545.00	\$485,455.00
Reserve	\$647,044	\$135,600.79	\$511,443.21
Roy	\$19,846	\$579,117.01	\$0.00
San Jon	\$0	\$197,211.17	N/A
Socorro	\$300,000	(\$24,604.84)	\$324,604.84
Springer	\$285,000	(\$4,355.07)	\$289,355.07
Vaughn	\$404,415	\$251,971.30	\$152,443.70
Wagon Mound	\$795,000	\$463,894.87	\$331,105.13
West Las Vegas	\$350,000	(\$26,200.20)	\$376,200.20
TOTAL	\$9,877,326		\$6,234,148.23
HB 165 Reduction			\$3,643,177.77

SOURCE: LESC of Final Funded Figures and PED Stat Books

HOUSE BILL 165

51ST LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2013

INTRODUCED BY

Jimmie C. Hall

AN ACT

RELATING TO PUBLIC SCHOOL FINANCE; PROVIDING ADDITIONAL UNITS FOR SCHOOL DISTRICTS WITH FEWER THAN TWO HUNDRED STUDENTS.

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

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

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

A. An approved public school with a MEM of less fewer than 400, including early childhood education full-time-equivalent MEM but excluding membership in class C and class D programs and excluding full-time-equivalent membership in three- and four-year-old developmentally disabled programs, is eligible for additional program units. Separate schools established to provide special programs, including but not limited to vocational and alternative education, shall not be

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underscored material = new
[bracketed material] = delete

1 classified as public schools for purposes of generating size
 2 adjustment program units. The number of additional program
 3 units to which a school district is entitled under this
 4 subsection is the sum of elementary-junior high units and
 5 senior high units computed in the following manner:

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

9 where MEM is equal to the membership of an approved elementary
 10 or junior high school, including early childhood education
 11 full-time-equivalent membership but excluding membership in
 12 class C and class D programs and excluding full-time-equivalent
 13 membership in three- and four-year-old developmentally disabled
 14 programs;

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

18 or,

$$\begin{array}{l} \text{Senior High Units} \\ \underline{400 - \text{MEM}} \times 1.6 \times \text{MEM} = \text{Units} \\ 400 \end{array}$$

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

25 B. A school district with total MEM of less than

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1 4,000, including early childhood education full-time-equivalent
 2 MEM, is eligible for additional program units. The number of
 3 additional program units to which a school district is entitled
 4 under this subsection is the number of district units computed
 5 in the following manner:

6 District Units

$$7 \quad \frac{4,000 - MEM}{4,000} \times 0.15 \times MEM = \text{Units}$$

8 4,000

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

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

$$20 \quad \frac{4,000 - MEM}{4,000} \times 0.50 = \text{Units}$$

21 Senior High Schools

22 where MEM is equal to the total district membership, including
 23 early childhood education full-time-equivalent membership, and
 24 where senior high schools are equal to the number of approved
 25 regular senior high schools in the school district.

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