| 1 | SENATE BILL 640 |
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| 2 | 52ND LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2015 |
| 3 | INTRODUCED BY |
| 4 | Mimi Stewart |
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| 9 | |
| 10 | AN ACT |
| 11 | RELATING TO PUBLIC SCHOOLS; PROVIDING A NEW PUBLIC SCHOOL |
| 12 | FUNDING FORMULA; PROVIDING FOR MAINTENANCE AND PERIODIC |
| 13 | RECALIBRATION OF THE FORMULA; PROVIDING FOR A PER-STUDENT |
| 14 | SUFFICIENT COST; PROVIDING AN INDEX OF STAFF QUALIFICATIONS; |
| 15 | REQUIRING ANNUAL EDUCATIONAL PLANS FOR STUDENT SUCCESS; |
| 16 | REQUIRING OPERATING BUDGETS TO BE ALIGNED WITH SCHOOL DISTRICT |
| 17 | OR CHARTER SCHOOL EDUCATIONAL PLANS FOR STUDENT SUCCESS; |
| 18 | REQUIRING ACCOUNTABILITY; USING A CENSUS-BASED SPECIAL |
| 19 | EDUCATION IDENTIFICATION RATE FOR SCHOOL DISTRICTS; CLARIFYING |
| 20 | FINANCIAL RESPONSIBILITY FOR SPECIAL EDUCATION; CREATING A |
| 21 | FUND; AMENDING, REPEALING AND ENACTING SECTIONS OF THE NMSA |
| 22 | 1978. |
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| 24 | BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO: |

SECTION 1. A new section of the Public School Code is .198493.1

1 enacted to read:

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"[NEW MATERIAL] FINDINGS--PURPOSE OF 2015 EDUCATION REFORM. --

The legislature finds that education reform in Α. New Mexico has been a multi-year process that began in 1999 with the creation of the education initiatives and accountability task force. That task force reported the 7 results of its work to the 2001 legislative session, and the 8 legislature passed a bill that was subsequently vetoed by the governor. In 2003, the legislature again passed the bill, commonly referred to as "House Bill 212", and the governor signed it. That bill enacted the first part of education reform, which was based on the need to attract and retain highly qualified teachers to teach New Mexico's multicultural student population and to hold teachers and administrators accountable for student success. That educational reform recognized the importance of integrating the cultural strengths of New Mexico into the curriculum with high expectations for all students. In 2007, the legislature addressed the need for a rigorous and relevant high school curriculum, as expressed in House Bill 212, by enacting what is popularly known as "high school redesign". The goal of that legislation is to prepare students for success in college and the workplace.

The legislature finds that the next step toward Β. true educational reform was taken in 2005, when the legislature .198493.1 - 2 -

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passed, and the governor signed, legislation to appoint a task force of legislators and educators to direct an independent study of the state's funding formula.

The purpose of this 2015 act is to establish a 4 C. 5 new, simplified funding formula for public schools that is based on student need, grade composition and scale of 6 7 operations for school districts and charter schools. The 8 formula, and the attendant accountability that is provided, 9 strengthen the goals of the overall education reform begun in 2003's House Bill 212. This 2015 reform links increased 10 funding that will be provided through the adoption and full 11 12 implementation of the new funding formula to each school district's and charter school's educational plan for student 13 14 The educational plan and the attendant site-specific success. school plans are the means to inform statutory provisions such 15 as the Assessment and Accountability Act, kindergarten plus and 16 K-3 plus, high school redesign, the Indian Education Act, the 17 Bilingual Multicultural Education Act, the Fine Arts Education 18 Act, the Mathematics and Science Education Act and other 19 20 curricula-specific provisions of the Public School Code."

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

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

A. "academic proficiency" means mastery of the subject-matter knowledge and skills specified in state academic .198493.1 - 3 -

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1 content and performance standards for a student's grade level; 2 Β. "adequate yearly progress" means the measure 3 adopted by the department based on federal requirements to assess the progress that a public school or school district or 4 5 the state makes toward improving student achievement; C. "commission" means the public education 6 commission; 7 "cost factor demographic data" means a school 8 D. district's or charter school's student-need data pertaining to 9 poverty, English language learners, special education and 10 mobility; 11 12 E. "December enrollment" means the total enrollment in a public school or school district on December 1 or the 13 14 first working day in December; $[D_{\cdot}]$ <u>F</u>. "department" means the public education 15 department; 16 G. "dyslexia" means a condition of neurological 17 origin that is characterized by difficulty with accurate or 18 fluent word recognition and by poor spelling and decoding 19 20 abilities, which characteristics typically result from a deficit in the phonological component of language that is often 21 unexpected in relation to other cognitive abilities and the 22 provision of effective classroom instruction and may result in 23 problems in reading comprehension and reduced reading 24 experience that may impede the growth of vocabulary and 25 .198493.1

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background knowledge;

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"educational plan" means the educational plan н. for student success of a school district or charter school; I. "February enrollment" means the total enrollment in a public school or school district on the second Wednesday in February;

 $[\underline{E_{\cdot}}] \underline{J_{\cdot}}$ "home school" means the operation by the 7 parent of a school-age person of a home study program of 8 9 instruction that provides a basic academic educational program, including reading, language arts, mathematics, social studies 10 and science; 11

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

[G.] L. "licensed school employee" means teachers, school administrators and instructional support providers;

[H.] M. "local school board" means the policysetting body of a school district;

[1.] N. "local superintendent" means the chief executive officer of a school district;

0. "October enrollment" means the total enrollment .198493.1

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<u>in a public school or school district on the second Wednesday</u> <u>in October;</u>

[J.] P. "parent" includes a guardian or other person having custody and control of a school-age person;

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

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

S. "qualified student" means a student who:

(1) has not graduated from high school;

(2) is regularly enrolled in one-half or more of the minimum course requirements approved by the department for public school students; and

(3) in terms of age:

(a) is at least five years of age prior to 12:01 a.m. on September 1 of the school year or will be five years of age prior to 12:01 a.m. on September 1 of the school year if the student is enrolled in a public school extended-.198493.1

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| 1 | year kindergarten program that begins prior to the start of the |
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| 2 | regular school year; |
| 3 | (b) is at least three years of age at |
| 4 | any time during the school year and is receiving special |
| 5 | education pursuant to rules of the department; or |
| 6 | (c) has not reached the student's |
| 7 | twenty-second birthday on the first day of the school year and |
| 8 | is receiving special education in accordance with federal law; |
| 9 | T. "response to intervention" means a multitiered |
| 10 | intervention model that uses a set of increasingly intensive |
| 11 | academic or behavioral supports, matched to student need, as a |
| 12 | framework for making educational programming and eligibility |
| 13 | decisions; |
| 14 | $[M_{\bullet}]$ <u>U.</u> "school" means a supervised program of |
| 15 | instruction designed to educate a student in a particular |
| 16 | place, manner and subject area; |
| 17 | [N.] V. "school administrator" means a person |
| 18 | licensed to administer in a school district and includes school |
| 19 | principals and central district administrators; |
| 20 | $[\Theta_{\bullet}]$ <u>W</u> . "school-age person" means a person who is |
| 21 | at least five years of age prior to 12:01 a.m. on September 1 |
| 22 | of the school year and who has not received a high school |
| 23 | diploma or its equivalent. A maximum age of twenty-one shall |
| 24 | be used for a <u>school-age</u> person who is classified as <u>needing</u> |
| 25 | special education [membership as defined in Section 22-8-21 |
| | .198493.1 - 7 - |
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1 NMSA 1978 or as a resident of a state institution]; 2 [P.] X. "school building" means a public school, an 3 administration building and related school structures or facilities, including teacher housing, that is owned, acquired 4 5 or constructed by the school district as necessary to carry out the functions of the school district; 6 7 [Q.] Y. "school bus private owner" means a person, other than a school district, the department, the state or any 8 9 other political subdivision of the state, that owns a school 10 bus; [R.] Z. "school district" means an area of land 11 12 established as a political subdivision of the state for the administration of public schools and segregated geographically 13 14 for taxation and bonding purposes; [S.] AA. "school employee" includes licensed and 15 nonlicensed employees of a school district; 16 [T.] BB. "school principal" means the chief 17 instructional leader and administrative head of a public 18 19 school; [U.] CC. "school year" means the total number of 20 contract days offered by public schools in a school district 21 during a period of twelve consecutive months; 22 $[\Psi$.] <u>DD.</u> "secretary" means the secretary of public 23 education; 24 EE. "special education" means the provision of 25 .198493.1

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services additional to, supplementary to or different from those provided in the general school program of a public school to students who are required by the federal Individuals with Disabilities Education Act to have an individualized education program, and including developmentally disabled three- and four-year-old children attending public school;

FF. "student assistance team" means a school-based
group whose purpose, based on procedures and guidelines
established by the department, is to provide additional
educational support to students who are experiencing
difficulties that are preventing them from benefiting from
general instruction;

[W.] <u>GG.</u> "state agency" or "state institution" means the New Mexico military institute, New Mexico school for the blind and visually impaired, New Mexico school for the deaf, New Mexico boys' school, girls' welfare home, New Mexico youth diagnostic and development center, Sequoyah adolescent treatment center, Carrie Tingley crippled children's hospital, New Mexico behavioral health institute at Las Vegas and any other state agency responsible for educating resident children;

[X.] <u>HH.</u> "state educational institution" means an institution enumerated in Article 12, Section 11 of the constitution of New Mexico;

<u>II. "student" means a school-age person who is a</u> public school student;

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[Y.] JJ. "substitute teacher" means a person who 1 2 holds a certificate to substitute for a teacher in the 3 classroom:

[Z.] <u>KK.</u> "teacher" means a person who holds a level one, two or three-A license and whose primary duty is classroom instruction or the supervision, below the school principal 7 level, of an instructional program or whose duties include curriculum development, peer intervention, peer coaching or 8 9 mentoring or serving as a resource teacher for other teachers;

[AA.] LL. "certified school instructor" means a 10 teacher or instructional support provider; and

[BB.] MM. "certified school employee" or "certified school personnel" means a licensed school employee."

SECTION 3. Section 22-2-8.1 NMSA 1978 (being Laws 1986, Chapter 33, Section 2, as amended by Laws 2011, Chapter 35, Section 1 and by Laws 2011, Chapter 154, Section 1) is amended to read:

"22-2-8.1. SCHOOL YEAR--LENGTH OF SCHOOL DAY--MINIMUM.--

A. A school year consists of at least one hundred eighty full instructional days for a regular school year calendar, exclusive of any release time for in-service training. A school year consists of at least one hundred fifty-one full instructional days for a four-day school year calendar, exclusive of any release time for in-service .198493.1

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| 1 | training. Beginning with the 2017-2018 school year, a school |
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| 2 | year consists of at least one hundred eighty-five full |
| 3 | instructional days for a regular school calendar, exclusive of |
| 4 | any release time for in-service training. Beginning in the |
| 5 | 2017-2018 school year, a school year consists of at least one |
| 6 | <u>hundred fifty-six full instructional days for a four-day school</u> |
| 7 | year calendar, exclusive of any release time for in-service |
| 8 | training. Except as provided in Subsection B of this section, |
| 9 | days or parts of days that are lost to weather, in-service |
| 10 | training or other events that are not school-directed programs |
| 11 | shall be made up so that students are given a full school year. |
| 12 | $[A_{\bullet}]$ <u>B.</u> Except as otherwise provided in this |
| 13 | section, regular students shall be in school-directed programs, |
| 14 | exclusive of lunch, for a minimum of the following: |
| 15 | (1) kindergarten, for half-day programs, two |
| 16 | and one-half hours per day [or four hundred fifty hours per |
| 17 | year] or, for full-day programs, five and one-half hours per |
| 18 | day [or nine hundred ninety hours per year]; |
| 19 | (2) grades one through six, five and |
| 20 | one-half hours per day [or nine hundred ninety hours per year]; |
| 21 | and |
| 22 | (3) grades seven through twelve, six hours per |
| 23 | day. [or one thousand eighty hours per year. |
| 24 | B.] C. Up to thirty-three hours of the full-day |
| 25 | kindergarten program may be used for home visits by the teacher |
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or for parent-teacher conferences. Up to twenty-two hours of grades one through six programs may be used for home visits by the teacher or for parent-teacher conferences. Up to twelve hours of grades seven through twelve programs may be used to consult with parents to develop next step plans for students and for parent-teacher conferences.

[C.] <u>D.</u> Nothing in this section precludes a local school board from setting a school year or the length of school days in excess of the minimum requirements established by [<u>Subsection</u>] <u>Subsections</u> A <u>and B</u> of this section.

 $[\underline{\mathcal{P}}_{\cdot}]$ $\underline{\mathbb{E}}_{\cdot}$ The secretary may waive the minimum length of school days in those school districts where such minimums would create undue hardships as defined by the department as long as the school year is adjusted to ensure that students in those school districts receive the same total instructional time as other students in the state.

[G.] F. Notwithstanding any other provision of this section, provided that instruction occurs simultaneously, time when breakfast is served or consumed pursuant to a state or federal program shall be deemed to be time in a school-directed program and is part of the instructional day."

SECTION 4. A new section of the Assessment and Accountability Act is enacted to read:

"[<u>NEW MATERIAL</u>] EDUCATIONAL PLAN FOR STUDENT SUCCESS--.198493.1

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EDUCATIONAL PROGRAMMING .--

2 Α. As used in this section: "demographic data" means a school 3 (1) district's funding formula cost factor demographic data and 4 any other demographic data or health status data required by 5 the department or collected by the school district for the 6 7 purposes of determining educational programming and focusing 8 the educational plan; 9 (2) "educational programming" includes curricula; support services, including library and media, 10 school counseling, health services and athletic and activity 11 12 programs; and academic improvement strategies, including extended school year, before- and after-school programs, 13 14 credit recovery and summer school courses, tutoring and other response to intervention or remediation programs; 15 "local school board" includes governing 16 (3) bodies of charter schools; and 17 "school district" includes charter (4) 18 19 schools. 20 Β. The department shall adopt and promulgate rules to implement the provisions of this section. 21 C. The department shall verify, monitor and 22 evaluate educational plans through the budget approval 23 process and otherwise throughout the year. The department 24 shall ensure that each educational plan is developed and 25 .198493.1 - 13 -

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1 implemented as provided in this section and the rules of the 2 department and that results are evaluated for effectiveness 3 each year. Under the policy direction of the local school 4 D. board, each school district shall: 5 develop, implement and assess a 6 (1)7 district-level, student-centered "educational plan for student success" as a long-range strategic plan to improve 8 9 academic achievement and success for all students; (2) use a strategic planning model that is 10 approved by the department; and 11 12 (3) include the required school plans of public schools that are part of the school district, 13 excluding charter schools, and ensure that those plans are 14 aligned with the educational plan. 15 The chartering authority shall approve a Ε. 16 charter school's educational plan based on the plan's 17 alignment with the charter. 18 19 F. The educational plan shall: 20 (1)be specific, measurable, realistic and attainable and include the school plan of each public school 21 in the school district, excluding charter schools, and 22 specify how each of the school plans shall be evaluated and 23 aligned with the educational plan; 24 solicit the input of school district 25 (2) .198493.1 - 14 -

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1 staff, students, parents, businesses, post-secondary 2 educational institutions, tribal governments within the school district and other interested residents in the 3 4 community at large; address the major core issues identified 5 (3) through the public input process; 6 7 (4) implement the department's standards of excellence, including the content standards and benchmarks, 8 9 and other programmatic requirements of state and federal law and rules adopted in accordance with those laws; 10 include focus areas and goals that (5) 11 12 address student needs based on demographic data and student academic achievement data: 13 identify areas of student need that must 14 (6) be addressed to ensure that students meet the educational 15 benchmarks specified in the state content standards and 16 17 benchmarks: identify resources to address student (7) 18 19 needs, including such items as: 20 (a) highly qualified teachers, academic coaches, resource teachers, interventionists, 21 specialists, counselors, educational assistants and other 22 instructional support personnel, and how staffing assignments 23 of these personnel shall be used in a proactive manner to 24 assist students in need of particular services; 25 .198493.1

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1 professional development and time (b) for in-school collaboration for instructional staff: 2 (c) administrative and classroom 3 technology and access to distance learning opportunities for 4 students and staff; 5 (d) parental involvement and outreach 6 7 initiatives; involvement by post-secondary 8 (e) 9 educational institutions, tribal governments and the business community; and 10 other resources identified by the (f) 11 12 school district or department; implement the state and district 13 (8) 14 assessment systems; demonstrate student progress toward the (9) 15 educational plan's focus areas and goals; 16 (10) provide for a comprehensive and 17 periodic evaluation of the educational plan by the school 18 19 district; and 20 (11)be updated annually and submitted to the department by March 1 or another date determined by the 21 department. 22 G. Each school district shall oversee the 23 development, implementation, assessment and evaluation of all 24 site-level school plans and shall ensure that those plans are 25 .198493.1 - 16 -

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| 1 | aligned with the school district's educational plan. |
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| 2 | H. School plans shall include: |
| 3 | (1) data-based strategies and activities to |
| 4 | support each of the school district-level focus areas and |
| 5 | goals; |
| 6 | (2) identification of persons responsible |
| 7 | for the implementation of the strategies and activities; |
| 8 | (3) time lines for the start and completion |
| 9 | of those strategies and activities; |
| 10 | (4) the educational programming targeted to |
| 11 | the school's demographic data and student academic |
| 12 | achievement; |
| 13 | (5) formal and informal professional |
| 14 | development activities that support each of the school |
| 15 | district-level focus areas and goals; and |
| 16 | (6) availability of school, district, |
| 17 | community and family resources that support each of the |
| 18 | school district-level focus areas and goals. |
| 19 | I. Each public school shall involve school staff, |
| 20 | parents and community members in the development and |
| 21 | evaluation of the school plan. |
| 22 | J. The educational plan shall include the cost |
| 23 | factor demographic data of each public school and the school |
| 24 | district and shall link educational programming to those and |
| 25 | other demographic data and the student academic achievement |
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data reported pursuant to the Assessment and Accountability
 Act.

K. Educational programming shall be assessed through the educational plan. As part of the approval process of the educational plan and the operating budget of a school district, the department shall consider how the school district proposes to address specifically the needs of lowincome students, students who are not proficient in English, students whose education is disrupted by mobility, students in need of special education and gifted students.

L. Based on the demographic profiles of students, student academic achievement data and the department's standards of excellence, the educational plan shall include educational programming for:

(1) bilingual and multicultural education,
including culturally relevant learning environments,
educational opportunities and culturally relevant
instructional materials;

(2) health and wellness, including physicaleducation, athletics, nutrition and health education;

(3) career-technical education;

(4) visual and performing arts and music;

(5) gifted education, advanced placement and honors programs;

(6) special education; and

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(7) distance education.

2 M. The local school board shall approve the
3 educational plan and submit it to the department.

N. The secretary shall disapprove an educational plan in whole or in part if it does not meet the requirements of this section or other provisions of the Public School Code. The secretary shall provide the local school board and the school district with a written report that specifies which parts of the educational plan the secretary is disapproving, reasons for the disapproval and suggestions for improvement. The school district has thirty days to submit a revised educational plan, during which time the department shall assist the school district as requested.

O. If the local school board does not approve a revised educational plan or if the department does not recommend approval of the revised educational plan, the secretary shall hold a public hearing within twenty days after the revised educational plan was due.

P. The secretary shall appoint an impartial and knowledgeable person to serve as the hearing officer to conduct the public hearing. All parties, including the public, shall be given an opportunity to present their views about the original educational plan and any revisions to that plan. The hearing officer shall make recommendations to the secretary within ten days of the public hearing. The .198493.1

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1 secretary shall make the final decision based on the hearing 2 officer's recommendations. The decision of the secretary may 3 be appealed to the district court as provided in Section 39-3-1.1 NMSA 1978. The final educational plan shall be 4 5 aligned with the department-approved operating budget." SECTION 5. A new section of the Public School Finance 6 7 Act is enacted to read: 8 "[NEW MATERIAL] 2015 FUNDING FORMULA--FINDINGS AND 9 PURPOSE . --The legislature finds that based on a two-year 10 Α. study to determine the best method of funding a sufficient 11 12 public education for New Mexico's children, the state, school 13 districts and charter schools would be better served by a new 14 funding formula that incorporates: a smaller and simplified set of student-15 (1)needs weighting factors to achieve a more equitable 16 distribution of the state's equalization guarantee; 17 18 (2) a simplified set of programmatic weights 19 that accounts for grade level composition for elementary, 20 middle and high school students; and a weighting schedule that accounts 21 (3) separately for the scale of school district and charter 22 school operations. 23 The legislature finds further that the 2015 Β. 24 25 funding formula: .198493.1

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1 (1) avoids unnecessary complexity by focusing directly on the factors associated with student 2 3 needs and scale; appropriately promotes and preserves 4 (2) both vertical and horizontal equity across school districts; 5 (3) minimizes incentives to pursue funding 6 7 not directly linked to student needs; and captures components in the pre-2015 8 (4) 9 funding formula and is more precise in measuring student need and scale. 10 C. The legislature finds further that the cost 11 12 factors used in the 2015 funding formula better measure need by addressing special cost differentials associated with 13 students that have special educational needs as well as 14 particular types of local educational agency. The poverty, 15 English language learner and special education cost factors 16 measure those federally recognized attributes that 17 unambiguously reflect the special educational needs of 18 students. The cost factor for mobility recognizes the 19 20 significant impact of disruption on students' educational experience. The cost factors for grade level enrollment 21 address the knowledge gained from educational research and 22 experience that educating students becomes more expensive as 23 they progress through the educational system from elementary 24 through secondary school. Total school district or charter 25 .198493.1

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school enrollment is included as a cost factor that accounts for relative economies of scale in the delivery of educational services.

The legislature finds further that the federal 4 D. No Child Left Behind Act of 2001 has required states to 5 employ highly qualified teachers to teach students in core 6 7 academic subjects. The federal Individuals with Disabilities Education Act requires highly qualified personnel to provide 8 9 holistic services for students in need of special education, as well as staff who are qualified to intervene before 10 students are classified as needing special education. To 11 12 carry out these mandates, and to continue encouraging school districts to hire and retain highly qualified teachers and 13 instructional support providers, the 2015 funding formula 14 replaces the training and experience index with an index of 15 staff qualifications to provide the means to cover the costs 16 associated with increased academic qualifications and 17 experience for these personnel." 18

SECTION 6. Section 22-8-2 NMSA 1978 (being Laws 1978, Chapter 128, Section 3, as amended) is repealed and a new Section 22-8-2 NMSA 1978 is enacted to read:

"22-8-2. [<u>NEW MATERIAL</u>] DEFINITIONS.--As used in the Public School Finance Act:

A. "base per-student cost" means the reference value cost of providing an educational program to a qualified .198493.1 - 22 -

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student attending the average size district with the average
 composition of enrollment across grade ranges kindergarten
 through five, six through eight and nine through twelve and
 with no formula adjustments applied;

B. "cost factor" means a measure of student need,
grade level composition, scale of operations or staff
qualifications;

8 C. "enrollment" means the number of qualified
9 students on the current roll of a class or public school on a
10 specified day;

D. "formula adjustment" means a component of the funding formula that accounts for a differential cost associated with a cost factor;

14 E. "governing body" means the governing body of a 15 charter school;

F. "growth" means that a school district's or charter school's current-year October total enrollment is greater than its prior-year October total enrollment;

G. "head administrator" means the person
responsible for the day-to-day operations of a charter
school;

H. "mobility rate" means the district-level student-weighted average percentage of total enrollment that entered or left the school over the school year;

I. "operating budget" means the annual financial
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plan required to be submitted to the department by a local
 school board or governing body;

J. "public money" or "public funds" means all money from public or private sources received by a school district or charter school or officer or employee of a school district or charter school for public use;

K. "sufficient per-student cost" means the base per-student cost multiplied by the applicable formula adjustments;

L. "total enrollment" means the number of qualified students on a school's or charter school's roll on a specified day in all grade levels and in programs for three- and four-year-old developmentally disabled qualified students; and

M. "total program cost" means the sufficient perstudent cost multiplied by the number of students in a school district or charter school."

SECTION 7. A new section of the Public School Finance Act is enacted to read:

"[<u>NEW MATERIAL</u>] ESTABLISHMENT OF ENROLLMENT.--The current roll of a class, public school and school district or charter school is established by the addition of original entries and re-entries minus withdrawals. Withdrawals of qualified students, in addition to qualified students formally withdrawn from the public school, include qualified .198493.1

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students absent from the public school for as many as ten consecutive school days; provided that withdrawals do not include truants and habitual truants with whom the school district or charter school is required to intervene and keep in an educational setting as provided in Section 22-12-9 NMSA 1978."

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

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

Prior to April 15 of each year, each local Α. school board shall submit to the department an operating budget for the school district [and any charter schools in the district] for the ensuing fiscal year. Upon written approval of the [state superintendent] secretary, the date for the submission of the proposed operating budget as required by this section may be extended to a later date fixed by the [state superintendent] secretary.

Β. The operating budget required by this section may include:

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

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estimates of the cost of contracts for (2)

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1 the transportation of students for terms extending up to four 2 years.

[C. The operating budget required by this section 3 shall include a proposed breakdown for charter schools in the 4 school district, by individual charter school budget for each 5 charter school of the membership projected for each charter 6 school, the total program units generated at that charter 7 school and approximate anticipated disbursements and 8 9 expenditures at each charter school. [D.] C. If a local school board fails to submit a 10 budget pursuant to this section, the department shall prepare 11 12 the operating budget for the school district for the ensuing fiscal year. [A local school board shall be considered as 13 failing to submit a] 14 D. The department shall not approve an operating 15 budget pursuant to this section if the budget submitted: 16 (1) exceeds the total projected resources of 17 the school district [or if the budget submitted]; 18 (2) does not comply with the law or with 19 20 rules and procedures of the department; or (3) except as provided in Subsection D of 21 Section 22-8-11 NMSA 1978, is not aligned with the school 22 district's approved educational plan." 23 SECTION 9. Section 22-8-6.1 NMSA 1978 (being Laws 1993, 24 Chapter 227, Section 8, as amended) is repealed and a new 25 .198493.1

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Section 22-8-6.1 NMSA 1978 is enacted to read:

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"22-8-6.1. [<u>NEW MATERIAL</u>] CHARTER SCHOOL BUDGETS.--

A. Prior to April 15 of each year, the governing body of each state-chartered charter school shall submit its proposed operating budget to the charter schools division of the department for its approval or amendment pursuant to the Public School Finance Act and the Charter Schools Act. To receive final budget approval, the operating budget must be aligned to the school's approved educational plan.

Prior to April 15 of each year, the governing Β. body of each locally chartered charter school shall submit its proposed operating budget at the same time to the department and the school district that chartered it. In order to be approved, the operating budget must be aligned to the charter school's approved educational plan. The operating budget shall be submitted to the local school board for approval. The approval authority of the local school board is limited to ensuring that sound fiscal practices are followed in the development of the operating budget and that the operating budget is within the allotted resources. The local school board shall have no veto authority over individual line items within the operating budget, but shall only approve or disapprove the operating budget in its entirety. The local school board shall notify the department of its approval or disapproval of the operating budget, .198493.1

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1 including its reasons for disapproval.

2 C. Upon written approval of the secretary, the 3 date for submission of a proposed operating budget may be extended to a later date fixed by the secretary. If the 4 governing body fails to submit its proposed operating budget 5 pursuant to this section, the department shall prepare the 6 7 operating budget for the charter school for the ensuing fiscal year. A governing body shall be considered as failing 8 9 to submit an operating budget pursuant to this section if the operating budget submitted: 10

11 (1) exceeds the total projected resources of 12 the charter school;

(2) does not comply with the law or withrules and procedures of the department; or

(3) except as provided in Subsection D of Section 22-8-11 NMSA 1978, is not aligned with the charter school's approved educational plan.

D. For the first year of operation, the proposed operating budget of a charter school shall be based on the projected enrollment and cost factor demographic data of that charter school and the index of staff qualifications of the school district in which the charter school is geographically located. The operating budget shall be adjusted based on the actual October enrollment and cost factor demographic data. For second and subsequent years of operation, the operating .198493.1

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1 budget shall be based on the charter school's own cost factor 2 demographic data and index of staff qualifications." SECTION 10. Section 22-8-8 NMSA 1978 (being Laws 1967, 3 Chapter 16, Section 62, as amended) is amended to read: 4 "22-8-8. OPERATING BUDGETS--MINIMUM STUDENT 5 [MEMBERSHIP] ENROLLMENT .-- Without prior approval of the 6 7 [state superintendent] secretary, no local school board or 8 governing body shall maintain or provide [a] an operating 9 budget allowance for a public school having an [average daily 10 membership] enrollment of [less] fewer than eight." SECTION 11. Section 22-8-9 NMSA 1978 (being Laws 1967, 11 12 Chapter 16, Section 63, as amended) is amended to read: 13 "22-8-9. **OPERATING BUDGETS--MINIMUM REQUIREMENTS.--**14 Α. [A] <u>An operating</u> budget for a school district 15 shall not be approved by the department that does not provide for: 16 17 (1)a school year and school day as provided in Section 22-2-8.1 NMSA 1978; and 18 19 (2) a [pupil-teacher ratio or] class or 20 teaching load as provided in Section 22-10A-20 NMSA 1978. B. Beginning with the 2017-2018 school year, an 21 operating budget for a school district shall not be approved 22 by the department that does not provide for a school year 23 established pursuant to Section 22-2-8.1 NMSA 1978. Teachers 24 25 and instructional support staff shall be paid for four days .198493.1 - 29 -

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2 instructional planning.

[B.] <u>C.</u> The department shall, by rule, establish the requirements for an instructional day, the standards for an instructional hour and the standards for a full-time teacher and for the equivalent [thereof] of those."

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

9 "22-8-11. <u>OPERATING</u> BUDGETS--APPROVAL OF [OPERATING
10 BUDGET].--

A. <u>On or before July 1 of each year</u>, the department shall:

13 (1) [on or before July 1 of each year] 14 approve and certify [to] the operating budget for each 15 [local] school [board] district and [governing body of a 16 state-chartered] charter school. [an operating budget for 17 use by the school district or state-chartered charter school;

(2)] <u>The department may</u> make corrections, revisions and amendments to the operating budgets fixed by the local school boards or governing bodies [of state- chartered charter schools and the secretary] to conform the <u>operating</u> budgets to the requirements of law and to the department's rules and procedures; and

[(3)] (2) ensure that a local school board or governing body of a charter school is prioritizing .198493.1
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resources of a public school rated D or F toward proven programs and methods that are linked to improved student achievement until the public school earns a grade of C or better for two consecutive years.

B. No school district or [state-chartered] charter school or officer or employee of a school district or [state-chartered] charter school shall make any expenditure or incur any obligation for the expenditure of public [funds] money unless that expenditure or obligation is made in accordance with an operating budget approved by the department. This prohibition does not prohibit the transfer of [funds] money pursuant to the department's rules and procedures.

C. The department shall not approve and certify an operating budget of any school district or [statechartered] charter school that [fails to] does not align with the educational plan and demonstrate that parental involvement in the budget process was solicited.

D. The department may approve a conditional operating budget if a school district's or charter school's educational plan is in the process of being approved as provided in Section 4 of this 2015 act. After the secretary's final decision on the educational plan, the conditional operating budget shall be aligned with the department-approved educational plan and become the operating .198493.1

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1 budget for the applicable fiscal year." 2 SECTION 13. Section 22-8-12.1 NMSA 1978 (being Laws 3 1978, Chapter 128, Section 5, as amended) is amended to read: 4 "22-8-12.1. [MEMBERSHIP] SUFFICIENT PER-STUDENT COST 5 PROJECTIONS AND BUDGET REQUESTS .--6 Α. Beginning with projections for the 2016-2017 7 school year, each [local school board or governing body of a 8 state-chartered] school district and charter school shall 9 submit annually, on or before October 15, to the department: 10 an estimate for the succeeding fiscal (1)year of: 11 12 (a) the [membership of qualified students to be enrolled in the basic program] enrollment by 13 14 grade level; the full-time-equivalent 15 (b) [membership of students to be enrolled] enrollment in 16 approved early childhood education programs; [and] 17 18 (c) the [membership of students to be 19 enrolled] enrollment in approved special education programs; 20 and (d) the cost factor demographic data 21 by grade level; 22 (2) all other information necessary to 23 calculate total program [costs] cost; and 24 25 (3) any other information related to the .198493.1 - 32 -

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1 financial needs of the school district or [state-chartered] 2 charter school as may be requested by the department. 3 Β. All information requested pursuant to Subsection A of this section shall be submitted on forms 4 prescribed and furnished by the department and shall comply 5 with the department's rules and procedures. 6 7 C. The department shall: review the financial needs of each (1)8 9 school district [or state-chartered] and charter school for the succeeding fiscal year; and 10 submit annually, on or before November (2) 11 12 [30] 20, to the secretary of finance and administration the recommendations of the department for: 13 14 (a) amendments to the public school [finance] funding formula; 15 (b) appropriations for the succeeding 16 fiscal year to the public school fund for inclusion in the 17 executive budget document; and 18 19 (c) appropriations for the succeeding 20 fiscal year for [pupil] student transportation and instructional materials." 21 SECTION 14. Section 22-8-13 NMSA 1978 (being Laws 1974, 22 Chapter 8, Section 3, as amended) is amended to read: 23 "22-8-13. REPORTS.--24 Each public school shall keep accurate records 25 Α. .198493.1 - 33 -

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1 concerning [membership] enrollment in the public school. 2 Β. The dates for which [MEM] enrollment is 3 reported are as follows: the first reporting date, the second 4 (1) 5 Wednesday in October; the second reporting date, December 1 or 6 (2) 7 the first working day in December; and 8 the third reporting date, the second (3) 9 Wednesday in February. The [superintendent of] department may require 10 C. enrollment or other reports at other times specified by the 11 12 department. D. Each school district [or head administrator of 13 a state-chartered] and charter school shall maintain the 14 following reports for each enrollment reporting period: 15 the [basic program MEM] enrollment and 16 (1) cost factor demographic data by grade in each public school; 17 the early childhood education [MEM] (2) 18 19 enrollment; 20 (3) the special education [MEM in each public school in class C and class D programs as defined in 21 Section 22-8-21 NMSA 1978; 22 (4) the number of class A and class B 23 programs as defined in Section 22-8-21 NMSA 1978] enrollment; 24 25 and .198493.1 - 34 -

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[(5)] <u>(4)</u> the [full-time-equivalent MEM] enrollment for bilingual multicultural education programs.

[D. The superintendent of] E. Each school district and [the head administrator of each state-chartered] charter school shall furnish all reports, <u>including financial</u> <u>reports</u>, required by law or the department to the department within ten working days of the close of each reporting period. Failure of the department to approve timely submissions shall not cause a school district or charter school to be found noncompliant with the requirements of this section. For purposes of this section, "working day" means every calendar day excluding Saturdays, Sundays and legal holidays.

 $[E_{\cdot}]$ <u>F</u>. All information required pursuant to this section shall be on forms prescribed and furnished by the department. A copy of any report made pursuant to this section shall be kept as a permanent record of the school district or charter school and shall be subject to inspection and audit at any reasonable time.

 $[F_{\tau}]$ <u>G.</u> The department may withhold up to one hundred percent of <u>the</u> allotments of funds to any school district or [state-chartered] charter school [where] when the <u>local</u> superintendent or head administrator has failed to comply with the requirements of this section. Withholding may continue until the <u>local</u> superintendent or head .198493.1

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administrator complies with and agrees to continue complying
 with requirements of this section.

[G.] H. The provisions of this section may be 3 modified or suspended by the department for any school 4 district or [school or state-chartered] charter school 5 operating under the Variable School Calendar Act. 6 The 7 department shall require [MEM] reports consistent with the calendar of operations of [such] the school district or 8 9 [school or state-chartered] charter school and shall calculate an equivalent [MEM] enrollment for use in 10 projecting school district or charter school revenue." 11

SECTION 15. Section 22-8-14 NMSA 1978 (being Laws 1967, Chapter 16, Section 69, as amended) is amended to read: "22-8-14. PUBLIC SCHOOL FUND.--

A. The "public school fund" is created <u>in the</u> <u>state treasury. The fund consists of appropriations,</u> <u>earmarked revenue, income from investment of the fund and any</u> other money credited to the fund.

B. The public school fund shall be distributed to school districts and state-chartered charter schools in the following parts:

(1) state equalization guaranteedistribution;(2) transportation distribution; an

(2) transportation distribution; and(3) supplemental distributions:

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| 1 | (a) out-of-state tuition to school |
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| 2 | districts; |
| 3 | (b) emergency; and |
| 4 | (c) program enrichment. |
| 5 | C. The distributions of the public school fund |
| 6 | shall be made by the department within limits established by |
| 7 | law. The balance remaining in the public school fund at the |
| 8 | end of each fiscal year shall <u>not</u> revert to the general fund |
| 9 | [unless otherwise provided by law]. |
| 10 | D. Until the funding formula provided for in |
| 11 | Section 22-8-18 NMSA 1978 is implemented, all revenue, except |
| 12 | appropriations in the general appropriation act, dedicated to |
| 13 | public school purposes by law or constitutional amendment |
| 14 | that is approved after January 1, 2015 shall be credited to a |
| 15 | separate account in the public school fund. Money |
| 16 | sequestered in this separate account shall not be counted as |
| 17 | part of a state reserve for bonding or any other purpose |
| 18 | other than to provide the marginal sufficiency cost of |
| 19 | implementing the funding formula as provided in Subsection O |
| 20 | <u>of Section 22-8-18 NMSA 1978.</u> " |
| 21 | SECTION 16. Section 22-8-17 NMSA 1978 (being Laws 1974, |
| 22 | Chapter 8, Section 7, as amended) is amended to read: |
| 23 | "22-8-17. <u>TOTAL</u> PROGRAM COST DETERMINATIONREQUIRED |
| 24 | INFORMATION |
| 25 | A. The <u>department shall calculate the total</u> |
| | .198493.1 |

- 37 -

1 program cost for each school district and charter school 2 [shall be determined by the department] in accordance with the provisions of the Public School Finance Act. 3 The department is authorized to require from 4 Β. each school district and charter school the information 5 necessary to make an accurate determination of the district's 6 7 or charter school's total program cost." SECTION 17. Section 22-8-18 NMSA 1978 (being Laws 1974, 8 9 Chapter 8, Section 8, as amended) is repealed and a new Section 22-8-18 NMSA 1978 is enacted to read: 10 "22-8-18. [NEW MATERIAL] PROJECTED SUFFICIENT PER-11 12 STUDENT COST CALCULATION FOR SCHOOL DISTRICTS AND CHARTER SCHOOLS--LOCAL RESPONSIBILITY .--13 14 Α. As used in this section: "ENR" means total enrollment; (1) 15 "exp" means the exponential function 16 (2) 17 with its base being the mathematical constant e; and 18 (3) "ln" means natural logarithm. 19 Β. The cost factors used to determine the 20 sufficient per-student cost for a school district or charter school are: 21 poverty, which is measured by the (1) 22 percentage of qualified students in a school who qualified 23 for free or reduced-price lunch as of September 30 of the 24 25 prior school year; .198493.1 - 38 -

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1 English language learners, which is (2) 2 measured by the percentage of qualified students designated as English language learners based on a department-approved 3 English language proficiency assessment; 4 special education, which is measured by 5 (3) sixteen percent of the number of qualified students for 6 7 school districts and by the percentage of qualified students who are required by the federal Individuals with Disabilities 8 9 Education Act to have an individualized education program for the delivery of special education, including developmentally 10 disabled three- and four-year-old qualified students, for 11 12 charter schools; mobility, which is the mobility rate (4) 13 14 determined by the following formula: 1-(1÷(1+ statewide mobility ratio)), where the mobility ratio is determined 15

(5) the percent of total district enrollmentin grades six through eight;

(6) the percent of total district enrollmentin grades nine through twelve;

(7) the total district enrollment; and

(8) the weighted index of staff

qualifications.

annually by the department;

C. The sufficient per-student cost for school districts is determined by multiplying the base per-student .198493.1 - 39 -

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| 1 | cost by a series of formula adjustments as follows: |
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| 2 | "base per-student cost x |
| 3 | [(l+ percent free/reduced-fee lunch) ^{0.375}] x |
| 4 | [(l+ percent English language learners) ^{0.094}] x |
| 5 | [(1+ percent special education) ^{1.723}] x |
| 6 | [(l+ mobility rate) ^{0.190}] x |
| 7 | [(l+ enrollment percent in grades six-eight) $^{0.291}$ ÷ |
| 8 | 1.063] x |
| 9 | [(l+ enrollment percent in grades nine-twelve) ^{0.608} |
| 10 | ÷1.187] x |
| 11 | $[(ENR)^{-0.5750} \times exp((ln(ENR))^2)^{0.0287} \div 0.0619] \times$ |
| 12 | weighted index of staff qualifications formula |
| 13 | adjustment determined pursuant to Section 22-8-24 |
| 14 | NMSA 1978". |
| 15 | D. The funding formula equation used to determine |
| 16 | the sufficient per-student cost for charter schools is |
| 17 | determined by multiplying the base per-student cost by a |
| 18 | series of formula adjustments as follows: |
| 19 | "base per-student cost x |
| 20 | [(l+ percent free/reduced-fee lunch) ^{0.375}] x |
| 21 | [(l+ percent English language learners) ^{0.094}] x |
| 22 | [(1+ percent special education) ^{1.723}] x |
| 23 | [(l+ mobility rate) ^{0.190}] x |
| 24 | [(l+ enrollment percent in grades six-eight) $^{0.291}$ ÷ |
| 25 | 1.074] x |
| | .198493.1 |

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[(l+ enrollment percent in grades nine-twelve)^{0.608} 1 2 ÷1.2411 x $[(ENR)^{-0.3071} \times exp((ln(ENR))^2)^{0.0122} \div 0.2881] \times$ 3 weighted index of staff qualifications adjustment 4 as determined pursuant to Section 22-8-24 NMSA 5 1978". 6 7 Ε. The exponents and denominators used in the formula adjustments shall remain constant until they are 8 9 redetermined after the required periodic funding formula 10 study. Except as otherwise provided in this section, F. 11 12 cost factor demographic data and total enrollment are based on the average of the prior year's total enrollment reported 13 in December and February and the prior-year cost factor 14 demographic data. 15 G. A school district or charter school that is 16 experiencing growth may elect to use the greater of the 17 prior-year average December and February total enrollment or 18 the current-year October total enrollment, as determined by 19 20 the difference in the prior-year October total enrollment and the current-year October total enrollment. 21 Η. A new school district or charter school shall 22 use the current-year October cost factor demographic data and 23 total enrollment for the first year. 24

The special education formula adjustment for a I. .198493.1

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school district is calculated using sixteen percent of the number of qualified students in the school district.

J. The special education formula adjustment for a charter school is calculated using the actual number of appropriately identified special education qualified students who are receiving special education on the October enrollment report. The legislature finds that charter schools are designed for unique populations and the range of variation in special education in charter schools is wider and often well below school district averages; therefore, it is rational and reasonable to differentiate between school districts and charter schools in the special education cost factor.

K. The department shall assist school districts to implement response to intervention strategies to lower their special education identification rates. It is the intent of the legislature that all school districts and charter schools accurately identify students needing special education and that they implement response to intervention strategies to provide students with the most appropriate services required for their educational success. The department shall report to the legislature by September 1 of each year on:

(1) the prior year's special education identification rates in school districts and charter schools; and

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1 the adoption and efficacy of response to (2) 2 intervention strategies for each school district and charter 3 school. To maintain the funding formula each year, the 4 L. 5 department shall: update the cost factors of each school 6 (1)7 district and charter school to determine their respective 8 formula adjustments for that year; and 9 (2) adjust the base per-student cost according to legislative appropriation, including inflation. 10 As used in this section, inflation is determined by the 11 12 percentage increase, if any: (a) of the prior-year legislative 13 14 appropriation for salary increases applied to that statewide portion of the budget designated for salaries and benefits; 15 and 16 (b) of the prior-year consumer price 17 index for all urban consumers for the remaining statewide 18 19 portions of the budget funded through the formula. 20 Μ. The department shall undertake a thorough funding formula study every ten years, or more frequently if 21 the legislature determines a need, to update the current 22 funding formula to determine the formula's equation exponents 23 and denominators. 24 The sufficient per-student cost is based on a N. 25 .198493.1

- 43 -

comprehensive instructional program that includes the cost of core academic programs, career-technical education, gifted programs, bilingual-multicultural programs, arts and music, health and physical education and special education and appropriate staff. It is the responsibility of the local school board or governing body to determine its priorities in terms of the needs of the community served by that board or body. Money distributed through the provisions of the Public School Finance Act is discretionary to local school boards and governing bodies to provide the programs identified in their educational plans.

O. Beginning with fiscal year 2017, the legislature and the department shall use the funding formula provided in this section as the method for determining the appropriation for and distribution of the state equalization guarantee. When the funding formula is implemented, those school districts and charter schools that had received more money than the funding formula provides for a sufficient perstudent cost shall be held harmless for no more than three years."

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

"[<u>NEW MATERIAL</u>] SUFFICIENT PER-STUDENT COST .--

A. The 2005-2008 funding formula study found that the following types of expenditures are important in .198493.1

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1 supporting the educational plan: 2 extending the school year one or more (1)3 days; (2) extending the school day for teachers or 4 extending contract days for teachers up to four days beyond 5 the school year; 6 7 (3) offering summer school, credit recovery and enhanced before- and after-school opportunities; 8 lower class sizes and student-teacher 9 (4) 10 ratios; providing academic coaches, resource (5) 11 12 teachers and specialists, particularly in reading, mathematics and English language learning programs; 13 14 (6) enhancing intervention efforts for children who may be at risk of academic failure; 15 enhancing remediation programs in 16 (7) language arts and reading, mathematics, science and social 17 studies; 18 19 (8) improving truancy prevention and 20 intervention strategies, including establishing or enhancing truancy tracking systems and employing truancy officers; 21 establishing or enhancing bilingual-(9) 22 multicultural programs; 23 offering visual and performing arts, (10)24 music and physical education to more students; 25 .198493.1 - 45 -

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1 (11) enhancing programs for gifted students; 2 (12)enhancing career-technical education 3 programs; (13) providing educational assistants, 4 librarians, counselors, nurses, social workers and student 5 support service staff; 6 7 (14) providing professional development opportunities for licensed school employees outside the 8 9 instructional day or school year; (15) providing teaching English as a second 10 language and bilingual endorsement courses for instructional 11 12 staff; providing stipends for instructional (16) 13 staff who have a teaching English as a second language or 14 bilingual endorsement; 15 improving information technology (17) 16 services for students and staff, including employing 17 information technology personnel or contracting with 18 technical consultants: 19 20 (18)improving the district's ability to collect and analyze student and staff data to improve 21 education management; 22 improving student and school safety; or (19) 23 (20)other measures approved by the 24 department that are tied to the educational plan. 25 .198493.1 - 46 -

1 Β. The use to which increased funding is put 2 pursuant to Subsection A of this section shall be incorporated into the school district's or charter school's 3 educational plan and approved by the department. 4 The educational plan shall provide detailed information: 5 describing the purposes to which 6 (1)7 increased funding will be applied; the specific outcomes expected from such 8 (2) 9 increased funding; the performance measures to be used to 10 (3) evaluate the efficacy of the purposes to which increased 11 12 funding was applied; and any other information requested by the 13 (4) department to assist the department and the school district 14 or charter school to evaluate its educational programs or 15 administrative efficiency." 16 SECTION 19. Section 22-8-24 NMSA 1978 (being Laws 1974, 17 18 Chapter 8, Section 15, as amended by Laws 1993, Chapter 91, 19 Section 1 and also by Laws 1993, Chapter 237, Section 3) is 20 repealed and a new Section 22-8-24 NMSA 1978 is enacted to read: 21 "22-8-24. [NEW MATERIAL] INDEX OF STAFF 22 QUALIFICATIONS--NATIONAL BOARD CERTIFICATION STIPEND .--23 For the purpose of calculating the index of A. 24 staff qualifications, the following definitions and 25 .198493.1 - 47 -

1 limitations apply:

2 (1) "instructional staff" means the
3 personnel assigned to the instructional program of a school
4 district or charter school, including teachers and
5 instructional support providers, and excluding principals,
6 substitute teachers, educational assistants, secretaries and
7 clerks;

8 (2) the number of instructional staff to be
9 counted in calculating matrix A and matrix B of the index of
10 staff qualifications is the actual number of full-time
11 equivalent instructional staff on the October payroll of the
12 prior year;

(3) the number of years of experience within a level for matrix A or the number of years of experience for matrix B to be used in calculating the index of staff qualifications is that number of years of experience allowed for salary increment purposes on the salary schedule of the school district or charter school; and

(4) the academic degree and additional credit hours to be used in calculating the index of staff qualifications are the degree and additional semester credit hours allowed for salary increment purposes on the salary schedule of the school district or charter school.

B. The factors for each classification of academic training by years of experience are provided in the .198493.1 - 48 -

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1 following matrix for teachers.

Matrix of Staff Qualifications A - Teachers

| | Years of Experience | | | | | | | | | |
|---|--|--|---|--|---|---|---|---|----------------|---------------------------|
| | I | Level 1 | L | Level II | | | Level III | | | |
| Academic | | | | | | | | | | |
| Classification | 0-1 | 2-3 | 4-5 | 4-6 | 7-8 | 9-15 | Over 15 | 7-8 | 9-15 | Over l |
| Bachelor's | | | | | | | | | | |
| degree | 0.64 | 0.67 | 0.71 | 0.76 | 0.82 | 0.93 | 1.04 | 0.90 | 1.02 | 1.17 |
| Master's | | | | | | | | | | |
| degree or | 0.40 | 0 70 | 0.74 | 0.01 | 0.00 | 1 00 | | 0.04 | 1 00 | 1.0 |
| nat'l bd cert | 0.68 | 0.72 | 0.76 | 0.81 | 0.88 | 1.00 | 1.11 | 0.96 | 1.09 | 1.25 |
| Master's | | | | | | | | | | |
| degree plus 45 credit hours | | | | | | | | | | |
| or post- | | | | | | | | | | |
| master's | | | | | | | | | | |
| degree | | | | | | | | | | |
| degree | 0.71 | 0.75 | 0.79 | 0.85 | 0.92 | 1.05 | 1.16 | 1.01 | 1.14 | 1.3 |
| С | | | | | | | | | | |
| | • | | - | | - | | cation c in the | | | |
| | ther i | .nstrı | iction | al sta | aff. | ovided | in the | follo | owing | |
| matrix for o | ther i | .nstrı | iction | al sta | aff. B - Ot | ovided cher I | in the | follo | owing | |
| matrix for o Matrix of | ther i Staff | .nstru Qual | iction | al sta | aff. B - Ot | ovided ther I | in the | follo | owing Staff | r 15 |
| matrix for o Matrix of Academic Classi | ther i Staff | Qual | iction ificat | al sta cions | aff. B - Ot | ther I | in the nstruct: f Experien | follc ional | Staff | |
| matrix for o Matrix of Academic Classi Bachelor's degr | ther i Staff | Qual | iction ificat | al sta cions -2 | aff. B - Ot <u>Y</u> 3-5 | ther I | in the nstruct: <u>f Experien</u> -8 | follc ional nce 9-15 | Staff | r 15 |
| matrix for o Matrix of Academic Classi Bachelor's degr Bachelor's degr credit hours | ther i Staff fication ree or 1 ree plus | Qual | iction ificat | al sta cions -2 -2 -65 -70 | aff. B - Ot $\frac{3-5}{0.78}$ 0.83 | ther I | in the nstruct: <u>f Experier</u> -8 87 87 87 | follc ional <u>nce</u> <u>9-15</u> 0.91 0.96 | Staff | r 15 .91 |
| matrix for o Matrix of Academic Classi Bachelor's degr Bachelor's degr credit hours | ther i Staff fication ree or 1 ree plus | Qual | iction ificat | al sta cions -2 .65 | aff. B - Ot <u>Y</u> <u>3-5</u> 0.78 | ther I | in the nstruct: <u>f Experier</u> -8 87 | follc ional <u>nce</u> 9-15 0.91 | Staff | r 15 .91 |
| Matrix for o Matrix of Academic Classi Bachelor's degr Bachelor's degr credit hours Bachelor's degr credit hours or | ther i Staff | Qual Qual | iction ificat | al sta cions -2 -2 -65 -70 | aff. B - Ot $\frac{3-5}{0.78}$ 0.83 | ther I | in the nstruct: <u>f Experier</u> -8 87 87 87 | follc ional <u>nce</u> <u>9-15</u> 0.91 0.96 | Staff | r 15 .91 .00 |
| Matrix for o Matrix of Academic Classi Bachelor's degr Bachelor's degr credit hours Bachelor's degr credit hours or degree | ther i Staff fication ree or i ree plus ree plus | Qual Qual | ificat | al sta cions -2 .65 .70 .74 | aff. B - Ot $\frac{Y}{3-5}$ 0.78 0.83 0.87 | wided | in the nstruct: <u>f Experien</u> -8 87 87 91 | follc ional <u>nce</u> <u>9-15</u> 0.91 0.96 1.00 | Staff | r 15 .91 .00 |
| Matrix for o Matrix of Academic Classi Bachelor's degr Bachelor's degr credit hours Bachelor's degr credit hours or degree Master's degree | ther i Staff fication ree or i ree plus ree plus | Qual Qual | ificat | al sta cions -2 -2 -65 -70 | aff. B - Ot $\frac{3-5}{0.78}$ 0.83 | wided | in the nstruct: <u>f Experier</u> -8 87 87 87 | follc ional <u>nce</u> <u>9-15</u> 0.91 0.96 | Staff | r 15 .91 .00 |
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D. The index of staff qualifications for each school district and charter school shall be calculated in accordance with instructions issued by the secretary. The following calculation shall be made to compute the value of

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1 the index of staff qualifications: 2 (1) multiply the number of full-timeequivalent teachers in each academic classification and level 3 in matrix A by the numerical factor in the appropriate "years 4 of experience" column provided in Subsection B of this 5 section; 6 7 (2)multiply the number of full-timeequivalent other instructional staff in each classification 8 9 and level in matrix B by the numerical factor in the appropriate "years of experience" column provided in 10 Subsection C of this section; 11 12 (3) add the adjusted full-time-equivalents calculated in Paragraphs (1) and (2) of this subsection; and 13 divide the total obtained in Paragraph 14 (4)(3) of this subsection by the total number of full-time-15 equivalent instructional staff. 16 If the result of the calculation of the index 17 Ε. of staff qualifications for a school district or charter 18 school is less than 1.0, its factor shall be 1.0. 19 20 F. If a new school district is created, the index of staff qualifications for that school district for the first 21 year of operation shall be 1.0. 22 G. If a school district's or charter school's 23 index of staff qualifications is greater than 1.0, the index 24 of staff qualifications formula adjustment used to determine 25

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<u>underscored material = new</u> [bracketed material] = delete the sufficient per-student cost is equal to the amount determined in Subsection D of this section multiplied by the percentage of the prior year's budget for instructional staff salaries and benefits plus a factor equal to one hundred percent minus the percentage of the prior year's budget for instructional staff salaries and benefits.

7 н. In addition to the sufficient per-student cost, each school district and charter school shall calculate the 8 9 amount of national board for professional teaching standards certification salary differential due to each national board-10 certified teacher employed by the school district or charter 11 12 school on the October report date. The department shall calculate the amount of the salary differential for 13 14 legislative appropriation based on the amount paid to boardcertified teachers in the 2015-2016 base school year adjusted 15 yearly by the same overall percentage increase in teacher 16 salary provided by the legislature. The department shall 17 verify the certification and current employment of board-18 certified teachers. Department approval of any allocations 19 20 for this item shall be contingent on verification by the school district or charter school that these teachers will 21 receive the one-time salary differential for the school year 22 equal to the amount calculated." 23

SECTION 20. Section 22-8-25 NMSA 1978 (being Laws 1981, Chapter 176, Section 5, as amended) is amended to read: .198493.1

- 51 -

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"22-8-25. STATE EQUALIZATION GUARANTEE DISTRIBUTION- DEFINITIONS--DETERMINATION OF AMOUNT.--

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The state equalization guarantee distribution 3 Α. is that amount of money distributed to each school district to 4 ensure that its operating revenue, including its local and 5 federal revenues as defined in this section, is at least equal 6 7 to the school district's total program cost. For [statechartered] charter schools, the state equalization guarantee 8 9 distribution is the difference between the [state-chartered] charter school's total program cost and the two percent 10 withheld by the school district or the department for 11 12 administrative services.

B. "Local revenue", as used in this section, means seventy-five percent of receipts to the school district derived from that amount produced by a school district property tax applied at the rate of fifty cents (\$.50) to each one thousand dollars (\$1,000) of net taxable value of property allocated to the school district and to the assessed value of products severed and sold in the school district as determined under the Oil and Gas Ad Valorem Production Tax Act and upon the assessed value of equipment in the school district as determined under the Oil and Gas Production Equipment Ad Valorem Tax Act.

C. "Federal revenue", as used in this section, means receipts to the school district, excluding amounts that, .198493.1

1 if taken into account in the computation of the state 2 equalization guarantee distribution, result, under federal law or regulations, in a reduction in or elimination of federal 3 school funding otherwise receivable by the school district, 4 derived from the following: 5 seventy-five percent of the school (1) 6 district's share of forest reserve funds distributed in 7 8 accordance with Section 22-8-33 NMSA 1978; and 9 (2) seventy-five percent of grants from the federal government as assistance to those areas affected by 10 federal activity authorized in accordance with Title 20 of the 11 12 United States Code, commonly known as "PL 874 funds" or "impact aid". 13 D. To determine the amount of the state 14 equalization guarantee distribution, the department shall 15 (1) calculate the number of program units to 16 which each school district or charter school is entitled using 17 an average of the MEM on the second and third reporting dates 18 19 of the prior year; or 20 (2) calculate the number of program units to which a school district or charter school operating under an 21 approved year-round school calendar is entitled using an 22 average of the MEM on appropriate dates established by the 23 department; or 24 (3) calculate the number of program units to 25

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| 1 | which a school district or charter school with a MEM of two |
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| 2 | hundred or less is entitled by using an average of the MEM on |
| 3 | the second and third reporting dates of the prior year or the |
| 4 | fortieth day of the current year, whichever is greater; and |
| 5 | (4) using the results of the calculations in |
| 6 | Paragraph (1), (2) or (3) of this subsection and the |
| 7 | instructional staff training and experience index from the |
| 8 | October report of the prior school year, establish a total |
| 9 | program cost of the school district or charter school; |
| 10 | (5) for school districts, calculate the local |
| 11 | and federal revenues as defined in this section; |
| 12 | (6) deduct the sum of the calculations made |
| 13 | in Paragraph (5) of this subsection from the program cost |
| 14 | established in Paragraph (4) of this subsection; |
| 15 | (7)] <u>determine the total program cost for each</u> |
| 16 | school district and charter school and subtract the local and |
| 17 | federal revenue. The department shall then deduct the total |
| 18 | amount of guaranteed energy savings contract payments that the |
| 19 | department determines will be made to the school district from |
| 20 | the public school utility conservation fund during the fiscal |
| 21 | year for which the state equalization guarantee distribution |
| 22 | is being computed and [(8)] deduct ninety percent of the |
| 23 | amount certified for the school district by the department |
| 24 | pursuant to the Energy Efficiency and Renewable Energy Bonding |
| 25 | Act. |
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E. Reduction of a school district's state
 equalization guarantee distribution <u>pursuant to the Energy</u>
 <u>Efficiency and Renewable Energy Bonding Act</u> shall cease when
 the school district's cumulative reductions equal its
 proportional share of the cumulative debt service payments
 necessary to service the bonds issued pursuant to [the Energy
 <u>Efficiency and Renewable Energy Bonding</u>] that act.

8 [F. The amount of the state equalization guarantee
9 distribution to which a school district is entitled is the
10 balance remaining after the deductions made in Paragraphs (6)
11 through (8) of Subsection D of this section.

G.] F. The state equalization guarantee distribution shall be distributed prior to June 30 of each fiscal year. The calculation shall be based on the local and federal revenues specified in this section received from June 1 of the previous fiscal year through May 31 of the fiscal year for which the state equalization guarantee distribution is being computed. In the event that a school district or charter school has received more state equalization guarantee funds than its entitlement, a refund shall be made by the school district or charter school to the [state general] public school fund."

SECTION 21. A new section of the Public School Finance Act is enacted to read:

"[<u>NEW MATERIAL</u>] SPECIAL EDUCATION CATASTROPHIC AID FUND--.198493.1

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1 CREATED--DISTRIBUTION--LOCAL EFFORT.--

A. As used in this section, "high-cost special education" means the provision of special education and related services to a qualified student, the cost of which exceeds the established threshold amount above the base perstudent cost.

7 Β. The "special education catastrophic aid fund" is created as a nonreverting fund in the state treasury. 8 The 9 fund consists of appropriations, gifts, grants, donations, income from investment of the fund and any other money 10 credited to the fund. The fund shall be administered by the 11 12 department, and money in the fund is appropriated to the department to provide grants to school districts to assist 13 14 them in paying costs associated with high-cost special education students. Money from the fund shall be disbursed by 15 warrants of the secretary of finance and administration on 16 vouchers signed by the secretary of public education or the 17 secretary's authorized representative. 18

C. A school district may apply to the department for a grant from the fund to help defray the cost of providing high-cost special education. The application shall be in a form approved by the department and shall include the documentation required by the department. A single grant shall not exceed seventy-five percent of the projected cost of providing the high-cost special education for a given school .198493.1

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year.

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| 2 | D. Based on legislative appropriation each year, |
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| 3 | the department shall determine the threshold amount for high- |
| 4 | cost special education." |
| 5 | SECTION 22. Section 22-13-1.7 NMSA 1978 (being Laws |
| 6 | 2007, Chapter 348, Section 3) is amended to read: |
| 7 | "22-13-1.7. ELEMENTARY PHYSICAL EDUCATION |
| 8 | A. As used in this section, [(1) "eligible |
| 9 | students" means students in kindergarten through grade six in |
| 10 | a public school classified by the department as an elementary |
| 11 | school; and (2)] "physical education" includes programs of |
| 12 | education through which students participate in activities |
| 13 | related to fitness education and assessment; active games and |
| 14 | sports; and development of physical capabilities such as motor |
| 15 | skills, strength and coordination. |
| 16 | B. Elementary physical education programs [that |
| 17 | serve eligible students are eligible for funding if those |
| 18 | programs] shall meet academic content and performance |
| 19 | standards for elementary physical education programs and shall |
| 20 | be taught by teachers with a license endorsement for physical |
| 21 | education. |
| 22 | [C. In granting approval for funding of elementary |
| 23 | physical education programs, the department shall provide that |
| 24 | programs are first implemented in public schools that have the |
| 25 | highest proportion of students most in need based on the |
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| 1 | percentage of students eligible for free or reduced-fee lunch |
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| 2 | or grade-level schools that serve an entire school district |
| 3 | and in public schools with available space. If the department |
| 4 | determines that an elementary physical education program is |
| 5 | not meeting the academic content and performance standards for |
| 6 | elementary physical education programs, the department shall |
| 7 | notify the school district that the public school's failure to |
| 8 | meet the academic content and performance standards will |
| 9 | result in the cessation of funding for the following school |
| 10 | year. The department shall compile the program results |
| 11 | submitted by the school districts each year and make an annual |
| 12 | report to the legislative education study committee and the |
| 13 | legislature. |

D. As they become eligible for elementary physical 14 education program funding, public schools shall submit to the 15 department their elementary physical education program plans 16 that meet academic content and performance standards and other 17 guidelines of the department. At a minimum, the plan shall 18 include the elementary physical education program being taught 19 20 and an evaluation component. To be eligible for state financial support, an elementary physical education program 21 shall: 22

(1) provide for the physical education needs of students defined in this section; and

(2) use teachers with a license endorsement

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for physical education.

2 E. The department shall annually determine the 3 programs and the consequent number of students in elementary physical education that will receive state financial support 4 5 in accordance with funding available in each school year.]" SECTION 23. A new Section 22-13-1.8 NMSA 1978 is enacted 6 7 to read: 8 "22-13-1.8. [NEW MATERIAL] GIFTED STUDENTS--STANDARDS--9 DETERMINATION--MULTIDISCIPLINARY TEAMS--STUDENT-SPECIFIC 10 GIFTED EDUCATION PLANS--ADVISORY COMMITTEES.--The department's educational standards for New 11 Α. 12 Mexico public schools shall include standards for the identification, evaluation and education of gifted students. 13 14 The department shall monitor and oversee the implementation of gifted student standards. 15 Each school district offering a gifted 16 Β. 17 education program shall create one or more advisory committees of parents of gifted students, community members with 18 19 knowledge and concern about gifted education and school staff 20 members who work in gifted education. The school district may create as many advisory committees as there are high schools 21 in the district or may create a single districtwide advisory 22 The membership of each advisory committee shall 23 committee. reflect the cultural diversity of the enrollment of the school 24 25 district or the schools the committee advises. The advisory .198493.1

1 committee shall regularly review the goals and priorities of 2 the gifted program, including the process of gifted student identification, evaluation, placement and service delivery and 3 the development of student-specific educational goals plans 4 5 for gifted students. To determine whether a student is gifted, a C. 6 7 multidisciplinary team from the school district shall evaluate the student and shall consider: 8 9 (1) diagnostic or other evidence of the student's: 10 creativity or divergent-thinking 11 (a) 12 ability; 13 (b) critical-thinking or 14 problem-solving ability; intelligence; and (c) 15 (d) achievement; 16 (2)information regarding the student's 17 cultural and linguistic background and socioeconomic 18 19 background; and 20 (3) any disability recognized under federal law. 21 D. With the agreement of the student's parent, the 22 multidisciplinary team has the authority to designate a 23 student as gifted and constitute a gifted education plan team 24 made up of the gifted student's parent, the gifted student, 25 .198493.1 - 60 -

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1 teachers and other specialists the multidisciplinary team 2 deems necessary. The gifted education plan team shall prepare 3 a student-specific gifted education plan for the student that at a minimum meets the department's standards of excellence 4 and includes a description of the differentiated instruction 5 and affective curriculum to be provided that will best 6 7 facilitate effective learning and development for the gifted student. The gifted education plan team shall consider a 8 9 continuum of research-based services and placements when developing the student-specific plan. If a gifted student 10 also has a disability that requires an individualized 11 12 educational plan pursuant to federal law, that plan shall be substituted for the gifted education plan. 13

E. Nothing in this section shall preclude a school district from offering gifted programs to students who fail to meet the eligibility criteria for gifted students, but the school district is not required to prepare a student-specific gifted education plan for those students."

SECTION 24. Section 22-13-5 NMSA 1978 (being Laws 1972, Chapter 95, Section 1, as amended) is amended to read:

"22-13-5. SPECIAL EDUCATION.--

<u>A.</u> School districts shall provide special education and related services appropriate to meet the needs of students requiring special education and related services. Rules and standards shall be developed and established by the .198493.1

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department for the provision of special education in the schools and classes of the public school system in the state and in all institutions wholly or partly supported by the state. The department shall monitor and enforce the rules and standards.

B. Except as otherwise provided in this section, 6 7 the state institution in which a school-age person is detained or enrolled shall be responsible for providing educational 8 services for the school-age person. A school-age person who 9 is a client as defined in Section 43-1-3 NMSA 1978 in a state 10 institution under the authority of the secretary of health has 11 12 a right to attend public school in the school district in which the state institution in which the school-age person is 13 14 a client is located if:

15 (1) the school-age person has been
16 recommended for placement in a public school by the
17 educational appraisal and review committee of the school
18 district in which the institution is located; or
19 (2) the school-age person has been
20 recommended for placement in a public school as a result of
21 the appeal process as provided in the special education rules

<u>C.</u> School districts shall also provide services for three-year-old and four-year-old preschool children with disabilities, unless the parent [or guardian] chooses not to .198493.1

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1 enroll the child. Services for students age three through 2 twenty-one may include, but are not limited to, evaluating particular needs, providing learning experiences that develop 3 cognitive and social skills, arranging for or providing 4 related services as defined by the department and providing 5 parent education. The services may be provided by licensed 6 7 school employees or contracted for with other community agencies and shall be provided in age-appropriate, integrated 8 9 settings, including home, daycare centers, head start programs, schools or community-based settings." 10

SECTION 25. Section 22-13-7 NMSA 1978 (being Laws 1972, Chapter 95, Section 3, as amended) is amended to read:

"22-13-7. SPECIAL EDUCATION--RESPONSIBILITY.--

A. The [state board] <u>department</u> shall make, adopt and keep current a state plan for special education policy, programs and standards.

B. The department [of education with the approval of the state board] shall set standards for diagnosis and screening of and educational offerings for [exceptional children] qualified students and school-age persons receiving special education in public schools, in private, nonsectarian, nonprofit training centers or residential treatment centers for which a school district is responsible and in state institutions under the authority of the secretary of health or the secretary of children, youth and families.

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1 C. The [state board] department shall establish 2 and maintain a program of evaluation of the implementation and impact of all programs for [exceptional children] qualified 3 students and school-age persons receiving special education in 4 the public schools. This program shall be operated with the 5 cooperation of [local] school districts. Portions of the 6 7 program may be subcontracted, and periodic reports regarding the efficacy of programs for [exceptional children] qualified 8 students and school-age persons receiving special education 9 shall be made to the legislative education study committee. 10 The department [of education] shall coordinate D. 11 12 programming related to the transition of [persons with disabilities] qualified students and school-age persons 13 receiving special education from secondary and post-secondary 14 education programs to employment or vocational placement." 15 SECTION 26. Section 22-30-6 NMSA 1978 (being Laws 2007, 16 Chapter 292, Section 6 and Laws 2007, Chapter 293, Section 6) 17 18 is amended to read: "22-30-6. DISTANCE LEARNING STUDENTS.--19 20 A. A student must be enrolled in a public school or a state-supported school and must have the permission of 21 the student's local distance education learning site to enroll 22

the student's local distance education learning site to enrol in a distance learning course. A distance learning student shall [only] be counted <u>only</u> in the student's primary enrolling district for the purpose of determining the

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1 [membership] enrollment used to calculate a school district's
2 state equalization guarantee. A student shall have only one
3 primary enrolling district.

A home school [student] school-age person may 4 Β. participate in the statewide cyber academy by enrolling for 5 one-half or more of the minimum course requirements approved 6 7 by the department for public school students in the school district in which the [student] school-age person resides; or, 8 if the [student] school-age person is enrolled for less than 9 one-half of the minimum course requirements, the [student] 10 school-age person may participate in the statewide cyber 11 12 academy by paying not more than thirty-five percent of the current [unit value per curricular unit] base per-student 13 14 cost.

C. A [student] <u>school-age person</u> enrolled in a nonpublic school may participate in the statewide cyber academy if the school in which the [student] <u>school-age person</u> is enrolled enters into a contract with the school district in which the nonpublic school is located <u>to pay the required</u> <u>tuition</u>.

D. A [student] <u>school-age person</u> who is detained in or committed to a juvenile detention facility or a facility for the long-term care and rehabilitation of delinquent children may participate in the statewide cyber academy if the facility in which the [student] <u>school-age person</u> is enrolled .198493.1

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1 enters into a contract with the school district in which the 2 facility is located."

SECTION 27. TEMPORARY PROVISION--PROJECTIONS AND BUDGET 3 4 PREPARATION--PRE-2015 FORMULA.--The effective date of sections in this act notwithstanding, the definitions set out in 5 Section 22-8-2 NMSA 1978 as enacted in this act shall be used 6 7 to project enrollments and prepare budgets for the 2016-2017 8 school year.

9 SECTION 28. TEMPORARY PROVISION--DATA VERIFICATION--BETA TESTING OF FUNDING FORMULA.--10

For the 2014-2015 and 2015-2016 school years, Α. 12 the department and school districts shall collect and verify all data required for the funding formula provided for in Section 17 of this act, and shall test the data and the formula. The legislative education study committee shall work with the department to review the data collected and reported by the department and may make recommendations on how to improve data collection and reporting. The data collected through the student and teacher accountability reporting system shall be verified against the data used by the school budget and finance analysis bureau for the final funded run to determine distribution of the state equalization guarantee and any other data collected by the department. The department, the school districts, the office of education accountability and the legislative education study committee shall verify

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that the data are accurate, and the department shall correct all data errors. The school budget and finance analysis bureau shall test the funding formula with the 2014-2015 and 2015-2016 school years verified data, using the budget analysts' finance calculator that underpins the funding formula.

7 Β. During the testing period and beyond, the department shall use the schedule of sufficient base 8 9 per-student costs developed by the funding formula study contractor to calculate the sufficient per-student cost. For 10 school year 2015-2016, the school district base per-student 11 12 cost is five thousand six hundred forty-one dollars ninety-two cents (\$5,641.92) and the charter school base per-student cost 13 is seven thousand six hundred thirty-two dollars ten cents 14 (\$7,632.10), and for school year 2016-2017, the school 15 district base per-student cost is five thousand seven hundred 16 eight dollars thirty cents (\$5,708.30) and the charter school 17 base per-student cost is seven thousand seven hundred twenty-18 one dollars eighty-nine cents (\$7,721.89). 19

C. During the testing period, the department shall consult with the United States department of education to ensure that the proposed funding formula meets federal impact aid requirements. The department shall keep the legislative education study committee and the legislative finance committee apprised of the results of its consultations.

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D. During the testing period, the department shall work with the coalition of school administrators to provide training to superintendents, business officers, principals and others involved in data collection, compilation and verification at the school and district levels.

SECTION 29. REPEAL.--Sections 22-8-3, 22-8-7.1, 22-8-19, 6 7 22-8-20 through 22-8-23.9, 22-8-25.1, 22-13-6 and 22-13-6.1 NMSA 1978 (being Laws 1988, Chapter 64, Section 14; Laws 1993, 8 9 Chapter 224, Section 1; Laws 1974, Chapter 8, Section 9; Laws 1991, Chapter 85, Section 3; Laws 1974, Chapter 8, Section 11; 10 Laws 1974, Chapter 8, Section 13; Laws 1975, Chapter 119, 11 12 Section 1; Laws 1990 (1st S.S.), Chapter 3, Sections 7 and 8; 13 Laws 1993, Chapter 237, Section 2; Laws 1997, Chapter 40, 14 Section 7; Laws 2003, Chapter 144, Section 2 and Laws 2003, Chapter 152, Section 9; Laws 2003, Chapter 144, Section 3 and 15 16 Laws 2003, Chapter 152, Section 8; Laws 2006, Chapter 94, Section 15; Laws 2007, Chapter 348, Section 1; Laws 2007, 17 Chapter 365, Section 2; Laws 2013, Chapter 113, Section 1; 18 Laws 1985 (1st S.S.), Chapter 15, Section 17; Laws 1972, 19 20 Chapter 95, Section 2; and Laws 1994, Chapter 25, Section 2, as amended) are repealed. 21

SECTION 30. EFFECTIVE DATE--CONTINGENCY.--

A. The effective date of the provisions of Sections 2, 4, 5, 8, 9, 10, 12, 24, 27 and 28 of this act is July 1, 2015.

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| 1 | B. The effective date of the provisions of |
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| 2 | Sections 3, 6, 7, 11, 13, 14, 16, 17, 18, 19, 20, 21, 22 and |
| 3 | 29 of this act is July 1, 2016. |
| 4 | C. The effective date of the provisions of |
| 5 | Sections 1, 15, 25 and 26 of this act is June 19, 2015. |
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