HOUSE BILL 147
54th Legislature - STATE OF NEW MEXICO - SECOND SESSION, 2020
INTRODUCED BY
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AN ACT
RELATING TO PUBLIC SCHOOL FINANCE; INCREASING SCHOOL SIZE FOR ELIGIBILITY FOR SIZE ADJUSTMENT PROGRAM UNITS; STOPPING THE PHASE-OUT OF THE UNIT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:
SECTION 1. Section 22-8-23 NMSA 1978 (being Laws 1975, Chapter 119, Section 1, as amended by Laws 2019, Chapter 206, Section 14 and by Laws 2019, Chapter 207, Section 14) is amended to read:
"22-8-23. SIZE ADJUSTMENT PROGRAM UNITS.--
A. An approved public school, including a charter school, with a MEM of fewer than four hundred, including early childhood education full-time-equivalent MEM but excluding membership in class $C$ and class $D$ programs and excluding full-time-equivalent membership in three- and four-year-old
developmentally disabled programs, that is geographically located in a school district with fewer than [ four thousand MEM, is eligible for additional program units. Separate schools established to provide special programs, including but not limited to vocational and alternative education, shall not be classified as public schools for purposes of generating size adjustment program units. The number of additional program units to which a school district or charter school is entitled under this subsection is the sum of elementary-junior high units and senior high units computed in the following manner:
Elementary-Junior High Units
200 - MEM
$\frac{200}{} \times 1.0 \times$ MEM $=$ Units
where MEM is equal to the membership of an approved elementary or junior high school, including early childhood education full-time-equivalent membership but excluding membership in class C and class D programs and excluding full-time-equivalent membership in three- and four-year-old developmentally disabled programs;

Senior High Units
200 - MEM
$\ldots$ x $2.0 \times \mathrm{MEM}=$ Units 200
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or,
Senior High Units
400 - MEM
$\varlimsup_{400} \times 1.6 \times$ MEM $=$ Units
whichever calculation for senior high units is higher, where MEM is equal to the membership of an approved senior high school excluding membership in class $C$ and class $D$ programs.
B. An approved public school with a MEM of fewer than four hundred, including early childhood education full-time-equivalent MEM but excluding MEM in class $C$ and class D programs and excluding full-time-equivalent MEM in three- and four-year-old developmentally disabled programs, geographically located in a school district with [to] five thousand MEM or more is eligible for additional program units computed in the following manner:
(1) for fiscal year 2020, eighty percent of the sum of elementary-junior high units and senior high units as prescribed in Subsection $A$ of this section; and
(2) for fiscal year 2021 and subsequent fiscal years, sixty percent of the sum of elementary-junior high units and senior high units as prescribed in Subsection $A$ of this section.
[(3) for fiseal year 2022 , forty percent of the sum of elementary-junior high units and senior high units
as preseribed in Subsection $A$ of this section;
(4) for fiscal year 2023, twenty percent of
the sum-of elementary-junior high units and senior high units as preseribed in Subsection $A$ of this section; and
(5) for fiseal year 2024 and subsequent fiseal
years, no elementary-junior high units and senior high units as prescribed in Subsection $A$ of this section.]
C. A school district with total MEM of fewer than four thousand, including early childhood education full-timeequivalent MEM, is eligible for additional program units. The number of additional program units to which a school district is entitled under this subsection is the number of district units computed in the following manner:

District Units
4,000 - MEM
x $0.15 \times$ MEM $=$ Units

$$
4,000
$$

where MEM is equal to the total district membership, including early childhood education full-time-equivalent membership.
D. A school district, as defined in Subsection $R$ of Section 22-1-2 NMSA 1978, with a MEM of fewer than two hundred, including early childhood education full-time-equivalent MEM, is eligible for additional program units if the department certifies that the school district has implemented practices to . 216527.1
reduce scale inefficiencies, including shared service agreements with regional education cooperatives or other school districts for noninstructional functions and distance education. The numbers of additional program units to which a school district is entitled under this subsection is the number of units computed in the following manner:

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

where MEM is equal to the total district MEM, including early childhood education full-time-equivalent MEM.
E. A school district with a rural population rate greater than forty percent or a charter school initially chartered before July l, 2018 and geographically located in a school district with a rural population rate greater than forty percent is eligible for additional program units. The number of additional program units to which a school district or charter school is entitled pursuant to this subsection is determined by multiplying the full-time-equivalent MEM by the rural population rate and the cost differential factor of 0.03 for fiscal year 2020, 0.06 for fiscal year 2021, 0.09 for fiscal year 2022, 0.12 for fiscal year 2023 and 0.15 for fiscal year 2024 and subsequent fiscal years."

