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SENATE BILL 198

54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020

INTRODUCED BY

Clemente Sanchez and George K. Munoz

AN ACT

RELATING TO PUBLIC SCHOOL FINANCE; REPLACING THE CREDIT TAKEN FOR IMPACT AID PAYMENTS TO CERTAIN SCHOOL DISTRICTS AND STATE-CHARTERED CHARTER SCHOOLS; MAKING AN APPROPRIATION.

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

SECTION 1. A new Section 22-8-25.2 NMSA 1978 is enacted to read:

"22-8-25.2. [NEW MATERIAL] IMPACT AID CREDITS--PORTION RETURNED TO CERTAIN SCHOOL DISTRICTS AND STATE-CHARTERED CHARTER SCHOOLS.--

A. Each year, the department shall calculate and distribute one hundred percent of the previous year's impact aid credit taken pursuant to Section 22-8-25 NMSA 1978 for each school district and state-chartered charter school for which the department has taken one million dollars (\$1,000,000) or

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1 more in impact aid credit. Money received by those school
2 districts and state-chartered charter schools pursuant to this
3 section shall be used:

4 (1) for student-focused operational
5 expenditures in the following function codes of the public
6 schools chart of accounts:

7 (a) 1000, instruction;

8 (b) 2100, support services--students;

9 and

10 (c) 2200, support services--instruction;

11 (2) to meet match requirements for funding
12 from the public school capital outlay council;

13 (3) for other capital improvements; and

14 (4) for maintenance.

15 B. Any unexpended or unencumbered balance of a
16 school district's or state-chartered charter school's impact
17 aid replacement funding pursuant to this section in any fiscal
18 year shall not revert to the state.

19 C. Each school district and state-chartered charter
20 school that receives additional funding pursuant to this
21 section shall submit an annual report to the department and the
22 appropriate legislative interim committees that details how the
23 credit replacement funding was expended and how those
24 expenditures improved or will improve student achievement."

25 SECTION 2. APPROPRIATION.--The actual amount of the

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1 impact aid the state took credit for in fiscal year 2020's
2 state equalization guarantee distribution pursuant to Section
3 22-8-25 NMSA 1978 from school districts and state-chartered
4 charter schools that had federal impact aid revenue over one
5 million dollars (\$1,000,000) is appropriated from the general
6 fund to the public education department for distribution to
7 those school districts and state-chartered charter schools in
8 fiscal year 2021 to provide impact aid credit replacement
9 funding pursuant to Section 1 of this act.