

1 SENATE BILL 318

2 **55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021**

3 INTRODUCED BY

4 Gerald Ortiz y Pino

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9  
10 AN ACT

11 RELATING TO PUBLIC SCHOOLS; REQUIRING NOTIFICATION TO CHARTER  
12 SCHOOLS OF PROPERTY AVAILABLE FOR THEIR EDUCATIONAL OPERATIONS;  
13 ALLOWING SCHOOL DISTRICTS TO DEVELOP FACILITY PRIORITIZATION  
14 PLANS; CREATING A CHARTER FACILITY FUND; REQUIRING POLICIES FOR  
15 LOANS FROM THE PUBLIC PROJECT REVOLVING FUND OR THE CHARTER  
16 FACILITY FUND; MODIFYING THE TERMS APPLICABLE TO GRANTS FROM  
17 THE PUBLIC SCHOOL CAPITAL OUTLAY FUND FOR LEASED FACILITIES;  
18 SPECIFYING THE DATE BY WHICH CHARTER SCHOOLS MUST PROVIDE  
19 INFORMATION ON CAPITAL IMPROVEMENT PROJECTS PROPOSED FOR  
20 FUNDING THROUGH PROPERTY TAX IMPOSITION; MAKING AN  
21 APPROPRIATION.

22  
23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

24 SECTION 1. A new section of the New Mexico Finance  
25 Authority Act is enacted to read:

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1           "[NEW MATERIAL] PUBLIC PROJECT REVOLVING FUND--LOANS TO  
2 CHARTER SCHOOLS--POLICIES.--The authority shall adopt policies  
3 for the public project revolving fund to provide loans to  
4 charter schools for the purchase, construction, expansion or  
5 renovation of facilities or to pay off lease-purchase  
6 agreements that include:

7           A. evidence that any lease-purchase agreements are  
8 in accord with the Public School Lease Purchase Act;

9           B. evidence that a charter school's charter has  
10 been renewed at least once; and

11           C. review of the last two audits of the charter  
12 school."

13           SECTION 2. Section 22-8B-4 NMSA 1978 (being Laws 1999,  
14 Chapter 281, Section 4, as amended) is amended to read:

15           "22-8B-4. CHARTER SCHOOLS' RIGHTS AND RESPONSIBILITIES--  
16 OPERATION.--

17           A. A charter school shall be subject to all federal  
18 and state laws and constitutional provisions prohibiting  
19 discrimination on the basis of disability, physical or mental  
20 handicap, serious medical condition, race, creed, color, sex,  
21 gender identity, sexual orientation, spousal affiliation,  
22 national origin, religion, ancestry or need for special  
23 education services.

24           B. A charter school shall be governed by a  
25 governing body in the manner set forth in the charter contract;

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1 provided that a governing body shall have at least five  
2 members; and provided further that no member of a governing  
3 body for a charter school that is initially approved on or  
4 after July 1, 2005 or whose charter is renewed on or after July  
5 1, 2005 shall serve on the governing body of another charter  
6 school. No member of a local school board shall be a member of  
7 a governing body for a charter school or employed in any  
8 capacity by a locally chartered charter school located within  
9 the local school board's school district during the term of  
10 office for which the member was elected or appointed.

11 C. A charter school shall be responsible for:

12 (1) its own operation, including preparation  
13 of a budget, subject to audits pursuant to the Audit Act; and

14 (2) contracting for services and personnel  
15 matters.

16 D. A charter school may contract with a school  
17 district, a university or college, the state, another political  
18 subdivision of the state, the federal government or one of its  
19 agencies, a tribal government or any other third party for the  
20 use of a facility, its operation and maintenance and the  
21 provision of any service or activity that the charter school is  
22 required to perform in order to carry out the educational  
23 program described in its charter contract. Facilities used by  
24 a charter school shall meet the standards required pursuant to  
25 Section 22-8B-4.2 NMSA 1978.

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1           E. A conversion school chartered before July 1,  
2 2007 may choose to continue using the school district  
3 facilities and equipment it had been using prior to conversion,  
4 subject to the provisions of Subsection F of this section.

5           F. ~~[The]~~ A school district [in which a charter  
6 ~~school is geographically located shall provide a charter school~~  
7 ~~with]~~ that has available land or one or more available  
8 facilities [for] not currently used for other educational  
9 purposes shall make facilities and may make land available for  
10 lease, lease-purchase or purchase to the [school's] charter  
11 schools located in the school district for their operations  
12 ~~[unless the facilities are currently used for other educational~~  
13 ~~purposes]~~ and shall notify them of that availability no later  
14 than May 1 of each year. The public school facilities  
15 authority shall annually ensure that each school district with  
16 available land or one or more available facilities has provided  
17 that notification. A school district may develop a facility  
18 prioritization plan that identifies which charter schools may  
19 lease, lease-purchase or purchase available school district  
20 facilities. School-district-owned land shall not be considered  
21 available to a charter school if the school district has  
22 justified future use of that land through its five-year  
23 facilities master plan. An agreement for the use of school  
24 district facilities by a charter school may provide for  
25 reasonable lease payments; provided that the payments do not

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1 exceed the sum of the lease reimbursement rate provided in  
2 [~~Subparagraph (b) of~~] Paragraph (1) of Subsection I of Section  
3 22-24-4 NMSA 1978 plus any reimbursement for actual direct  
4 costs incurred by the school district in providing the  
5 facilities; and provided further that any lease payments  
6 received by a school district may be retained by the school  
7 district and shall not be considered to be cash balances in any  
8 calculation pursuant to Section 22-8-41 NMSA 1978. The  
9 available facilities provided by a school district to a charter  
10 school shall meet all occupancy standards as specified by the  
11 public school capital outlay council. As used in this  
12 subsection, "other educational purposes" includes health  
13 clinics, daycare centers, teacher training centers, school  
14 district administration functions and other ancillary services  
15 related to a school district's functions and operations.

16 G. A locally chartered charter school may pay the  
17 costs of operation and maintenance of its facilities or may  
18 contract with the school district to provide facility operation  
19 and maintenance services.

20 H. Locally chartered charter school facilities are  
21 eligible for state and local capital outlay funds and shall be  
22 included in the school district's five-year facilities plan.

23 I. A locally chartered charter school shall  
24 negotiate with a school district to provide transportation to  
25 students eligible for transportation under the provisions of

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1 the Public School Code. The school district, in conjunction  
2 with the charter school, may establish a limit for student  
3 transportation to and from the charter school site not to  
4 extend beyond the school district boundary.

5 J. A charter school shall be a nonsectarian,  
6 nonreligious and non-home-based public school.

7 K. Except as otherwise provided in the Public  
8 School Code, a charter school shall not charge tuition or have  
9 admission requirements.

10 L. With the approval of the chartering authority, a  
11 single charter school may maintain separate facilities at two  
12 or more locations within the same school district; but, for  
13 purposes of calculating program units pursuant to the Public  
14 School Finance Act, the separate facilities shall be treated  
15 together as one school.

16 M. A charter school shall be subject to the  
17 provisions of Section 22-2-8 NMSA 1978 and the Assessment and  
18 Accountability Act.

19 N. Within constitutional and statutory limits, a  
20 charter school may acquire and dispose of property; provided  
21 that, upon termination of the charter, all assets of the  
22 locally chartered charter school shall revert to the local  
23 school board and all assets of the state-chartered charter  
24 school shall revert to the state, except that, if all or any  
25 portion of a state-chartered charter school facility is

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1 financed with the proceeds of general obligation bonds issued  
2 by a local school board, the facility shall revert to the local  
3 school board.

4 O. The governing body of a charter school may  
5 accept or reject any charitable gift, grant, devise or bequest;  
6 provided that no such gift, grant, devise or bequest shall be  
7 accepted if subject to any condition contrary to law or to the  
8 terms of the charter. The particular gift, grant, devise or  
9 bequest shall be considered an asset of the charter school to  
10 which it is given.

11 P. The governing body may contract and sue and be  
12 sued. A local school board shall not be liable for any acts or  
13 omissions of the charter school.

14 Q. A charter school shall comply with all state and  
15 federal health and safety requirements applicable to public  
16 schools, including those health and safety codes relating to  
17 educational building occupancy.

18 R. A charter school is a public school that may  
19 contract with a school district or other party for provision of  
20 financial management, food services, transportation,  
21 facilities, education-related services or other services. The  
22 governing body shall not contract with a for-profit entity for  
23 the management of the charter school.

24 S. To enable state-chartered charter schools to  
25 submit required data to the department, an accountability data

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1 system shall be maintained by the department.

2 T. A charter school shall comply with all  
3 applicable state and federal laws and rules related to  
4 providing special education services. Charter school students  
5 with disabilities and their parents retain all rights under the  
6 federal Individuals with Disabilities Education Act and its  
7 implementing state and federal rules. Each charter school is  
8 responsible for identifying, evaluating and offering a free  
9 appropriate public education to all eligible children who are  
10 accepted for enrollment in that charter school. The state-  
11 chartered charter school, as a local educational agency, shall  
12 assume responsibility for determining students' needs for  
13 special education and related services. The division may  
14 promulgate rules to implement the requirements of this  
15 subsection."

16 SECTION 3. Section 22-24-4 NMSA 1978 (being Laws 1975,  
17 Chapter 235, Section 4, as amended by Laws 2019, Chapter 179,  
18 Section 2 and by Laws 2019, Chapter 180, Section 1) is amended  
19 to read:

20 "22-24-4. PUBLIC SCHOOL CAPITAL OUTLAY FUND CREATED--  
21 USE.--

22 A. The "public school capital outlay fund" is  
23 created. Balances remaining in the fund at the end of each  
24 fiscal year shall not revert.

25 B. Except as provided in Subsections G and I

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1 through Q of this section, money in the fund may be used only  
2 for capital expenditures deemed necessary by the council for an  
3 adequate educational program.

4 C. The council may authorize the purchase by the  
5 authority of portable classrooms to be loaned to school  
6 districts to meet a temporary requirement. Payment for these  
7 purchases shall be made from the fund. Title to and custody of  
8 the portable classrooms shall rest in the authority. The  
9 council shall authorize the lending of the portable classrooms  
10 to school districts upon request and upon finding that  
11 sufficient need exists. Application for use or return of  
12 state-owned portable classroom buildings shall be submitted by  
13 school districts to the council. Expenses of maintenance of  
14 the portable classrooms while in the custody of the authority  
15 shall be paid from the fund; expenses of maintenance and  
16 insurance of the portable classrooms while in the custody of a  
17 school district shall be the responsibility of the school  
18 district. The council may authorize the permanent disposition  
19 of the portable classrooms by the authority with prior approval  
20 of the state board of finance.

21 D. Applications for assistance from the fund shall  
22 be made by school districts to the council in accordance with  
23 requirements of the council. Except as provided in Subsection  
24 K of this section, the council shall require as a condition of  
25 application that a school district have a current five-year

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1 facilities plan [~~which~~] that shall include a current preventive  
2 maintenance plan to which the school adheres for each public  
3 school in the school district.

4 E. The council shall review all requests for  
5 assistance from the fund and shall allocate funds only for  
6 those capital outlay projects that meet the criteria of the  
7 Public School Capital Outlay Act.

8 F. Money in the fund shall be disbursed by warrant  
9 of the department of finance and administration on vouchers  
10 signed by the secretary of finance and administration following  
11 certification by the council that an application has been  
12 approved or an expenditure has been ordered by a court pursuant  
13 to Section 22-24-5.4 NMSA 1978. At the discretion of the  
14 council, money for a project shall be distributed as follows:

15 (1) up to ten percent of the portion of the  
16 project cost funded with distributions from the fund or five  
17 percent of the total project cost, whichever is greater, may be  
18 paid to the school district before work commences with the  
19 balance of the grant award made on a cost-reimbursement basis;  
20 or

21 (2) the council may authorize payments  
22 directly to the contractor.

23 G. Balances in the fund may be annually  
24 appropriated for the core administrative functions of the  
25 authority pursuant to the Public School Capital Outlay Act,

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1 and, in addition, balances in the fund may be expended by the  
2 authority, upon approval of the council, for project management  
3 expenses; provided that:

4 (1) the total annual expenditures from the  
5 fund for the core administrative functions pursuant to this  
6 subsection shall not exceed five percent of the average annual  
7 grant assistance authorized from the fund during the three  
8 previous fiscal years; and

9 (2) any unexpended or unencumbered balance  
10 remaining at the end of a fiscal year from the expenditures  
11 authorized in this subsection shall revert to the fund.

12 H. The fund may be expended by the council for  
13 building system repair, renovation or replacement initiatives  
14 with projects to be identified by the council pursuant to  
15 Section 22-24-4.6 NMSA 1978; provided that money allocated  
16 pursuant to this subsection shall be expended within three  
17 years of the allocation.

18 I. The fund may be expended annually by the council  
19 for grants to school districts for the purpose of making lease  
20 payments for ~~[classroom]~~ facilities, including facilities  
21 leased by charter schools. The grants shall be made upon  
22 application by the school districts and pursuant to rules  
23 adopted by the council; provided that an application on behalf  
24 of a charter school shall be made by the school district, but,  
25 if the school district fails to make an application on behalf

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1 of a charter school, the charter school may submit its own  
2 application. The following criteria shall apply to the grants:

3 (1) the amount of a grant to a school district  
4 or charter school shall not exceed:

5 (a) the actual annual lease payments  
6 owed for leasing [~~classroom space for schools, including~~  
7 ~~charter schools, in the school district~~] a facility; or

8 (b) seven hundred dollars (\$700)  
9 multiplied by the MEM using the leased [~~classroom~~] facilities;  
10 provided that in fiscal year 2009 and in each subsequent fiscal  
11 year, this amount shall be adjusted by the percentage change  
12 between the penultimate calendar year and the immediately  
13 preceding calendar year of the consumer price index for the  
14 United States, all items, as published by the United States  
15 department of labor;

16 (2) a grant received for the lease payments of  
17 a charter school may be used by that charter school as a state  
18 match necessary to obtain federal grants pursuant to the  
19 federal Every Student Succeeds Act;

20 (3) at the end of each fiscal year, any  
21 unexpended or unencumbered balance of the [~~appropriation~~] grant  
22 shall revert to the fund;

23 (4) no grant shall be made for lease payments  
24 due pursuant to a financing agreement under which the  
25 facilities may be purchased for a price that is reduced

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1 according to the lease payments made unless:

2 (a) the agreement has been approved  
3 pursuant to the provisions of the Public School Lease Purchase  
4 Act; and

5 (b) the facilities are leased by a  
6 charter school;

7 (5) if the lease payments are made pursuant to  
8 a financing agreement under which the facilities may be  
9 purchased for a price that is reduced according to the lease  
10 payments made, neither a grant nor any provision of the Public  
11 School Capital Outlay Act creates a legal obligation for the  
12 school district or charter school to continue the lease from  
13 year to year or to purchase the facilities nor does it create a  
14 legal obligation for the state to make subsequent grants  
15 pursuant to the provisions of this subsection; and

16 (6) as used in this subsection:

17 (a) "MEM" means: 1) the average full-  
18 time-equivalent enrollment using leased [~~classroom~~] facilities  
19 on the second and third reporting dates of the prior school  
20 year; or 2) in the case of an approved charter school that has  
21 not commenced classroom instruction, the estimated full-time-  
22 equivalent enrollment that will use leased [~~classroom~~]  
23 facilities in the first year of instruction, as shown in the  
24 approved charter school application; provided that, after the  
25 second reporting date of the current school year, the MEM shall

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1 be adjusted to reflect the full-time-equivalent enrollment on  
2 that date; and

3 (b) [~~classroom~~] "facilities" [~~or~~  
4 "~~classroom space~~"] includes the space needed, as determined by  
5 the [~~minimum required under the~~] five-year facilities master  
6 plan aligned with statewide adequacy standards, for [~~the direct~~  
7 ~~administration of~~] school activities.

8 J. In addition to other authorized expenditures  
9 from the fund, up to one percent of the average grant  
10 assistance authorized from the fund during the three previous  
11 fiscal years may be expended in each fiscal year by the  
12 authority to pay the state fire marshal, the construction  
13 industries division of the regulation and licensing department  
14 and local jurisdictions having authority from the state to  
15 permit and inspect projects for expenditures made to permit and  
16 inspect projects funded in whole or in part under the Public  
17 School Capital Outlay Act. The authority may enter into  
18 contracts with the state fire marshal, the construction  
19 industries division or the appropriate local authorities to  
20 carry out the provisions of this subsection. Such a contract  
21 may provide for initial estimated payments from the fund prior  
22 to the expenditures if the contract also provides for  
23 additional payments from the fund if the actual expenditures  
24 exceed the initial payments and for repayments back to the fund  
25 if the initial payments exceed the actual expenditures. Money

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1 distributed from the fund to the state fire marshal or the  
2 construction industries division pursuant to this subsection  
3 shall be used to supplement, rather than supplant,  
4 appropriations to those entities.

5 K. Pursuant to guidelines established by the  
6 council, allocations from the fund may be made to assist school  
7 districts in developing and updating five-year facilities plans  
8 required by the Public School Capital Outlay Act; provided  
9 that:

10 (1) no allocation shall be made unless the  
11 council determines that the school district is willing and able  
12 to pay the portion of the total cost of developing or updating  
13 the plan that is not funded with the allocation from the fund.  
14 Except as provided in Paragraph (2) of this subsection, the  
15 portion of the total cost to be paid with the allocation from  
16 the fund shall be determined pursuant to the methodology in  
17 Subsection B of Section 22-24-5 NMSA 1978; or

18 (2) the allocation from the fund may be used  
19 to pay the total cost of developing or updating the plan if:

20 (a) the school district has fewer than  
21 an average of six hundred full-time-equivalent students on the  
22 second and third reporting dates of the prior school year; or

23 (b) the school district meets all of the  
24 following requirements: 1) the school district has fewer than  
25 an average of one thousand full-time-equivalent students on the

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1 second and third reporting dates of the prior school year; 2)  
2 the school district has at least seventy percent of its  
3 students eligible for free or reduced-fee lunch; 3) the state  
4 share of the total cost, if calculated pursuant to the  
5 methodology in Subsection B of Section 22-24-5 NMSA 1978, would  
6 be less than fifty percent; and 4) for all educational  
7 purposes, the school district has a residential property tax  
8 rate of at least seven dollars (\$7.00) on each one thousand  
9 dollars (\$1,000) of taxable value, as measured by the sum of  
10 all rates imposed by resolution of the local school board plus  
11 rates set to pay interest and principal on outstanding school  
12 district general obligation bonds.

13 L. Upon application by a school district,  
14 allocations from the fund may be made by the council for the  
15 purpose of demolishing abandoned school district facilities;  
16 provided that:

17 (1) the costs of continuing to insure an  
18 abandoned facility outweigh any potential benefit when and if a  
19 new facility is needed by the school district;

20 (2) there is no practical use for the  
21 abandoned facility without the expenditure of substantial  
22 renovation costs; and

23 (3) the council may enter into an agreement  
24 with the school district under which an amount equal to the  
25 savings to the district in lower insurance premiums ~~[are]~~ is

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1 used to reimburse the fund fully or partially for the  
2 demolition costs allocated to the district.

3 M. Up to ten million dollars (\$10,000,000) of the  
4 fund may be expended each year for an education technology  
5 infrastructure deficiency corrections initiative pursuant to  
6 Section 22-24-4.5 NMSA 1978; provided that funding allocated  
7 pursuant to this section shall be expended within three years  
8 of its allocation.

9 N. For each fiscal year from 2018 through 2022,  
10 twenty-five million dollars (\$25,000,000) of the fund is  
11 reserved for appropriation by the legislature to the  
12 instructional material fund or to the transportation  
13 distribution of the public school fund. The secretary shall  
14 certify the need for the issuance of supplemental severance tax  
15 bonds to meet an appropriation from the public school capital  
16 outlay fund to the instructional material fund or to the  
17 transportation distribution of the public school fund. Any  
18 portion of an amount of the public school capital outlay fund  
19 that is reserved for appropriation by the legislature for a  
20 fiscal year, but that is not appropriated before the first day  
21 of that fiscal year, may be expended by the council as provided  
22 in this section.

23 O. Up to ten million dollars (\$10,000,000) of the  
24 fund may be expended in each of fiscal years 2019 through 2022  
25 for school security system project grants made in accordance

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1 with Section 22-24-4.7 NMSA 1978.

2 P. The fund may be expended in each of fiscal years  
3 2020 through 2024 for a pre-kindergarten classroom facilities  
4 initiative in accordance with Section [~~1 of this 2019 act~~]  
5 22-24-12 NMSA 1978.

6 Q. The council may fund pre-kindergarten classrooms  
7 with a qualifying, awarded standards-based project; provided  
8 that pre-kindergarten classroom space shall not be included in  
9 the project prioritization calculation adopted by the council  
10 pursuant to Section 22-24-5 NMSA 1978. The council shall  
11 develop pre-kindergarten classroom standards to use when  
12 funding pre-kindergarten space."

13 SECTION 4. A new section of the Public School Capital  
14 Outlay Act is enacted to read:

15 "[NEW MATERIAL] CHARTER FACILITY FUND.--

16 A. The "charter facility fund" is created as a  
17 nonreverting fund in the state treasury. The fund consists of  
18 appropriations, gifts, grants and donations. The fund shall be  
19 administered by the authority, and money in the fund shall be  
20 expended by the authority on authorization by the council.  
21 Expenditures shall be by warrant of the secretary of finance  
22 and administration pursuant to vouchers signed by the director  
23 of the authority or the director's designated representative.

24 B. The charter facility fund shall be used to pay  
25 off charter school lease-purchase agreements.

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1           C. The council shall adopt rules to provide loans  
2 to charter schools for the purchase, construction, expansion or  
3 renovation of facilities that include:

4                   (1) evidence that any lease-purchase  
5 agreements are in accordance with the Public School Lease  
6 Purchase Act;

7                   (2) evidence that a charter school's charter  
8 has been renewed at least once; and

9                   (3) review of the last two audits of the  
10 charter school."

11           **SECTION 5.** Section 22-25-3 NMSA 1978 (being Laws 1975  
12 (S.S.), Chapter 5, Section 3, as amended) is amended to read:

13           "22-25-3. AUTHORIZATION FOR LOCAL SCHOOL BOARD TO SUBMIT  
14 QUESTION OF CAPITAL IMPROVEMENTS TAX IMPOSITION.--

15           A. A local school board may adopt a resolution to  
16 submit to the qualified electors of the school district the  
17 question of whether a property tax should be imposed upon the  
18 net taxable value of property allocated to the school district  
19 under the Property Tax Code at a rate not to exceed that  
20 specified in the resolution for the purpose of capital  
21 improvements in the school district. The resolution shall:

22                   (1) identify the capital improvements for  
23 which the revenue proposed to be produced will be used;

24                   (2) specify the rate of the proposed tax,  
25 which shall not exceed two dollars (\$2.00) on each one thousand

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1 dollars (\$1,000) of net taxable value of property allocated to  
2 the school district under the Property Tax Code;

3 (3) limit the imposition of the proposed tax  
4 to no more than six property tax years; and

5 (4) indicate the regular election on which the  
6 ballot question shall appear or specify the date a special  
7 election will be held to submit the question of imposition of  
8 the tax to the qualified electors of the district.

9 B. A school district that has one or more charter  
10 schools located within the school district boundaries shall  
11 collaborate with the charter schools to establish a process  
12 through which the charter schools submit necessary information  
13 to the school district for inclusion in the resolution. This  
14 process shall include:

15 (1) identification of the capital improvements  
16 of the charter school for which the revenue proposed to be  
17 produced will be used;

18 (2) a requirement that necessary information  
19 be submitted to the school district no later than June 1 of the  
20 calendar year in which the local school board will consider the  
21 resolution; and

22 (3) the point of contact in the school  
23 district to which the charter school is to submit the  
24 information.

25 [~~B.~~] C. A resolution submitted to the qualified

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1 electors pursuant to Subsection A of this section shall include  
2 capital improvements funding for a locally chartered or state-  
3 chartered charter school located within the school district if  
4 the charter school [~~timely provides the necessary information~~  
5 ~~to the school district for inclusion in the resolution that~~  
6 ~~identifies the capital improvements of the charter school for~~  
7 ~~which the revenue proposed to be produced will be used~~] has  
8 complied with the process outlined in Subsection B of this  
9 section."

10 SECTION 6. Section 22-26-3 NMSA 1978 (being Laws 1983,  
11 Chapter 163, Section 3, as amended) is amended to read:

12 "22-26-3. AUTHORIZATION FOR LOCAL SCHOOL BOARD TO SUBMIT  
13 QUESTION OF CAPITAL IMPROVEMENTS TAX IMPOSITION.--

14 A. A local school board may adopt a resolution to  
15 submit to the qualified electors of the school district the  
16 question of whether a property tax at a rate not to exceed the  
17 rate specified in the resolution should be imposed upon the net  
18 taxable value of property allocated to the school district  
19 under the Property Tax Code for the purpose of capital  
20 improvements to public schools in the school district. The  
21 resolution shall:

22 (1) identify the capital improvements for  
23 which the revenue proposed to be produced will be used;

24 (2) specify the rate of the proposed tax,  
25 which shall not exceed ten dollars (\$10.00) on each one

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underscored material = new  
[bracketed material] = delete

1 thousand dollars (\$1,000) of net taxable value of property  
2 allocated to the school district under the Property Tax Code;

3 (3) limit the imposition of the proposed tax  
4 to no more than six property tax years; and

5 (4) indicate the regular election on which the  
6 ballot question shall appear or specify the date a special  
7 election will be held to submit the question of imposition of  
8 the tax to the qualified electors of the district.

9 B. A school district that has one or more charter  
10 schools located within the school district boundaries shall  
11 collaborate with the charter schools to establish a process  
12 through which the charter schools submit necessary information  
13 to the school district for inclusion in the resolution. This  
14 process shall include:

15 (1) identification of the capital improvements  
16 of the charter school for which the revenue proposed to be  
17 produced will be used;

18 (2) a requirement that necessary information  
19 be submitted to the school district no later than June 1 of the  
20 calendar year in which the local school board will consider the  
21 resolution; and

22 (3) the point of contact in the school  
23 district to which the charter school is to submit the  
24 information.

25 [~~B.~~] C. A resolution submitted to the qualified

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underscored material = new  
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1 electors pursuant to Subsection A of this section shall include  
2 capital improvements funding for a locally chartered or state-  
3 chartered charter school located within the school district if:

4 (1) the charter school [~~timely provides the~~  
5 ~~necessary information to the school district for inclusion on~~  
6 ~~the resolution that identifies the capital improvements of the~~  
7 ~~charter school for which the revenue proposed to be produced~~  
8 ~~will be used]~~ has complied with the process outlined in  
9 Subsection B of this section; and

10 (2) the capital improvements are included in  
11 the five-year facilities plan:

12 (a) of the school district, if the  
13 charter school is a locally chartered charter school; or

14 (b) of the charter school, if the  
15 charter school is a state-chartered charter school."

16 SECTION 7. APPROPRIATION.--One million dollars  
17 (\$1,000,000) is appropriated from the general fund operating  
18 reserve to the public project revolving fund for expenditure in  
19 fiscal year 2022 and subsequent fiscal years to provide loans  
20 to charter schools for the renovation, construction, purchase  
21 or expansion of a charter school facility or to pay off charter  
22 school lease-purchase agreements as provided in Section 6 of  
23 this act. Any unexpended or unencumbered balance remaining at  
24 the end of a fiscal year shall not revert to any other fund.