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HOUSE BILL 827

43RD LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1997

INTRODUCED BY

ROBERTO J. GONZALES

AN ACT

RELATING TO EDUCATION; CHANGING CERTAIN REQUIREMENTS DEALING WITH PUBLIC SCHOOL BUDGETING AND ACCOUNTING; REPEALING A SECTION OF THE NMSA 1978 DEALING WITH EARNINGS FROM INVESTMENTS OF OPERATIONAL FUNDS.

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

Section 1. Section 22-8-5 NMSA 1978 (being Laws 1967, Chapter 16, Section 59, as amended) is amended to read:

"22-8-5. [~~MANUAL OF ACCOUNTING AND BUDGETING~~]

REGULATIONS - - PROCEDURES. - -

A. The department shall [~~compile and publish a manual prescribing detailed~~] establish regulations and procedures for a uniform system of accounting and budgeting of funds for [~~all~~] public schools and school districts of the state. The [~~manual of~~] regulations and [~~any revision~~] revisions

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1 or amendments thereto shall become effective only upon approval
2 by the state board ~~[of education and the legislative finance~~
3 ~~committee]~~ and upon filing with the state records center and
4 publication. A copy shall also be filed with the department of
5 finance and administration and the legislative finance
6 committee.

7 B. All public schools and school districts shall
8 comply with the regulations and procedures prescribed ~~[in the~~
9 ~~manual of accounting and budgeting]~~ and shall, upon request,
10 submit additional reports concerning finances to the department.
11 In addition, upon request, ~~[aH]~~ public schools and school
12 districts shall file reports with the department containing
13 pertinent details regarding applications for federal money or
14 federal grants-in-aid or regarding federal money or federal
15 grants-in-aid received, including but not limited to details of
16 programs, matching funds, personnel requirements, salary
17 provisions and program numbers, as indicated in the catalog of
18 federal domestic assistance, of the federal funds applied for
19 and of those received.

20 C. Upon request by the department of finance and
21 administration, the legislative finance committee or the
22 legislative education study committee, the ~~[state]~~ department
23 ~~[of public education]~~ shall timely furnish information and data
24 obtained from public schools and school districts pursuant to
25 Subsection B of this section. "

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1 Section 2. Section 22-8-6 NMSA 1978 (being Laws 1967,
2 Chapter 16, Section 60, as amended by Laws 1993, Chapter 224,
3 Section 2 and also by Laws 1993, Chapter 227, Section 9) is
4 amended to read:

5 "22-8-6. BUDGETS--SUBMISSION--FAILURE TO SUBMIT.--

6 A. Prior to April 15 of each year, each local school
7 board shall submit to the department an ~~estimated~~ operating
8 budget for the school district for the ensuing fiscal year.
9 Upon written approval of the state superintendent, the date for
10 the submission of the ~~estimated~~ operating budget as required
11 by this section may be extended to a later date fixed by the
12 state superintendent.

13 B. The ~~estimated~~ operating budget required by this
14 section may include:

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

18 (2) estimates of the cost of contracts for the
19 transportation of students for terms extending up to four years.

20 C. The ~~estimated~~ operating budget required by this
21 section shall include a proposed breakdown for charter schools
22 in the ~~local~~ school district, by individual charter school, of
23 the membership projected for each charter school, the total
24 program units generated at that charter school and approximate
25 anticipated disbursements and expenditures at each charter

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1 school.

2 D. If a local school board fails to submit a budget
3 pursuant to this section, the department shall prepare the
4 ~~[estimated]~~ operating budget for the school district for the
5 ensuing fiscal year. A local school board shall be considered
6 as failing to submit a budget pursuant to this section if the
7 budget submitted exceeds the total projected resources of the
8 school district or if the budget submitted does not comply with
9 the law or ~~[the manual of accounting and budgeting]~~ regulations
10 of the department."

11 Section 3. Section 22-8-7 NMSA 1978 (being Laws 1967,
12 Chapter 16, Section 61, as amended) is amended to read:

13 "22-8-7. BUDGETS--FORM --All budgets submitted to the
14 ~~[division]~~ department by a school district shall be in a form
15 specified by ~~[the manual of accounting and budgeting of]~~ the
16 ~~[division]~~ department."

17 Section 4. Section 22-8-10 NMSA 1978 (being Laws 1967,
18 Chapter 16, Section 65, as amended) is amended to read:

19 "22-8-10. BUDGETS--FIXING THE ~~[ESTIMATED]~~ OPERATING
20 BUDGET. --

21 A. Prior to June 20 of each year, each local school
22 board shall, at a public hearing of which notice has been
23 published by the local school board, fix the ~~[estimated]~~
24 operating budget for the school district for the ensuing fiscal
25 year. At the discretion of the state superintendent or the

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1 local school board, the department may participate in the public
2 hearing.

3 B. Prior to the public hearing held to fix the
4 ~~[estimated]~~ operating budget for the school district, the local
5 school board shall give notice to parents explaining the budget
6 process and inviting parental involvement and input in that
7 process prior to the date for the public hearing. "

8 Section 5. Section 22-8-11 NMSA 1978 (being Laws 1967,
9 Chapter 16, Section 66, as amended) is amended to read:

10 "22-8-11. BUDGETS- - TEMPORARY- - FINAL. - -

11 A. The department shall:

12 (1) on or before July 1 of each year, approve
13 and certify to each local school board ~~[a temporary]~~ an
14 operating budget for use by the local school board ~~[pending~~
15 approval by the department of a final budget]; and

16 (2) make corrections, revisions and amendments
17 to the ~~[estimated]~~ operating budgets fixed by the local school
18 boards and the state superintendent to conform the budgets to
19 the requirements of law and ~~[to the manual of accounting and~~
20 budgeting; ~~and~~

21 ~~(3) before the first Monday of September of~~
22 ~~each year, approve and certify to each local school board and to~~
23 ~~the board of county commissioners of the county in which the~~
24 ~~school district is situated a final budget for use by the local~~
25 ~~school board, based upon the estimated budget fixed by the local~~

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1 ~~school board and the state superintendent]~~ regulations of the
2 department.

3 B. No school board or officer or employee of a
4 school district shall make any expenditure or incur any
5 obligation for the expenditure of public funds unless that
6 expenditure or ~~[contractual]~~ obligation is made in accordance
7 with an operating budget approved by the department ~~[but]~~. This
8 prohibition does not prohibit the transfer of funds between
9 ~~[line items within series]~~ object codes within the function of a
10 budget.

11 C. The department shall not approve and certify ~~[a~~
12 ~~temporary]~~ an operating budget of any school district that fails
13 to demonstrate that parental involvement in the budget process
14 was solicited. "

15 Section 6. Section 22-8-12 NMSA 1978 (being Laws 1967,
16 Chapter 16, Section 67, as amended) is amended to read:

17 "22-8-12. ~~[FINAL]~~ OPERATING BUDGETS-- ~~[ALTERATIONS OR]~~
18 AMENDMENTS. -- ~~[Final]~~ Operating budgets shall not be ~~[altered or]~~
19 amended after approval and certification by the department
20 except ~~[for the following purposes and according to the~~
21 ~~following procedure~~

22 ~~A.]~~ upon written request of any local school board
23 and approval by the state superintendent. ~~[may authorize~~
24 ~~transfer within the budget, or provide for items not included,~~
25 ~~when the total amount of the budget will not be increased~~

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1 ~~thereby;~~

2 ~~B. upon written request of any local school board,~~
3 ~~the state superintendent, in conformance with the regulations of~~
4 ~~the department, may authorize an increase in any budget if the~~
5 ~~increase is necessary because of the receipt of revenue that was~~
6 ~~not anticipated at the time the budget was fixed and if the~~
7 ~~increase is directly related to a special project or program for~~
8 ~~which the additional revenue was received. The state~~
9 ~~superintendent shall make a written report to the legislative~~
10 ~~finance committee of any such budget increase;~~

11 ~~C. upon written request of any local school board,~~
12 ~~the state superintendent may authorize an increase in a budget~~
13 ~~of not more than one thousand dollars (\$1,000); or~~

14 ~~D. upon written request of any local school board,~~
15 ~~the state superintendent, after notice and a public hearing, may~~
16 ~~authorize an increase in a school budget in an amount exceeding~~
17 ~~one thousand dollars (\$1,000). The notice of the hearing shall~~
18 ~~designate the school district which proposes to alter or amend~~
19 ~~its budget, together with the time, place and date of the~~
20 ~~hearing. The notice of the hearing shall be published at least~~
21 ~~once a week for two consecutive weeks in a newspaper of general~~
22 ~~circulation in the county in which the school district is~~
23 ~~situated. The last publication of the notice shall be at least~~
24 ~~three days prior to the date set for the hearing."~~

25 Section 7. Section 22-8-12.1 NMSA 1978 (being Laws 1978,

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1 Chapter 128, Section 5, as amended) is amended to read:

2 "22-8-12. 1. MEMBERSHIP PROJECTIONS AND BUDGET REQUESTS. --

3 A. Each local school board shall submit annually, on
4 or before October 15, to the department:

5 (1) an estimate for the succeeding fiscal year
6 of:

7 (a) the membership of qualified students to
8 be enrolled in the basic program;

9 (b) the full-time-equivalent membership of
10 students to be enrolled in approved early childhood education
11 programs; and

12 (c) the membership of students to be enrolled
13 in approved special education programs;

14 (2) all other information necessary to calculate
15 program costs; and

16 (3) any other information related to the
17 financial needs of the school district as may be requested by
18 the department.

19 B. All information requested pursuant to Subsection A
20 of this section shall be submitted on forms prescribed and
21 furnished by the department and shall comply with the ~~manual of~~
22 ~~accounting and budgeting published by~~ regulations of the
23 department.

24 C. The department shall:

25 (1) review the financial needs of each school

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1 district for the succeeding fiscal year; and

2 (2) submit annually, on or before November 30, to
3 the secretary of finance and administration the recommendations
4 of the state board for:

5 (a) amendments to the public school finance
6 formula;

7 (b) appropriations for the succeeding fiscal
8 year to the public school fund for inclusion in the executive
9 budget document; and

10 (c) appropriations for the succeeding fiscal
11 year for pupil transportation and instructional materials."

12 Section 8. REPEAL. -- Section 22-8-12.2 NMSA 1978 (being Laws
13 1978, Chapter 149, Section 1, as amended) is repealed.

**State of New Mexico
House of Representatives**

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

March 1, 1997

Mr. Speaker:

Your EDUCATION COMMITTEE, to whom has been referred

HOUSE BILL 827

has had it under consideration and reports same with
recommendation that it DO PASS, amended as follows:

1. On page 5, line 10, strike "BUDGETS--TEMPORARY--FINAL",
and insert in lieu thereof "BUDGETS--APPROVAL OF OPERATING
BUDGET".,

and thence referred to the APPROPRIATIONS AND FINANCE
COMMITTEE.

Respectfully submitted,

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Samuel F. Vigil, Chairman

Adopted _____ Not Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 7 For 0 Against

Yes: 7

Excused: Beam, McSherry, Mi era, Nicely, Trujillo, Wright

Absent: None

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State of New Mexico House of Representatives

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

March 8, 1997

Mr. Speaker:

Your APPROPRIATIONS AND FINANCE COMMITTEE, to
whom has been referred

HOUSE BILL 827

has had it under consideration and reports same with
recommendation that it DO PASS, amended as follows:

1. On page 1, line 14, strike "." and insert in lieu thereof
"; DECLARING AN EMERGENCY."

2. On page 9, between lines 13 and 14, insert the following
new section:

"Section 9. EMERGENCY.--It is necessary for the public peace,
health and safety that this act take effect immediately."

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

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Respectfully submitted,

Max Coll, Chairman

Adopted _____ Not Adopted _____

(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 14 For 0 Against

Yes: 14

Excused: Buffett, Coll, Watchman

Absent: None

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FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

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FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

March 15, 1997

Mr. President:

Your EDUCATION COMMITTEE, to whom has been referred

HOUSE BILL 827, as amended

has had it under consideration and reports same with
recommendation that it DO PASS.

Respectfully submitted,

Cynthia Nava, Chairman

Adopted _____ Not Adopted _____

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

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(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 6 For 0 Against

Yes: 6

No: 0

Excused: Boitano, Duran, Gorham, Rawson

Absent: None

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FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

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FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

March 15, 1997

Mr. President:

Your EDUCATION COMMITTEE, to whom has been referred

HOUSE BILL 862, as amended

has had it under consideration and reports same with
recommendation that it DO PASS.

Respectfully submitted,

Cynthia Nava, Chairman

Adopted _____ Not Adopted _____

FORTY-THIRD LEGISLATURE
FIRST SESSION, 1997

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(Chief Clerk)

(Chief Clerk)

Date _____

The roll call vote was 7 For 0 Against

Yes: 7

No: 0

Excused: Boitano, Duran, Gorham

Absent: None

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