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**AN ACT**

**RELATING TO EDUCATION; MAKING APPROPRIATIONS.**

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

Section 1. **SHORT TITLE.**--This act may be cited as the "Education Appropriation Act of 1999".

Section 2. **DEFINITIONS.**--As used in the Education Appropriation Act of 1999:

A. "agency" means an office, department, agency, institution, board, bureau, commission, court, district attorney, council or committee of state government;

B. "expenditures" means costs, expenses, encumbrances and other financing uses, other than refunds authorized by law, recognized in accordance with generally accepted accounting principles for the legally authorized budget amounts and budget period;

C. "federal funds" means any payments by the United States government to state government or agencies except those payments made in accordance with the federal Mineral Lands Leasing Act;

D. "full-time equivalent" or "FTE" means one or more authorized positions that together receive compensation for not more than two thousand ninety-six hours worked in fiscal year 2000. The calculation of hours worked includes compensated absences but does not include overtime, compensatory time or sick leave paid pursuant to Section 10-7-10 NMSA 1978;

E. "general fund" means that fund created by Section 6-4-2 NMSA 1978 and includes federal Mineral Lands Leasing Act receipts, but excludes the general fund operating reserve, the appropriation contingency fund and the risk reserve;

F. "interagency transfers" means revenue, other than internal service funds, legally transferred from one agency to another;

G. "internal service funds" means:

(1) revenue transferred to an agency for the financing of goods or services to another agency on a cost-reimbursement basis; and

(2) unencumbered balances in agency internal service fund accounts appropriated by the

1 Education Appropriation Act of 1999;

2 H. "other state funds" means:

3 (1) unencumbered, nonreverting balances in agency accounts, other than in internal  
4 service funds accounts, appropriated by the Education Appropriation Act of 1999;

5 (2) all revenue available to agencies from sources other than the general fund, internal  
6 service funds, interagency transfers and federal funds; and

7 (3) all revenue, the use of which is restricted by statute or agreement;

8 I. "revenue" means all money received by an agency from sources external to that agency, net  
9 of refunds and other correcting transactions, other than from issue of debt, liquidation of investments or  
10 as agent or trustee for other governmental entities or private persons; and

11 J. "unforeseen federal funds" means a source of federal funds or an increased amount of  
12 federal funds that could not have been reasonably anticipated or known during the first session of the  
13 forty-fourth legislature and, therefore, could not have been requested by an agency or appropriated by the  
14 legislature.

15 Section 3. **GENERAL PROVISIONS.**--

16 A. Amounts set out under column headings are expressed in thousands of dollars.

17 B. Amounts set out under column headings are appropriated from the source indicated by the  
18 column heading. All amounts set out under the column heading "Internal Service Funds/Interagency  
19 Transfers" indicate an intergovernmental transfer and do not represent a portion of total state government  
20 appropriations. All information designated as "Totals" or "Subtotals" are provided for information and  
21 are not appropriations.

22 C. Amounts set out in Section 4 of the Education Appropriation Act of 1999, or so much as may  
23 be necessary, are appropriated from the indicated source for expenditure in fiscal year 2000 for the  
24 objects expressed.

25 D. Unencumbered balances in agency accounts remaining at the end of fiscal year 1999 shall

1 revert to the general fund by October 1, 1999, unless otherwise indicated in the Education Appropriation  
2 Act of 1999 or otherwise provided by law.

3 E. Unencumbered balances in agency accounts remaining at the end of fiscal year 2000 shall  
4 revert to the general fund by October 1, 2000, unless otherwise indicated in the Education Appropriation  
5 Act of 1999 or otherwise provided by law.

6 F. The state budget division shall monitor revenue received by agencies from sources other  
7 than the general fund and shall reduce the operating budget of any agency whose revenue from such sources  
8 is not meeting projections. The state budget division shall notify the legislative finance committee of  
9 any operating budget reduced pursuant to this subsection.

10 G. Except as otherwise specifically stated in the Education Appropriation Act of 1999,  
11 appropriations are made in that act for the expenditures of agencies and for other purposes as required by  
12 existing law for fiscal year 2000. If any other act of the first session of the forty-fourth legislature  
13 changes existing law with regard to the name or responsibilities of an agency or the name or purpose of a  
14 fund or distribution, the appropriation made in the Education Appropriation Act of 1999 shall be  
15 transferred from the agency, fund or distribution to which an appropriation has been made as required by  
16 existing law to the appropriate agency, fund or distribution provided by the new law.

17 H. Pursuant to Sections 6-3-23 through 6-3-25 NMSA 1978, agencies whose revenue from  
18 unforeseen federal funds, from state board of finance loans, from revenue appropriated by other acts of  
19 the legislature, or from gifts, donations, bequests, insurance settlements, refunds, or payments into  
20 revolving funds exceed specifically appropriated amounts may request budget increases from the state  
21 budget division. If approved by the state budget division, such money is appropriated. In approving a  
22 budget increase from unforeseen federal funds, the director of the state budget division shall advise the  
23 legislative finance committee as to the source of the federal funds and the source and amount of any  
24 matching funds required.

25 I. For fiscal year 2000, the number of permanent and term full-time equivalent positions

Item	General Fund	Other State Funds	Intrnl Svc Funds/Inter- Agency Trnsf	Federal Funds	Total
1 specified for each agency shows the maximum number of employees intended by the legislature for that					
2 agency, unless another provision of the Education Appropriation Act of 1999 or another act of the first					
3 session of the forty-fourth legislature provides for additional employees.					
4 J. Except for gasoline credit cards used solely for operation of official vehicles and					
5 telephone credit cards used solely for official business, none of the appropriations contained in the					
6 Education Appropriation Act of 1999 may be expended for payment of credit card invoices.					
7 K. To prevent unnecessary spending, expenditures from the Education Appropriation Act of 1999					
8 for gasoline for state-owned vehicles at public gasoline service stations shall be made only for					
9 self-service gasoline; provided that a state agency head may provide exceptions from the requirement to					
10 accommodate disabled persons or for other reasons the public interest may require.					
11 L. When approving operating budgets based on appropriations in the Education Appropriation					
12 Act of 1999, the state budget division is specifically authorized to approve only those budgets that are					
13 in accordance with generally accepted accounting principles for the purpose of properly classifying other					
14 financing sources and uses, including interfund, intrafund and interagency transfers.					
15 Section 4. <b>APPROPRIATIONS.</b> --The appropriation for public school support in fiscal year 2000 shall					
16 be:					
17 PUBLIC SCHOOL SUPPORT:					
18 (1) State equalization guarantee					
19 distribution:	1,433,571.2		2,000.0		1,435,571.2
20 (2) Transportation distribution:					
21 (a) Operations	73,539.5				73,539.5
22 (b) School-owned bus replacements	3,203.8				3,203.8
23 (c) Contractor-owned rental fees	11,926.5				11,926.5
24 (3) Supplemental distributions:					
25 (a) Out-of-state tuition	475.0				475.0

Item	General Fund	Other State Funds	Intrnl Svc Funds/Inter-Agency Trnsf	Federal Funds	Total
1 (b) Emergency supplemental	850.0				850.0
2 (c) Emergency capital outlay	805.0				805.0

3 The rate of distribution of the state equalization guarantee distribution shall be based on a program  
4 unit value determined by the superintendent of public instruction. The superintendent of public  
5 instruction shall establish a preliminary unit value to establish tentative budgets for the 1999-2000  
6 school year; and then upon completion of final budgets or verification of the number of units statewide  
7 for fiscal year 2000, but no later than January 31, the superintendent of public instruction may adjust  
8 the program unit value.

9 Included in the state equalization guarantee distribution is five million dollars (\$5,000,000) for  
10 the purpose of funding additional program units to implement early literacy programs. The state  
11 department of public education shall distribute funds, upon program approval, to school districts that  
12 develop literacy programs to meet literacy needs of children kindergarten through grade three. These  
13 programs shall include intensive literacy programs for students in kindergarten through grade three to  
14 ensure that all children are reading by the time they complete grade three. The department shall report  
15 to the legislative education study committee and the legislative finance committee on program  
16 implementation by November 1999.

17 By July 1, 1999, the department shall develop an approval process for literacy programs, disseminate  
18 instructions for that process to all school districts and provide technical assistance in developing  
19 proposals. For the purposes of the distribution for early literacy education the number of early literacy  
20 education program units is determined by multiplying the number of children in programs for kindergarten  
21 through grade three by the school district's at-risk index multiplied by .279. The department shall  
22 define approval criteria, establish content standards and benchmarks that ensure students' progress and  
23 provide accountability to the public. The department shall monitor early literacy programs, ensure that  
24 they serve the children most in need based upon age-appropriate assessments, compile the program results  
25 submitted by the school districts and make an annual report to the legislative education study committee.

Item	General Fund	Other State Funds	Intrnl Svc Funds/Inter-Agency Trnsf	Federal Funds	Total
<p>1 If the department determines that a program is not meeting the benchmarks necessary to ensure the progress  2 of students in the program, the department shall notify the district that failure of the program to meet  3 the benchmarks within sixty days will result in the cessation of funding for the program. Also included  4 in the state equalization guarantee distribution is one million one hundred forty-three thousand four  5 hundred dollars (\$1,143,400) for the purpose of funding a statewide early childhood program modeled after  6 the even-start program.</p>					
<p>7 The appropriation for the state equalization guarantee contains sufficient funds to provide a  8 statewide average six and one quarter percent salary increase for teachers and a statewide average five  9 and one quarter percent salary increase for other certified and non-certified staff including  10 transportation employees.</p>					
<p>11 The general fund appropriation for the state equalization guarantee includes five hundred thousand  12 dollars (\$500,000) to increase the number of program units for those school districts who have employed  13 teachers certified by the national board for professional teaching standards. The appropriation is  14 contingent upon House Bill 115 or Senate Bill 158 of the first session of the forty-fourth legislature  15 becoming law.</p>					
<p>16 The general fund appropriation for the state equalization guarantee distribution includes thirteen  17 million one hundred ninety-five thousand six hundred dollars (\$13,195,600) to reflect the deduction of  18 seventy-five percent of eligible local and federal revenues as defined in Subsections B and C of Section  19 22-8-25 NMSA 1978, and is contingent upon legislation of the first session of the forty-fourth legislature  20 becoming law that reduces the percentage of receipts in calculating local and federal revenues; provided  21 that if the reduced percentage is other than seventy-five percent, the state equalization guarantee  22 distribution shall be adjusted accordingly.</p>					
<p>23 The general fund appropriation for the state equalization guarantee distribution reflects the  24 deduction of federal revenues pursuant to Paragraph (2) of Subsection C of Section 22-8-25 NMSA 1978 that  25 includes payments commonly known as "impact aid funds" pursuant to 20 USCA 7701 et seq., formerly known</p>					

<u>Item</u>	<u>General Fund</u>	<u>Other State Funds</u>	<u>Intrnl Svc Funds/Inter- Agency Trnsf</u>	<u>Federal Funds</u>	<u>Total</u>
1 as "PL874 funds".					
2 The general fund appropriation to the public school fund shall be reduced by the amounts transferred					
3 to the public school fund from the current school fund and from the federal Mineral Lands Leasing Act					
4 receipts otherwise unappropriated.					
5 Any unexpended or unencumbered balance in the distributions authorized remaining at the end of					
6 fiscal year 2000 from appropriations made from the general fund shall revert to the general fund.					
7 Subtotal					1,526,371.0
8 INSTRUCTIONAL MATERIAL FUND:	30,981.9				30,981.9
9 The appropriation to the instructional material fund is made from the federal Minerals Lands Leasing Act					
10 receipts.					
11 EDUCATIONAL TECHNOLOGY FUND:	5,000.0				5,000.0
12 INCENTIVES FOR SCHOOL IMPROVEMENT FUND:	1,900.0				1,900.0
13 FEDERAL FLOW THRU:				238,280.0	238,280.0
14 TOTAL PUBLIC SCHOOL SUPPORT	1,562,252.9	2,000.0		238,280.0	1,802,532.9
15 STATE DEPARTMENT OF PUBLIC EDUCATION:					
16 (a) Personal services	5,613.2	99.5	32.4	3,089.6	8,834.7
17 (b) Employee benefits	1,563.8	25.6	8.5	857.4	2,455.3
18 (c) Travel	270.4	1.8	7.0	189.7	468.9
19 (d) Maintenance and repairs	31.3	.3	.1	23.9	55.6
20 (e) Supplies and materials	54.6	124.1	30.7	168.4	377.8
21 (f) Contractual services	275.4	161.6		1,265.3	1,702.3
22 (g) Operating costs	377.8	16.3	3.7	708.1	1,105.9
23 (h) Other costs			2,427.6	168.2	2,595.8
24 (i) Capital outlay		86.0	2.4	170.2	258.6
25 (j) Out-of-state travel	13.5	2.1	1.2	81.2	98.0

Item	General Fund	Other State Funds	Intrnl Svc Funds/Inter-Agency Trnsf	Federal Funds	Total
1 (k) Other financing uses	2.6		.1	152.4	155.1
2 Authorized FTE: 172.00 Permanent;	70.00	Term;	.20	Temporary	
3 Two hundred sixty-two thousand eight hundred dollars (\$262,800) of the general fund appropriations to the					
4 state department of public education are from Federal Mineral Lands Leasing Act receipts.					
5 Unexpended or unencumbered balances in the state department of public education remaining at the end					
6 of fiscal year 2000 from appropriations made from the general fund shall not revert.					
7 Subtotal					18,108.0
8 APPRENTICESHIP ASSISTANCE:	500.0				500.0
9 ADULT BASIC EDUCATION:	4,700.0			2,254.7	6,954.7
10 REGIONAL EDUCATION COOPERATIVES:					
11 (a) Central:		1,619.3		1,791.5	3,410.8
12 (b) High plains:		2,000.0		3,457.0	5,457.0
13 (c) Region IX:		140.0		2,827.9	2,967.9
14 Subtotal					11,835.7
15 STATE DEPARTMENT OF PUBLIC EDUCATION SPECIAL					
16 APPROPRIATIONS:					
17 (a) Advanced placement	400.0				400.0
18 (b) Dropout prevention	700.0				700.0
19 (c) Graduation, reality and dual					
20 skills program-teen parents	500.0				500.0
21 (d) Career education opportunity					
22 program	500.0				500.0
23 (e) Dual language immersion					
24 initiative	200.0				200.0
25 (f) Student assessment and					

Item	General Fund	Other State Funds	Intrnl Svc Funds/Inter-Agency Trnsf	Federal Funds	Total
1 testing	1,433.0				1,433.0
2 (g) Re: learning	1,000.0				1,000.0
3 Subtotal					4,733.0
4 DEPARTMENT OF FINANCE AND					
5 ADMINISTRATION:					
6 (a) Student Alternative Act	2,500.0				2,500.0
7 The general fund appropriation of two million five hundred thousand dollars (\$2,500,000) for the Student					
8 Alternative Act is contingent upon Senate Bill 173 of the first session of the forty-fourth legislature					
9 becoming law.					
10 The appropriation of five hundred thousand dollars (\$500,000) for the career education opportunity					
11 program shall be used as maintenance of effort for the federal Carl Perkins Act.					
12 The general fund appropriation of seven hundred thousand dollars (\$700,000) for the dropout prevention					
13 program is for the purpose of contracting with a private nonprofit organization to establish dropout					
14 prevention programs for at-risk students from Valley, Los Lunas, Rio Grande and West Mesa high schools and					
15 Santa Fe Indian school in Bernalillo, Santa Fe and Valencia counties.					
16 Included in the general fund appropriation for student assessment and testing is one hundred thousand					
17 dollars (\$100,000) for curriculum analysis of test results to be provided to all teachers in grades three					
18 through nine.					
19 TOTAL	20,635.6	4,276.7	2,513.6	17,205.5	44,631.4
20 GRAND TOTAL	1,582,888.5	6,276.7	2,513.6	255,485.5	1,847,164.3

21 Section 5. **SEVERABILITY**.--If any part or application of this act is held invalid, the remainder or  
22 its application to other situations or persons shall not be affected.=====