

1 HOUSE BILL 3
2 **51ST LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2014**

3 INTRODUCED BY
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10 AN ACT
11 RELATING TO EDUCATION; MAKING APPROPRIATIONS; DECLARING AN EMERGENCY.
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13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

14 SECTION 1. SHORT TITLE.--This act may be cited as the "Education Appropriation Act".

15 SECTION 2. DEFINITIONS.--As used in the Education Appropriation Act:

16 A. "federal funds" means any payments by the United States government to state
17 government or state agencies for specific purposes or in lieu of taxes, including grants,
18 reimbursements and payments made in accordance with contracts or cooperative agreements, and
19 shared revenue except those payments made in accordance with the federal Mineral Leasing Act (30
20 USCA 181, et seq.) and the State and Local Fiscal Assistance Act of 1972 (31 USCA 1221-1264), as
21 amended;

22 B. "general fund" means that fund created by Section 6-4-2 NMSA 1978 and includes
23 federal Mineral Leasing Act receipts; and

24 C. "other state funds" means:

25 (1) unencumbered nonreverting balances in state agency accounts, other than in

Item	General Fund	Other State Funds	Intrnl Svc Funds/Inter-Agency Trnsf	Federal Funds	Total
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1 internal service funds accounts, appropriated by the Education Appropriation Act;

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

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

5 **SECTION 3. FORMAT.--**The general format of the appropriations set forth in the Education
6 Appropriation Act with respect to symbols used, column headings and amounts stated are those used
7 in the General Appropriation Act of 2013.

8 **SECTION 4. APPROPRIATIONS.--**

9 PUBLIC SCHOOL SUPPORT:

10 Except as otherwise provided, unexpended balances of appropriations made in this subsection
11 shall not revert at the end of fiscal year 2015.

12 (1) State equalization guarantee: 2,510,153.4 1,500.0 2,511,653.4

13 The purpose of public school support is to carry out the mandate to establish and maintain a
14 uniform system of free public schools sufficient for the education of, and open to, all of the
15 children of school age in the state.

16 The rate of distribution of the state equalization guarantee distribution shall be based on
17 a program unit value determined by the secretary of public education. The secretary of public
18 education shall establish a preliminary unit value to establish budgets for the 2014-2015 school
19 year and then, on verification of the number of units statewide for fiscal year 2015, but no
20 later than January 31, 2015, may adjust the program unit value once.

21 The general fund appropriation to the state equalization guarantee distribution includes
22 five million seven hundred sixty-one thousand six hundred dollars (\$5,761,600) to create a factor
23 in the funding formula for school districts with fewer than two hundred students, contingent on
24 enactment of House Bill 35 or similar legislation during the second session of the fifty-first
25 legislature.

26 The general fund appropriation to the state equalization guarantee distribution includes

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fifty-six million forty-two thousand nine hundred dollars (\$56,042,900) to provide a three percent average salary increase for all teachers, other instructional staff and other licensed and unlicensed staff effective the first full pay period after July 1, 2014. This amount does not include and is in addition to salary increases due to licensure advancement pursuant to the School Personnel Act. Prior to the approval of each school district's or charter school's budget, the secretary of public education shall verify that the school district or charter school is providing a three percent average salary increase for all teachers and other licensed school employees and a three percent average salary increase for all unlicensed school employees.

The general fund appropriation to the state equalization guarantee distribution includes sufficient funds to provide an additional three percent average salary increase for all licensed education assistants, and the compensation shall be effective the first full pay period after July 1, 2014. Prior to the approval of each school district's or charter school's budget, the secretary of public education shall verify that the school district or charter school is providing an additional three percent average salary increase for all education assistants.

The general fund appropriation to the state equalization guarantee distribution includes sufficient funds to increase the minimum salary of level one teachers from thirty thousand dollars (\$30,000) to thirty-two thousand dollars (\$32,000), of level two teachers from forty thousand dollars (\$40,000) to forty-two thousand dollars (\$42,000) and of level three personnel from fifty thousand dollars (\$50,000) to fifty-two thousand dollars (\$52,000). Notwithstanding the provisions of the School Personnel Act or other substantive law, the secretary of public education shall ensure that no full-time level one teacher receives a base salary less than thirty-two thousand dollars (\$32,000), that no full-time level two teacher receives a base salary less than forty-two thousand dollars (\$42,000) and that no full-time level three employee receives a base salary less than fifty-two thousand dollars (\$52,000) during fiscal year 2015.

The general fund appropriation to the state equalization guarantee distribution includes

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1 twenty million dollars (\$20,000,000) for reinstating requirements of the Public School Code and
 2 rules promulgated in accordance with that code pertaining to individual class load, teaching load
 3 and staffing patterns. Prior to the approval of each school district's budget, the secretary of
 4 public education shall verify that the school district is in compliance with Section 22-10A-20
 5 NMSA 1978 and other sections of the Public School Code or rules promulgated in accordance with
 6 that code pertaining to individual class load, teaching load and staffing patterns.

7 After considering those elementary physical education programs eligible for state financial
 8 support and the amount of state funding available for elementary physical education, the
 9 secretary of public education shall annually determine the programs and the consequent numbers of
 10 students in elementary physical education that will be used to calculate the number of elementary
 11 physical education program units.

12 For the 2014-2015 school year, the state equalization guarantee distribution includes
 13 sufficient funding for school districts and charter schools to implement a new formula-based
 14 program. Those districts and charter schools shall use current-year membership in the
 15 calculation of program units for the new formula-based program.

16 The general fund appropriation to the state equalization guarantee distribution reflects the
 17 deduction of federal revenue pursuant to Paragraph (2) of Subsection C of Section 22-8-25 NMSA
 18 1978 that includes payments commonly known as "impact aid funds" pursuant to 20 USCA 7701, et
 19 seq., and formerly known as "PL874 funds".

20 The general fund appropriation to the public school fund shall be reduced by the amounts
 21 transferred to the public school fund from the current school fund and from the federal Mineral
 22 Leasing Act receipts otherwise unappropriated.

23 Any unexpended balances in the authorized distributions remaining at the end of fiscal year
 24 2015 from appropriations made from the general fund shall revert to the general fund.

25 (2) Transportation distributions:

Item	General Fund	Other State Funds	Intrnl Svc Funds/Inter-Agency Trnsf	Federal Funds	Total
1 Appropriations:	102,070.8				102,070.8
2 The general fund appropriation to the transportation distribution includes one million seven					
3 hundred seventy-two thousand dollars (\$1,772,000) to provide a three percent average salary					
4 increase for transportation employees effective the first full pay period after July 1, 2014.					
5 Prior to the approval of each school district's or charter school's budget, the secretary of					
6 public education shall verify that the school district or charter school is providing a three					
7 percent average salary increase for all transportation employees.					
8 (3) Supplemental distributions:					
9 (a) Out-of-state tuition	300.0				300.0
10 (b) Emergency supplemental	2,000.0				2,000.0
11 Subtotal	2,300.0				2,300.0
12 The secretary of public education shall not distribute any emergency supplemental funds to a					
13 school district or charter school that is not in compliance with the Audit Act. Emergency					
14 supplemental funds shall not be distributed to any school district or charter school having cash					
15 and invested reserves, or other resources or any combination thereof, equaling five percent or					
16 more of its operating budget.					
17 Any unexpended or unencumbered balance in the supplemental distributions to the public					
18 education department remaining at the end of fiscal year 2015 from appropriations made from the					
19 general fund shall revert to the general fund.					
20 INSTRUCTIONAL MATERIAL FUND:	20,364.6				20,364.6
21 The appropriation to the instructional material fund is made from the federal Mineral					
22 Leasing Act (30 USCA 181, et seq.) receipts.					
23 DUAL CREDIT INSTRUCTIONAL MATERIALS:	857.0				857.0
24 The general fund appropriation to the public education department for dual credit					
25 instructional materials shall be used by the department to reimburse school districts, charter					

Item	General Fund	Other State Funds	Intrnl Svc Funds/Inter-Agency Trnsf	Federal Funds	Total
1 schools, state-supported schools and bureau of Indian education high schools in New Mexico for					
2 the cost of required textbooks and other course supplies for students enrolled in the dual credit					
3 program to the extent of the available funds.					
4 INDIAN EDUCATION FUND:	2,500.0				2,500.0
5 K-3 PLUS FUND:	19,281.5				19,281.5

6 In setting the reimbursement amount for the summer 2014 K-3 plus program, the secretary of
7 public education shall use the final unit value set for school year 2013-2014 as the basis for
8 funding June, July and August 2014 K-3 plus programs.

9 PUBLIC SCHOOL READING

10 PROFICIENCY FUND:	11,500.0				11,500.0
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11 Notwithstanding the provisions of Section 22-8-43 NMSA 1978 or other substantive law, the
12 general fund appropriation to the public school reading proficiency fund for fiscal year 2015 may
13 be used by the secretary of public education to distribute awards to public elementary schools
14 that implement innovative, scientifically based reading programs. The general fund appropriation
15 of eleven million five hundred thousand dollars (\$11,500,000) to the public school reading
16 proficiency fund for fiscal year 2015 is contingent on enactment of legislation regarding early
17 literacy during the second session of the fifty-first legislature.

18 SCHOOLS IN NEED OF IMPROVEMENT FUND:	4,000.0				4,000.0
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19 The general fund appropriation to the schools in need of improvement fund is contingent on
20 the public education department allocating the funds to schools rated D or F for both the
21 2012-2013 and 2013-2014 school years pursuant to the A-B-C-D-F Schools Rating Act.

22 Notwithstanding the provisions of Section 22-2C-10 NMSA 1978 or other substantive law, for fiscal
23 year 2015 the secretary of public education shall allocate one million dollars (\$1,000,000) from
24 the balance of the schools in need of improvement fund to two or more New Mexico universities for
25 a collaborative school principal leadership program involving one or more colleges of education

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1 and one or more business colleges.					
2 TEACHER PROFESSIONAL					
3 DEVELOPMENT FUND:	2,500.0				2,500.0
4 FEDERAL FLOW THROUGH:				414,202.3	414,202.3
5 TOTAL PUBLIC SCHOOL SUPPORT:	2,675,527.3	1,500.0		414,202.3	3,091,229.6
6 PUBLIC EDUCATION DEPARTMENT:					
7 (1) Administration:					
8 (a) Personal services					
9 and employee benefits	9,857.6	2,323.4	36.0	7,008.9	19,225.9
10 (b) Contractual services	1,100.2	828.3	0	19,993.5	21,922.0
11 (c) Other	862.0	656.3	0	992.1	2,510.4
12 Subtotal	11,819.8	3,808.0	36.0	27,994.5	43,658.3
13 Authorized FTE: 145.9 Permanent; 93.9 Term; 1.0 Temporary					
14 The general fund appropriation to the public education department includes seven hundred					
15 fifty thousand dollars (\$750,000) for operating and maintaining the operating budget management					
16 system and student teacher accountability reporting system, contingent on the department granting					
17 access to these systems to the legislative finance committee and the legislative education study					
18 committee.					
19 PUBLIC EDUCATION DEPARTMENT SPECIAL APPROPRIATIONS:					
20 (a) Advanced placement	1,000.0				1,000.0
21 (b) After-school enrichment					
22 and summer programs	2,000.0				2,000.0
23 (c) Breakfast for					
24 elementary students	1,924.6				1,924.6
25 (d) Graduation, reality and					

Item	General Fund	Other State Funds	Intrnl Svc Funds/Inter-Agency Trnsf	Federal Funds	Total
1 dual-role skills	200.0				200.0
2 (e) Mock trial	102.1				102.1
3 (f) New Mexico cyber academy	890.0				890.0
4 (g) Pre-kindergarten	19,289.6				19,289.6
5 (h) Regional education					
6 cooperative operations	938.2				938.2
7 (i) Science, technology,					
8 engineering and					
9 mathematics initiative	2,000.0				2,000.0
10 (j) Teaching support in schools					
11 with a high proportion					
12 of low-income students	500.0				500.0
13 Subtotal	28,844.5				28,844.5

14 Notwithstanding the provisions of Section 32A-23-9 NMSA 1978 or other substantive law, the
15 general fund appropriation to the public education department for the pre-kindergarten program
16 includes no more than one million two hundred sixty-one thousand dollars (\$1,261,000) for
17 administrative and program support and no less than fifteen million three hundred eighteen
18 thousand dollars (\$15,318,000) to fund direct student participation.

19 The general fund appropriation of two million dollars (\$2,000,000) to the public education
20 department for the science, technology, engineering and mathematics initiative includes five
21 hundred thousand dollars (\$500,000) for professional development of mathematics and science
22 teachers statewide.

23 The general fund appropriation to the public education department for teaching support in
24 schools with a high proportion of low-income students includes five hundred thousand dollars
25 (\$500,000) for a nonprofit organization with the primary purpose of recruiting recent college

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1 graduates and professionals who have a record of demonstrated achievement to teach for two years
2 in low-income urban and rural public schools to provide teaching support in schools with at least
3 sixty percent of the enrolled students eligible for free or reduced-fee lunch, with a priority
4 for schools with eighty-five percent or more of the students enrolled in the school eligible for
5 free or reduced-fee lunch. The public education department shall enter into a contract with a
6 nonprofit organization no later than September 1, 2014.

7 A regional education cooperative may submit an application to the public education
8 department for an allocation from the nine-hundred-thirty-eight-thousand-two-hundred-dollar
9 (\$938,200) appropriation. The public education department may allocate amounts to one or more
10 regional education cooperatives; provided that a regional education cooperative's application has
11 adequately justified the need for the allocation and the department finds that the regional
12 education cooperative submitted timely quarterly financial reports, is in compliance with state
13 and federal reporting requirements, including the annual audit requirement pursuant to the Audit
14 Act, and is otherwise financially stable. An allocation made to a regional education cooperative
15 may only be used for current-year operating expenses.

16 Any unexpended or unencumbered balance in the authorized distributions remaining at the end
17 of fiscal year 2015 from appropriations made from the general fund shall revert to the general
18 fund.

19 REGIONAL EDUCATION COOPERATIVES:

20 (1) Northwest 2 (Gallina)		674.6			674.6
21 (2) Northeast 4 (Las Vegas)				1,412.1	1,412.1
22 (3) Lea county 7 (Hobbs)		535.1		365.2	900.3
23 (4) Pecos valley 8 (Artesia)		1,507.3		599.4	2,106.7
24 (5) Southwest 10 (Truth or 25 Consequences)		1,275.4			1,275.4

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Item	General Fund	Other State Funds	Intrnl Svc Funds/Inter-Agency Trnsf	Federal Funds	Total
(6) Central 5 (Albuquerque)		2,231.6	114.2	415.4	2,761.2
(7) High plains 3 (Raton)		2,662.3		355.8	3,018.1
(8) Clovis 6 (Portales)		1,168.2		28.4	1,196.6
(9) Ruidoso 9 (Ruidoso)		3,439.0		1,182.6	4,621.6
Subtotal		13,493.5	114.2	4,358.9	17,966.6
PUBLIC EDUCATION DEPARTMENT:	7,000.0				7,000.0

The general fund appropriation to the public education department is for school districts experiencing shortfalls. All requirements for distribution of funds shall be in accordance with Section 22-8-30 NMSA 1978.

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

SECTION 6. EMERGENCY.--It is necessary for the public peace, health and safety that this act take effect immediately.