AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;
PROVIDING FOR A RAPID RESPONSE INTERVENTION PROGRAM PILOT
PROJECT FOR CERTAIN SCHOOLS IN NEED OF IMPROVEMENT; REQUIRING
A STUDY OF IMPACT AID AND THE STATE EQUALIZATION GUARANTEE
FUNDING FORMULA; CONDITIONALLY REDUCING THE RELIANCE OF THE
STATE EQUALIZATION GUARANTEE DISTRIBUTION ON CERTAIN FEDERAL
AND LOCAL REVENUE; DECLARING AN EMERGENCY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO: Section 1. FINDINGS AND PURPOSE. --

A. The legislature finds that:

- (1) a state district court has found that the ability of school districts to raise money for capital projects differs among school districts because of the nontaxable nature of certain lands within school districts and the differing taxable values of lands within school districts;
- (2) the court concluded that the current system of funding capital improvements for New Mexico's public school districts violates the constitutional provision of uniformity;
- (3) a disproportionate number of the public schools that have been found to be in need of improvement are in the same school districts found by the court to have an

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school; and

- (4) one of the available means to fulfill the constitutional requirement for a system of education that uniformly educates all of New Mexico's school children may be for the state to focus and concentrate additional resources to assist local school districts in selected schools receiving federal impact aid.
- B. The purpose of this act is to address the urgent need for improving the quality of education by initiating a pilot project in selected schools in New Mexico that are in need of improvement whereby a rapid response intervention program is used to concentrate state instructional, administrative and managerial resources.

Section 2. RAPID RESPONSE INTERVENTION PROGRAM PILOT
PROJECT--STATE DEPARTMENT OF PUBLIC EDUCATION--POWERS AND
DUTIES.--

A. The state department of public education shall design and implement a three-year "rapid response intervention program" pilot project for certain public schools in need of improvement. The pilot project shall be designed to test the efficacy of providing extraordinary assistance to schools through the deployment of rapid response teams that augment and assist the instructional, administrative and managerial programs of schools in need of

improvement. The rapid response intervention program shall include summer programs of professional development for teachers, administrators and other school personnel and intensive summer extended learning opportunities for students as well as activities during the regular school year. The department shall begin implementing the pilot project by July 1, 2001.

- B. The pilot project shall be conducted in public schools that as of January 2001 have been ranked as schools in need of improvement. The participating schools shall be those with a student population consisting of five percent or more Native American students.
- C. Prior to the end of the 2000-2001 school year, the department in collaboration with the local superintendent shall provide reading and writing assessments of all students and a professional development needs assessment for certified school personnel in all public schools selected for the pilot project. Based on the assessments and other accountability information about each school, the department and the individual school shall formulate a rapid response intervention plan. The department shall involve school personnel, students, parents, business and community leaders, the school district and tribal authorities in the formulation of the plan.
 - $\label{eq:D.Based upon the school's educational plan for} \textbf{D.} \quad \textbf{Based upon the school's educational plan for}$

student success, the rapid response plan shall:

- (1) identify the areas in which the school needs to improve and the resources needed for improvement;
- (2) identify the strengths of the school and ensure those strengths are maintained and enhanced;
- (3) include intensive literacy and language immersion programs for students whose first language is not English or who cannot read at grade level;
- (4) provide professional development for staff both on-site and off-site; and
- (5) provide, as a primary component, classroom observation, intervention and monitoring of instructional methods and modeling successful instructional strategies.
- E. Each participating school is eligible for direct grant aid to implement the provisions of the school's rapid response intervention plan. Annual grants from fifty thousand dollars (\$50,000) to one hundred five thousand dollars (\$105,000) shall be graduated based on the size and grade level of the school.
- F. The state department of public education shall provide full-time monitoring staff to work with the pilot schools. The monitoring staff shall have the authority from the department to ensure that the rapid response intervention plan is carried out and that the schools improve. The

monitoring staff shall be located within the geographical regions of the pilot schools.

- The provisions of the Educational Retirement Act or rules promulgated in accordance with that act notwithstanding, the state department of public education may employ or contract with retired certified school personnel to assist with the rapid response intervention program, and those retired members shall not be required to suspend their retirement benefits; provided, however, that a retired member so employed shall not acquire service credit or be eligible to purchase service credit in the future for the period of The department may employ or contract with this employment. currently employed teachers, administrators or other certified school personnel on a full- or part-time basis, provided that the person has the permission of the school principal and school superintendent for whom he works if the pilot project work will occur during the person's regular school day. The department may employ or contract with certified school personnel from other states who have the expertise needed by the school. The department and the school shall evaluate the credentials and references of people the department proposes to employ or contract with.
- H. In conducting a rapid response intervention program in collaboration with the state department of public education, the local school board, local superintendent and

the participating school shall be responsible for the implementation of the pilot project and successful results. The local superintendent, local principal and the state department of public education shall jointly establish measurable performance objectives and necessary instructional modifications for the implementation of the rapid response intervention program. The instructional modifications may include administrative and managerial actions within the Public School Code.

- I. The state department of public education shall annually report on the progress of the rapid response intervention programs to the local school boards and the superintendent of public instruction. If the superintendent of public instruction determines, based upon this report, that a participating school's rapid response intervention program has produced positive measurable results in the school, then the state department of public education shall notify the participating school that it is eligible to continue its participation and subsequent funding.
- J. If a school fails to produce positive measurable results, then the superintendent of public instruction shall notify the participating school, the local superintendent and the local school board that the school is ineligible to continue participation in the pilot project. Any funds not distributed because of this subsection shall be

reallocated to other schools in need of improvement participating in the rapid response intervention program pilot project.

Section 3. IMPACT AID AND FUNDING FORMULA STUDY. -- The New Mexico legislative council shall contract for a study of impact aid funding and the state equalization guarantee funding formula. The New Mexico legislative council may name a committee to oversee the study. The contractor shall report to the New Mexico legislative council by December 1, 2002.

Section 4. Section 22-8-25 NMSA 1978 (being Laws 1981, Chapter 176, Section 5, as amended) is amended to read:

"22-8-25. STATE EQUALIZATION GUARANTEE DISTRIBUTION-DEFINITIONS--DETERMINATION OF AMOUNT.--

- A. The state equalization guarantee distribution is that amount of money distributed to each school district to ensure that the school district's operating revenue, including its local and federal revenues as defined in this section, is at least equal to the school district's program cost.
- B. Except as provided in Subsection G of this section, "local revenue", as used in this section, means seventy-five percent of receipts to the school district derived from that amount produced by a school district property tax applied at the rate of fifty cents (\$.50) to

each one thousand dollars (\$1,000) of net taxable value of property allocated to the school district and to the assessed value of products severed and sold in the school district as determined under the Oil and Gas Ad Valorem Production Tax Act and upon the assessed value of equipment in the school district as determined under the Oil and Gas Production Equipment Ad Valorem Tax Act. The school district shall budget and expend an amount of the state equalization guarantee distribution equal to twenty percent of the total revenue receipts for capital outlay.

- C. Except as provided in Subsection G of this section, "federal revenue", as used in this section, means receipts to the school district, excluding amounts that, if taken into account in the computation of the state equalization guarantee distribution, result, under federal law or regulations, in a reduction in or elimination of federal school funding otherwise receivable by the school district, derived from the following:
- (1) seventy-five percent of the school district's share of forest reserve funds distributed in accordance with Section 22-8-33 NMSA 1978. The school district shall budget and expend an amount of the state equalization guarantee distribution equal to twenty percent of the total forest reserve receipts for capital outlay; and
 - (2) seventy-five percent of grants from the

federal government as assistance to those areas affected by federal activity authorized in accordance with Title 20 of the United States Code, commonly known as "PL 874 funds" or "impact aid". The school district shall budget and expend an amount of the state equalization guarantee distribution equal to twenty percent of the grant receipts for capital outlay.

- D. To determine the amount of the state equalization guarantee distribution, the state superintendent shall:
- (1) effective July 1, 1999 calculate the number of program units to which each school district is entitled using the basic program membership of the fortieth day of the prior year for all programs; provided that special education program units shall be calculated using the membership in special education programs on December 1 of the prior year; effective July 1, 2000, calculate the number of program units to which each school district is entitled using an average of the membership on the fortieth, eightieth and one hundred twentieth days of the prior year; or
- (2) calculate the number of program units to which a school district operating under an approved year-round school calendar is entitled using the basic program membership on an appropriate date established by the state board; or
 - (3) calculate the number of program units to $\begin{array}{c} \text{HAFC/HB949} \\ \text{Page 9} \end{array}$

which a school district with a basic program MEM of two hundred or less is entitled by using the basic program membership on the fortieth day of either the prior or the current year, whichever is greater; provided that special education program units shall be calculated using the membership in special education programs on December 1 of either the prior or the current year; and

- (4) using the results of the calculations in Paragraph (1), (2) or (3) of this subsection and the instructional staff training and experience index from the October report of the prior school year, establish a total program cost of the school district;
- (5) calculate the local and federal revenues as defined in this section:
- (6) deduct the sum of the calculations made in Paragraph (5) of this subsection from the program cost established in Paragraph (4) of this subsection; and
- (7) deduct the total amount of guaranteed energy savings contract payments that the state superintendent determines will be made to the school district from the public school utility conservation fund during the fiscal year for which the state equalization guarantee distribution is being computed.
- E. The amount of the state equalization guarantee distribution to which a school district is entitled is the

balance remaining after the deductions made in Paragraphs (6) and (7) of Subsection D of this section.

- F. The state equalization guarantee distribution shall be distributed prior to June 30 of each fiscal year. The calculation shall be based on the local and federal revenues specified in this section received from June 1 of the previous fiscal year through May 31 of the fiscal year for which the state equalization guarantee distribution is being computed. In the event that a district has received more state equalization guarantee funds than its entitlement, a refund shall be made by the district to the state general fund.
- G. If the state superintendent certifies that the federal government has allowed the state to calculate disparity on the unit value, then:
- (1) in lieu of the percentage of receipts specified in Subsection B of this section, local revenue shall be calculated as seventy percent of the receipts;
- (2) in lieu of the percentage of the share of forest reserve funds specified in Paragraph (1) of Subsection C of this section, the calculation shall be based upon seventy percent of the district's share;
- (3) in lieu of the percentage of impact aid grants specified in Paragraph (2) of Subsection C of this section, the calculation shall be based on seventy percent of Page 11

the grants; and

(4) in lieu of the requirement in Subsection B and Paragraphs (1) and (2) of Subsection C of this section, an amount of the state equalization guarantee distribution equal to twenty-five percent of the revenue receipts, the forest reserve receipts and the grant receipts shall be budgeted and expended for capital outlay."

Sect	ion 5.	EMERGENCY	It is	necessary	y for t	the public
peace, he	alth and	safety t	hat this	act take	effect	
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