

**FIFTY-FOURTH LEGISLATURE  
SECOND SESSION, 2020**

February 7, 2020

Mr. Speaker:

Your **APPROPRIATIONS AND FINANCE COMMITTEE**, to whom has been referred

**HOUSE BILL 4, as amended**

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

1. Strike House Education Committee Amendment 1.
2. On page 1, lines 14 and 15, strike “; MAKING AN APPROPRIATION”.
3. On page 1, line 18 through page 3, line 15, strike Section 1 in its entirety and insert in lieu thereof the following new section:

**"SECTION 1.** A new section of the Public School Finance Act is enacted to read:

**"[NEW MATERIAL] FEDERALLY IMPACTED LOCATION SUPPORT PROGRAM CREATED--ANNUAL AWARD.--**

A. The "federally impacted location support program" is created in the department to provide annual awards to school districts and state-chartered charter schools that receive impact aid. The department shall make an annual award from the federally impacted location support program fund to a school district or state-chartered charter school in the following amounts if that impact aid was included in the calculation of federal revenue as provided in Section 22-8-25 NMSA 1978 for each of the preceding five fiscal years, not including the immediately preceding fiscal year, as follows:

(1) in fiscal year 2021, in an amount equal to one-third of the average amount of federal revenue included in Paragraph (2) of Subsection C of Section 22-8-25 NMSA 1978 that was included in the calculation of the school district's or state-chartered charter school's state equalization guarantee distribution for the preceding five fiscal years, not including the immediately preceding fiscal year;

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(2) in fiscal year 2022, in an amount equal to two-thirds of the average amount of federal revenue included in Paragraph (2) of Subsection C of Section 22-8-25 NMSA 1978 that was included in the calculation of the school district's or state-chartered charter school's state equalization guarantee distribution for the preceding five fiscal years, not including the immediately preceding fiscal year; and

(3) in fiscal year 2023 and subsequent fiscal years, an amount equal to the average amount of federal revenue included in Paragraph (2) of Subsection C of Section 22-8-25 NMSA 1978 that was included in the calculation of the school district's or state-chartered charter school's state equalization guarantee distribution for the preceding five fiscal years, not including the immediately preceding fiscal year.

B. A school district or state-chartered charter school that receives an annual award from the federally impacted location support program fund shall:

(1) use the award only for expenditures associated with:

(a) capital expenditures;

(b) debt service;

(c) educating students who: 1) receive special education services; 2) have a disability; 3) are economically disadvantaged; 4) are English language learners; or 5) are participants in gifted education programs; or

(d) community services;

(2) spend no more than fifty percent of the annual award for capital expenditures and debt service; and

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(3) submit a detailed report by October 1 of each year to the department, the legislative education study committee and the legislative finance committee of all actual expenditures of the annual award in the previous fiscal year.

C. Each school district and state-chartered charter school that receives an annual award from the federally impacted location support program shall engage in meaningful consultation with Indian nations, tribes and pueblos located in New Mexico whose enrolled members are students in that school district or state-chartered charter school. The department shall verify that each school district and state-chartered charter school has consulted with the one or more applicable Indian nations, tribes or pueblos and shall submit a verification report by October 1 of each year to the legislative education study committee and the legislative finance committee."".

4. On page 4, strike **SECTION 3** in its entirety.
5. Renumber the succeeding section accordingly.

Respectfully submitted,

\_\_\_\_\_  
Patricia A. Lundstrom, Chair

Adopted \_\_\_\_\_  
(Chief Clerk)

Not Adopted \_\_\_\_\_  
(Chief Clerk)

Date \_\_\_\_\_

The roll call vote was 17 For 0 Against  
Yes: 17  
No: 0  
Excused: None  
Absent: None

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