

1 SENATE BILL 135

2 **54TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2020**

3 INTRODUCED BY

4 Mimi Stewart

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10 AN ACT

11 RELATING TO PUBLIC SCHOOL FINANCE; REPLACING A PORTION OF THE
12 CREDIT TAKEN FOR IMPACT AID PAYMENTS TO CERTAIN SCHOOL
13 DISTRICTS AND STATE-CHARTERED CHARTER SCHOOLS; MAKING AN
14 APPROPRIATION.

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

17 SECTION 1. A new Section 22-8-25.2 NMSA 1978 is enacted
18 to read:

19 "22-8-25.2. [NEW MATERIAL] IMPACT AID CREDITS--PORTION
20 RETURNED TO CERTAIN SCHOOL DISTRICTS AND STATE-CHARTERED
21 CHARTER SCHOOLS.--

22 A. Each year, the department shall calculate and
23 distribute fifty percent of the previous year's impact aid
24 credit taken pursuant to Section 22-8-25 NMSA 1978 for each
25 school district and state-chartered charter school for which

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1 the department has taken one million dollars (\$1,000,000) or
2 more in impact aid credit. Money received by those school
3 districts and state-chartered charter schools pursuant to this
4 section shall be used:

5 (1) for student-focused operational
6 expenditures in the following function codes of the public
7 schools chart of accounts:

- 8 (a) 1000, instruction;
- 9 (b) 2100, support services--students;

10 and

- 11 (c) 2200, support services--instruction;

12 (2) to meet match requirements for funding
13 from the public school capital outlay council;

14 (3) for other capital improvements; and

15 (4) for maintenance.

16 B. Any unexpended or unencumbered balance remaining
17 in a school district's or state-chartered charter school's
18 budget shall not revert to the state.

19 C. Each school district and state-chartered charter
20 school that receives additional funding pursuant to this
21 section shall submit an annual report to the department and the
22 appropriate legislative interim committees that details how the
23 credit replacement funding was expended and how those
24 expenditures improved or will improve student achievement."

25 SECTION 2. APPROPRIATION.--Twenty-nine million eight

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1 hundred thirty-one thousand four hundred sixty-three dollars
2 (\$29,831,463) is appropriated from the general fund to the
3 public education department for expenditure in fiscal year 2021
4 to provide impact aid credit replacement funding for school
5 districts and state-chartered charter schools that had one
6 million dollars (\$1,000,000) or more taken as impact aid credit
7 in calculating the state equalization guarantee distribution.