SENATE BILL 236

44TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 1999

INTRODUCED BY

Michael S. Sanchez

AN ACT

RELATING TO PUBLIC SCHOOLS; TRANSFERRING CERTAIN GAMING
REVENUE TO THE LEGISLATIVE PUBLIC SCHOOL CAPITAL OUTLAY FUND;
PROVIDING FOR THE CONSTRUCTION OF PUBLIC SCHOOLS ON INDIAN
LAND; CHANGING THE FUND NAME; MAKING AN APPROPRIATION.

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

Section 1. Section 22-24-3 NMSA 1978 (being Laws 1975, Chapter 235, Section 3, as amended) is amended to read:

"22-24-3. DEFINITIONS.--As used in the Public School Capital Outlay Act:

A. "council" means the public school capital outlay council; and

B. "fund" means the <u>legislative</u> public school capital outlay fund."

Section 2. Section 22-24-4 NMSA 1978 (being Laws 1975, .125014.1

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Chapter 235, Section 4, as amended) is amended to read:

"22-24-4. FUND CREATED--USE. --

- A. There is created the "<u>legislative</u> public school capital outlay fund". Balances remaining in the fund at the end of each fiscal year shall not revert.
- B. Money in the fund may be used only for capital expenditures deemed by the council necessary for an adequate educational program.
- The council may authorize the purchase by the property control division of the general services department of property to be loaned to school districts to meet a temporary requirement. Payment for these purchases shall be made from the fund. Title and custody to the property shall rest in the property control division. The council shall authorize the lending of the property to school districts upon request and upon finding that sufficient need exists. Application for use or return of state-owned portable classroom buildings shall be submitted by school districts to the council. Expenses of maintenance of the property while in the custody of the property control division shall be paid from the fund; expenses of maintenance and insurance of the property while in the custody of a school district shall be the responsibility of the school district. The council may authorize the permanent disposition of the property by the property control division with prior approval of the state

board	of	finance

- D. Applications for assistance from the fund shall be made by local school districts to the council in accordance with requirements of the council.
- E. The council shall review all requests for assistance from the fund and shall allocate funds only for those capital outlay projects that cannot be financed by the school district from other sources and that meet the criteria of the Public School Capital Outlay Act."
- Section 3. Section 22-24-5 NMSA 1978 (being Laws 1975, Chapter 235, Section 5, as amended) is amended to read:

"22-24-5. FUND--DISTRIBUTION.--

- A. The council shall approve an application for grant assistance from the fund when the council determines that:
 - (1) a critical need exists requiring action;
- (2) the residents of the school district have provided available resources to the <u>school</u> district to meet its capital outlay requirements;
- (3) the school district has used its resources in a prudent manner;
- (4) the <u>school</u> district is in a county or counties [which] that have participated in a reappraisal program and the reappraised values are on the tax rolls or will be used for the tax year 1979 as certified by the

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property tax division of the taxation and revenue department;

- (5) the school district has provided insurance for buildings of the school district in accordance with the provisions of Section 13-5-3 NMSA 1978;
- (6) the school district is indebted at not less than seventy-five percent of the total debt authorized by law; and
- (7) the school district has submitted a fiveyear facilities plan that includes enrollment projections.
- The council shall consider all applications for В. assistance from the fund and, after a public hearing, shall either approve or deny the application. Applications for grant assistance shall only be accepted by the council after a school district has complied with the provisions of this The council shall list all applications in order of section. priority, and all allocations shall be made on a priority basis; provided, however, except in the case of an emergency, that the order of priority shall first reflect construction of new public schools on Indian reservations and those projects [which] that have been previously funded but are not as yet completed, excluding expansion of those projects and contingent upon maintenance of the required local support.
- C. Money in the fund shall be disbursed by warrant of the department of finance and administration on vouchers signed by the secretary of finance and administration

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following certification by the council that the application has been approved."

Section 4. A new section of the Public School Capital Outlay Act is enacted to read:

"[NEW MATERIAL] PUBLIC SCHOOLS ON INDIAN LAND. --

- A. Each year, the council, in conjunction with the department of education and the appropriate school districts, shall evaluate the need for new public schools on Indian reservations, including:
- (1) the distance students travel to existing schools;
- (2) the projected number of students for new public schools;
- (3) possible locations of a new public school;
- (4) the affect of the new public school on other public schools in the school district;
- (5) the needs and wishes of students, parents, tribal or pueblo authorities and the school district; and
- (6) the operational feasibility of the proposed public school.
- B. If the council determines that a new public school is needed on an Indian reservation, the applicable school district shall submit an application for grant

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assistance. The provisions of Paragraphs (4) and (6) of Subsection A of Section 22-24-5 NMSA 1978 shall not apply to an application submitted pursuant to this section.

C. An application submitted in accordance with the requirements of this section shall be ranked as a high priority after funding by the council for emergency repairs and renovation."

Section 5. A new section of the Public School Capital Outlay Act is enacted to read:

"[NEW MATERIAL] TRANSFER OF GAMING REVENUE--CONSTRUCTION OF PUBLIC SCHOOLS ON INDIAN LAND. --

A. The state treasurer shall transfer from the general fund to the legislative public school capital outlay fund by no later than thirty days after the last day of each calendar quarter an amount equal to the revenue deposited in the general fund in the preceding quarter pursuant to:

- (1) the regulatory fees provisions of Section 11-13-1 NMSA 1978;
- (2) the revenue-sharing provisions of Section 11-13-2 NMSA 1978; and
- (3) the gaming tax pursuant to Section 60-2E-47 NMSA 1978.
- B. The money transferred to the legislative public school capital outlay fund may be expended as provided in the Public School Capital Outlay Act in any fiscal year."

Section 6. DELAYED REPEAL.--Sections 4 and 5 of this act are repealed effective July 1, 2003.

- 7 -

1	FORTY- FOURTH LEGISLATURE
2	FIRST SESSION, 1999
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5	Wl. 9 1000
6	March 2, 1999
7	Mr. President:
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9	Your EDUCATION COMMITTEE, to whom has been referred
10	Tour EDUCATION COMMITTEE, to whom has been referred
11	GENAME DIT 226
12	SENATE BILL 236
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14	has had it under consideration and reports same with
15	recommendation that it DO PASS, and thence referred to the
16	FINANCE
17	COMMITTEE.
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Cynthia Nava, Chairman

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             (Chief Clerk)
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    The roll call vote was \underline{6} For \underline{0} Against
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    Excused: Adair, Boitano, Gorham, Nava
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    Absent:
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