# SENATE BILL 698

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

#### INTRODUCED BY

Joseph Carraro

#### AN ACT

RELATING TO PUBLIC SCHOOLS; ENACTING NEW SECTIONS OF THE

PUBLIC SCHOOL FINANCE ACT; CREATING PROVISIONS FOR THE

RETENTION AND RECALL OF PROGRAM UNITS WHEN STUDENTS DROP OUT

OF SCHOOL; CREATING A FUND; MAKING AN APPROPRIATION.

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

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

"[NEW MATERIAL] STUDENT DROPOUT--PROGRAM UNITS.-Notwithstanding the provisions of Section 22-12-2 NMSA 1978, a school district shall retain program units for all students who drop out of school for up to forty days following the date that the student fails to return to the school. After the student has been absent for forty days, the school district shall forfeit its program unit for the student who has dropped .126073.1

out of school to the dropout prevention fund."

### Section 2. [NEW MATERIAL] FUND CREATED. --

A. The "dropout prevention fund" is created in the state treasury and shall be administered by the state department of public education. The fund shall consist of program unit money appropriated to the local school district for the student who has failed to return to school and fails to re-enroll in a new school within forty days from the date that the student fails to return to school. Any unexpended or unencumbered balance remaining in the fund at the end of any fiscal year shall not revert to the general fund. Income from investment of the fund shall be credited to the fund.

B. Money in the fund is appropriated to the state department of public education for the purpose of funding dropout prevention programs in certain school districts.

Section 3. A new section of the Public School Finance Act is enacted to read:

"[NEW MATERIAL] SCHOOL DISTRICT DROPOUT ADJUSTMENT-TRANSFER OF FUNDS. --

A. The state superintendent, in calculating the state equalization guarantee distribution pursuant to Section 22-8-25 NMSA 1978, shall determine and retain an amount equal to the school district dropout adjustment for each individual school district.

B. The state superintendent shall distribute to .126073.1

each district the amount retained for that school district's dropout adjustment from the dropout prevention fund. The local school board in each district to which a distribution is made shall expend the money to implement or support alternative education programs in the district. The local school board shall develop an evaluation plan for alternative education programs in the district as a condition precedent to expending the money. In developing an evaluation plan the board shall give consideration to the following factors concerning the dropout rates in the district:

- (1) socioeconomic background of students dropping out;
- (2) scholastic achievement of students dropping out;
  - (3) attendance of students dropping out;
- (4) percentage of students dropping out who entered and remained in alternative education programs; and
- (5) comparison of dropout students' scholastic achievement in regular public school programs and in alternative education programs.
- C. Each local school board receiving a school dropout adjustment payment pursuant to this section shall prepare and submit to the state superintendent its evaluation plan by July 1 of each year."

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