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HOUSE BILL 485

**44TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION,
2000**

INTRODUCED BY
Rick Miera

AN ACT

RELATING TO PUBLIC SCHOOLS; INCLUDING THE PURCHASE OF LONG-
TERM INSURANCE CONTRACTS WITHIN THE SCOPE OF TAX ANTICIPATION
CERTIFICATES AND THE PUBLIC SCHOOL BUILDINGS ACT.

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

Section 1. Section 22-8-35 NMSA 1978 (being Laws 1967,
Chapter 16, Section 93) is amended to read:

"22-8-35. TAX ANTICIPATION CERTIFICATES.--

A. For operating expenses, a local school board
with the consent of the [~~chief~~] state superintendent may
anticipate the collection of taxes for which tax levies have
been made by issuing and selling certificates of
indebtedness. These certificates shall be issued on the
faith and credit of the school district issuing the
certificates. The certificates shall not bear interest in
excess of six percent a year. The total unpaid certificates

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1 outstanding shall not exceed the budget allowance for
2 operating expenses of the school district for a period of
3 ninety days. The certificates shall be paid out of the money
4 first credited thereafter to the operating fund of the school
5 district.

6 B. For school building construction or repair or
7 [~~both~~] the purchase of long-term insurance contracts, a local
8 school board with the consent of the [~~chief~~] state
9 superintendent may anticipate the collection of taxes for
10 which tax levies have been made for that purpose by issuing
11 and selling certificates of indebtedness. These certificates
12 shall be issued on the faith and credit of the school
13 district issuing the certificates. The certificates shall
14 not bear interest in excess of [~~six~~] eight percent a year.
15 The certificates shall be paid out of the money first
16 received under the tax levy."

17 Section 2. Section 22-26-3 NMSA 1978 (being Laws 1983,
18 Chapter 163, Section 3, as amended) is amended to read:

19 "22-26-3. AUTHORIZATION FOR LOCAL SCHOOL BOARD TO
20 SUBMIT QUESTION OF [~~CAPITAL IMPROVEMENTS~~] TAX IMPOSITION.--
21 Any local school board may adopt a resolution to submit to
22 the qualified electors of the school district the question of
23 whether a property tax at a rate not to exceed the rate
24 specified in the resolution should be imposed upon the net
25 taxable value of property allocated to the school district
under the Property Tax Code for the purpose of purchasing
long-term insurance contracts or making capital improvements,

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1 or both, in the school district. The resolution shall:

2 A. specify the rate of the proposed tax, which
3 shall not exceed ten dollars (\$10.00) on each one thousand
4 dollars (\$1,000) of net taxable value of property allocated
5 to the school district under the Property Tax Code;

6 B. specify the date an election will be held to
7 submit the question of imposition of the tax to the qualified
8 electors of the district; and

9 C. limit the imposition of the proposed tax to no
10 more than five property tax years."

11 Section 3. Section 22-26-5 NMSA 1978 (being Laws 1983,
12 Chapter 163, Section 5, as amended) is amended to read:

13 "22-26-5. CONDUCT OF ELECTION--NOTICE--BALLOT.--

14 A. An election on the question of imposing a tax
15 under the Public School Buildings Act may be held in
16 conjunction with a regular school district election or may be
17 conducted as or held in conjunction with a special school
18 district election, but the election shall be held prior to
19 July 1 of the property tax year in which the tax is proposed
20 to be imposed. Conduct of the election shall be as
21 prescribed in the School Election Law for regular and special
22 school district elections.

23 B. The resolution required to be published as
24 notice of the election under Section 1-22-4 or 1-22-5 NMSA
25 1978 shall include as the question to be submitted to the
voters whether a property tax for the purpose specified in
the resolution at a rate not to exceed the rate specified in

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1 the authorizing resolution should be imposed for the
2 specified number of property tax years not exceeding five
3 years upon the net taxable value of all property allocated to
4 the school district [~~for capital improvements~~].

5 C. The ballot shall include the information
6 specified in Subsection B of this section and shall present
7 the voter the choice of voting "for the public school
8 buildings tax" or "against the public school buildings tax".

9 Section 4. Section 22-26-7 NMSA 1978 (being Laws 1983,
10 Chapter 163, Section 7, as amended) is amended to read:

11 "22-26-7. IMPOSITION OF TAX--LIMITATIONS.--If as a
12 result of an election held in accordance with the Public
13 School Buildings Act a majority of the qualified electors
14 voting on the question votes in favor of the imposition of
15 the public school buildings tax, the tax rate shall be
16 certified, unless the local school board directs that the tax
17 levy not be made for the year, by the department of finance
18 and administration at the rate specified in the authorizing
19 resolution or at any lower rate required by operation of the
20 rate limitation provisions of Section 7-37-7.1 NMSA 1978 upon
21 the rate specified in the authorizing resolution or at any
22 rate lower than the rate required by operation of the rate
23 limitation provisions of Section 7-37-7.1 NMSA 1978 if
24 directed by the local school board pursuant to Section
25 22-26-8 NMSA 1978, and the tax shall be imposed at the rate
certified in accordance with the provisions of the Property
Tax Code. If in any tax year the authorized tax rate under

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1 the Public School Buildings Act, when added to the tax rates
2 for servicing debt of the school district and for capital
3 improvements pursuant to the Public School Capital
4 Improvements Act, exceeds fifteen dollars (\$15.00), or a
5 lower amount that would be required by applying the rate
6 limitation provisions of Section 7-37-7.1 NMSA 1978 to the
7 amount of fifteen dollars (\$15.00), on each one thousand
8 dollars (\$1,000) of net taxable value of property allocated
9 to the school district under the Property Tax Code, the tax
10 rate under the Public School Buildings Act shall be reduced
11 to an amount that, when added to such additional rates, will
12 equal fifteen dollars (\$15.00), or the lower amount that
13 would be required by applying the rate limitation provisions
14 of Section 7-37-7.1 NMSA 1978 to the amount of fifteen
15 dollars (\$15.00), on each one thousand dollars (\$1,000) of
16 net taxable value of property so allocated to the school
17 district. The revenue produced by the tax and any state
18 distribution resulting to the district under the Public
19 School Buildings Act shall be expended only for ~~[capital~~
20 ~~improvements]~~ the purpose specified in the authorizing
21 resolution."