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FISCAL IMPACT REPORT

SPONSOR:	Sanchez	DATE TYPED:	02/03/00	HB	
SHORT TITLE:	Equal Lottery Revenue Distribution			SB	114
				ANALYST:	Williams

REVENUE

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
			\$ (1,985.0)	Recurring	Public School Capital Outlay
			\$ 1,985.0	Recurring	Lottery Tuition

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to HB 19, HB 53, HB 254, SB 157, SB 253, HJM 2, HJM 9

SOURCES OF INFORMATION

Legislative Finance Committee files

State Department of Education (SDE)

Commission on Higher Education (CHE)

SUMMARY

Synopsis of Bill

The bill would change the distribution of New Mexico lottery revenues to a 50/50 split between the public school capital outlay fund and the lottery tuition fund. Currently the revenues are apportioned 60% to the public school capital outlay and 40% to the lottery tuition fund. The effective date is July 1, 2000.

Significant Issues

There are concerns that public school capital outlay funding in the state is not adequate. SDE notes priority one requests submitted to the public school capital outlay council in FY 2000 totaled approximately \$112 million, while lottery funds provided approximately \$10 million in awards to school districts.

CHE highlights that based on current revenue projections for the New Mexico Lottery, the amount of each tuition scholarship is expected to be reduced to an amount less than 100% of the cost of tuition beginning in FY01.

FISCAL IMPLICATIONS

The current revenue projection from the New Mexico Lottery is for FY 01 revenues of \$19,850.0. Under

current statute, the distribution of this revenue would be \$11,910.0 to public school capital outlay fund and \$7,940.0 to lottery tuition fund.

This bill would modify the distribution such that each entity would receive \$9,925.0 of the forecast revenues. Thus, with all other factors held constant, the public school capital outlay fund would receive \$1,985.0 less than under current statute, while lottery tuition fund would receive \$1,985.0 more than under current statute.

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