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FISCAL IMPACT REPORT

SPONSOR:	Tsosie	DATE TYPED:	02/15/00	HB	
SHORT TITLE:	Public School Capital Outlay			SB	316
				ANALYST:	Williams

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY00	FY01	FY00	FY01		
		\$ 26,200.0	\$ 106,500.0	Recurring	Severance Tax Bonding

(Parenthesis () Indicate Expenditure Decreases)

Relates to HB 317; HB 279; SB 297

SOURCES OF INFORMATION

LFC Files

SUMMARY

Synopsis of Bill

This bill would require that one-half of the severance tax bonding authority be used for public school capital outlay. The bill amends the current authority for long-term supplemental severance tax bonds such that all proceeds would be used for public school capital outlay. Currently the authorization is for \$100 million for public schools and \$25 million for higher education, and the bill would eliminate unused authorization for higher education projects. All remaining severance tax revenues could be used for short-term supplemental severance tax bonds for public school capital outlay.

In addition, the bill would change the criteria for receiving funding from the public school capital outlay council to include school districts that are indebted at less than 75 percent, but which have a critical need that requires action before the next bond election cycle. The public school capital outlay council would also identify which of the recommended projects would be funded from severance tax bonds.

FISCAL IMPLICATIONS

Severance Tax Bonding Fund FY00 FY01

Dedicate 50% of severance tax bond authorizations \$26,200.0 \$37,300.0

Current total estimate is \$52,300.0 for senior program

in FY00 and \$74,500.0 for FY01

Increase supplemental severance tax sponge bonds

to use 100% of prior year revenues \$69,200.0

Total \$26,200.0 \$106,500.0

General Fund

Increasing supplemental severance tax sponge bonds would decrease the distribution of revenues to the Severance Tax Permanent Fund, which distributes to the General Fund. The impact would be approximately \$800.0 in FY02, the first year assumed for this bill, but would grow over time.

AW/gm