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FISCAL IMPACT REPORT

SPONSOR:	<u>Russell</u>	DATE TYPED:	<u>02/28/01</u>	HB	<u>825</u>
SHORT TITLE:	<u>Education Technology Lease Purchase Agree- ment</u>			SB	
		ANALYST:			<u>Williams</u>

SOURCES OF INFORMATION

State Department of Education
New Mexico Finance Authority

No Response

Department of Finance and Administration

SUMMARY

Synopsis of Bill

The bill authorizes school districts to combine lease-purchase arrangements and school district general obligation debt when determining the annual debt service tax levy. The bill also clarifies technical issues regarding the tracking of general obligation debt.

Significant Issues

With respect to the technical language changes in the bill, a school district may apply any other legally available funds, including funds that may be in its general fund or investment income actually received from investments to the payments due on or any prepayment premium payable in connection with such lease-purchase arrangements.

FISCAL IMPLICATIONS

No fiscal impact for state government.

OTHER SUBSTANTIVE ISSUES

SDE notes the language may conflict with Article 9, Section IX of the New Mexico Constitution requiring that money borrowed by the state, or any county, district, or municipality thereof, shall be applied for the purpose for which it was obtained, or to repay such loan, and to no other purpose.

AW/njw