

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill No: *HB 465a

49th Legislature, 1st Session, 2009

Short Title: Public School Improvement Definitions

Sponsor(s): Representatives Rick Miera and Henry “Kiki” Saavedra

Analyst: Peter B. van Moorsel

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FOR THE PUBLIC SCHOOL CAPITAL OUTLAY OVERSIGHT TASK FORCE

AS AMENDED

The House Taxation and Revenue Committee amendment specifies that, if a district uses SB-9 funds to pay for salary of school district maintenance personnel, it may only do so for existing school district maintenance positions, and not new positions.

The House Education Committee amendment clarifies that the temporary authorization to use local SB-9 funds for operating costs related to facility maintenance, including salary expenses of school district maintenance personnel, does not conflict with the provision of law excluding salary expenses of school district employees from the allowed uses of SB-9 funds.

Original Bill Summary:

HB 465 amends the *Public School Capital Improvements Act* (SB-9) to expand the allowed uses of capital improvements property tax receipts to include:

- purchasing or repairing maintenance equipment;
- participating in the Facility Information Management System; and
- contracting with Regional Education Cooperatives (RECs) for maintenance support services.

HB 465 also provides for the temporary use of local SB-9 funds in FY 09 and FY 10 for:

- school district and charter school operating costs related to purchasing property insurance; and
- facility maintenance, including salary expenses of school district maintenance personnel.

* HB 465 contains an emergency clause.

Original Fiscal Impact:

HB 465 does not contain an appropriation.

The Public School Facilities Authority (PSFA) reports that the fiscal impact of allowing SB-9 funds to be used to purchase insurance is unknown, but cautions that supplanting operational

dollars with capital funds could result in a reduction in expenditures for other uses of capital funds, including facility maintenance.

Issues:

According to the Public Education Department:

- expanding the definition of allowed uses of SB-9 funds will clarify appropriate uses of the funds;
- temporarily allowing local SB-9 funds to be used for certain operational costs was requested by school districts to relieve some of the financial strain on their current operational budgets; and
- only local SB-9 funds may be used for operational costs; the source of state match SB-9 funds is supplemental severance tax bond proceeds, which may not be expended for operational costs.

Related Bills:

SB 217a *UNM Geographic Information System*
*SB 378 *Public School Capital Outlay Amendments*
CS/SB 453 *Public School Science Facilities*
HB 463 *Tax Revenue to Certain Charter Schools*
HB 464a *School Capital Outlay Administrative Limits*
*HB 465a *Public School Improvement Definitions*
HB 466a *Public School Lease Purchase*
HB 620 *Public School Capital Outlay Maintenance*