

**LEGISLATIVE EDUCATION STUDY COMMITTEE
BILL ANALYSIS**

Bill Number: HB 382

52nd Legislature, 1st Session, 2015

Tracking Number: .199254.1

Short Title: Some Debt Questions to School District Voters

Sponsor(s): Representative Brian Egolf and Others

Analyst: Travis Dulany

Date: March 1, 2015

Bill Summary:

HB 382 amends the *Education Technology Equipment Act* (ETEA) to allow local school boards to:

- enter into a lease-purchase arrangement to acquire education technology equipment as provided in Article IX, Section 11 of the Constitution of the State of New Mexico (see “Substantive Issues,” below); or
- submit the question to the voters of the school district.

If a school district decides to submit the question for voter approval, HB 382 requires the district to:

- follow procedures in the *School Election Law* and other requirements in the ETEA; and
- not enter into a lease-purchase arrangement for education technology equipment at least one year if the voters reject the question of incurring debt for education technology equipment (see “Technical Issues,” below).

Fiscal Impact:

HB 382 does not contain an appropriation.

Fiscal Issues:

The Public Education Department (PED) notes that school districts will incur election costs if they hold a separate election for voter approval to enter into lease-purchase arrangements for education technology equipment.

PED also reports that 17 school districts currently utilize financing under the ETEA to acquire education technology equipment.

Technical Issues:

HB 382 requires that a school district not enter into a lease-purchase arrangement for education technology equipment for at least one year if the voters reject the question of incurring debt for education technology equipment. As noted by the Attorney General’s Office, it is unclear

whether the intent is to prohibit the school district from entering into the specific lease-purchase arrangement included in the question submitted to the voters or any lease-purchase arrangement.

Substantive Issues:

Currently, the ETEA, along with provisions in the Constitution of the State of New Mexico, states that a school district may create a debt by entering into a lease-purchase arrangement to acquire education technology equipment without submitting the proposition to a vote of the qualified electors of the school district.

Although school districts are not currently prohibited from seeking voter approval to create debt for educational technology equipment, HB 382 may help to clarify the procedures a school district should follow if the district chooses to exercise that option.

Committee Referrals:

HGEIC/HEC

Related Bills:

CS/CS/HB 19 *Charter School Educational Tech Equipment*

CS/SB 8 *Charter School Education Tech Equipment*