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## FISCAL IMPACT REPORT

SPONSOR: Altamirano DATE TYPED: 03/06/01 HB

SHORT TITLE: Statewide Public School GO Bonds, CA SB SJR 5

ANALYST: Williams

Relates to SB 167, SB 449, and HB 134  
Duplicates HJR 3

### SOURCES OF INFORMATION

LFC Files  
Taxation and Revenue Department (TRD)

### SUMMARY

#### Synopsis of Bill

The joint resolution authorizes an amendment to the New Mexico constitution to authorize a new statewide general obligation bond program for public school construction.

The proceeds of the bond issuances would be available to all school districts, based on a formula established in statute to determine qualification criteria. The tax rate would be limited to 3 mills on each dollar of assessed valuation. Debt serviced by the tax would be limited to 2 percent of the assessed valuation of all property subject to taxation in the state

#### Significant Issues

This bill is a part of the package to implement the recommendations of the Public School Capital Outlay Task Force. The revenue stream to pay off the bonds would be a new property tax.

### FISCAL IMPLICATIONS

There are no direct state fiscal impacts from passage of the joint resolution. If voters approved the amendment and enabling legislation were enacted, the new financing program would implement a tax increase.

TRD reports the total net taxable value of New Mexico property is currently about \$27.4 billion. A tax rate of \$3 per \$1,000 of net taxable value would generate approximately \$82 million in revenues. The 2 percent limit would constrain revenues to a similar amount.

**TECHNICAL ISSUES**

Most newer property tax legislation references property tax rates as dollars per thousand dollars of valuation.

AW/ar