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FISCAL IMPACT REPORT

SPONSOR Boitano DATE TYPED 2-16-04 HB _____

SHORT TITLE School District Approval of Leases, CA SJR10

ANALYST Segura

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY04	FY05	FY04	FY05		
			See Narrative		

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

New Mexico Public Education Department (PED)

SUMMARY

Synopsis of Bill

Senate Joint Resolution 10 proposes an amendment to Article 9, Section 11 of the Constitution of New Mexico to the approval of lease-purchase agreements for charter schools and to except those agreements from the school district's debt limitation.

Significant Issues

According to PED, Senate Joint Resolution 10 will allow charter schools to enter into lease-purchase agreements with school districts to acquire classrooms and other necessary facilities for charter schools within the district by submitting the proposition to a vote of the qualified electors of the district.

The bill will excluded any debt created by the school district related to a lease-purchase agreement from the threshold of exceeding the six percent on the assessed valuation of taxable property within the school district.

FISCAL IMPLICATIONS

According to PED, SJR 10 will exclude lease-purchase agreements for charter school from the 6 percent debt threshold and, therefore, should not have any fiscal impact on the school district and its capacity to issue bonds. SJR 10 contains no appropriation.

The Secretary of State estimates the costs of the Constitutional amendment at \$40.0.

RELATIONSHIP

Relates to SB403, SB 475, SB 521, HB 404, SB 399 and HB 393.

RS/njw:lg