

AN ACT

RELATING TO STATE GOVERNMENT; REQUIRING THE APPROVAL OF THE LEGISLATURE FOR STATE AGENCIES TO ENTER INTO CERTAIN LEASE-PURCHASE AGREEMENTS; REQUIRING, IN CERTAIN CASES, TITLES TO BE ISSUED IN THE NAME OF THE PROPERTY CONTROL DIVISION OF THE GENERAL SERVICES DEPARTMENT.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. LEASE-PURCHASE AGREEMENTS--APPROVAL OF LEGISLATURE.--

A. A financing agreement under which a state agency is to occupy a building or other real property and that contains an option to purchase for a price that is reduced according to the lease payments made is subject to the following criteria:

(1) the agreement shall not become effective until it has been ratified and approved by the legislature; and

(2) if the state agency is subject to the jurisdiction of the property control division of the general services department pursuant to the Property Control Act, the agreement shall provide that, if the real property is purchased, title to the real property shall be issued in the name of the property control division.

B. Legislative ratification and approval of an

HB 1022
Page 1

agreement pursuant to Subsection A of this section shall not create a legal obligation for the state agency to continue the lease from year to year or to purchase the real property.

C. As used in this section, "state agency" means the state or any of its branches, agencies, departments, boards, instrumentalities or institutions, but "state agency" does not include state educational institutions or state-chartered charter schools.