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## FISCAL IMPACT REPORT

**ORIGINAL DATE** 02/24/09  
**LAST UPDATED** 03/12/09    **HB** 863/aHCPAC

**SPONSOR** Gutierrez

**SHORT TITLE** Lease- Purchase Fund Restrictions    **SB** \_\_\_\_\_

**ANALYST** Archuleta

### ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY08	FY09	FY10	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
<b>Total</b>		Indeterminate	Indeterminate	Indeterminate		

(Parenthesis ( ) Indicate Expenditure Decreases)

### SOURCES OF INFORMATION

LFC Files

#### Responses Received From

General Services Department (GSD)

Department of Finance and Administration (DFA)

### SUMMARY

#### Synopsis of HCPAC Amendment

The HCPAC amendment to House Bill 863 removes reference to required approval by the State Board of Finance for the creation of a fund to be used for the deposit and payment of money for lease purchase agreements.

#### Synopsis of Original Bill

House Bill 863 amends Section 15-3-35 NMSA 1978 regarding lease purchase agreements. The bill requires the creation of a separate fund and approved by the State Board of Finance for the deposit and payment of money appropriated for lease purchase agreements.

### FISCAL IMPLICATIONS

House Bill 863 does not contain a fiscal implication; the bill simply establishes a fund for the deposit and payment of money for lease purchase agreements.

### SIGNIFICANT ISSUES

GSD notes the following: Establishing a fund in the Department of Finance SHARE system will ensure that the sources and uses of money for lease purchase agreements are accounted for correctly. It is not clear what the meaning of “approved by the state board

of finance” is in the bill. Does SBOF approve the one-time establishment of a fund, is a fund established for each lease-purchase agreement, or does the board approve the lease-purchase agreement that relates to the fund?

**ADMINISTRATIVE IMPLICATIONS**

Minor administrative requirements to establish fund in SHARE system.

**OTHER SUBSTANTIVE ISSUES**

None identified.

**WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL**

A fund for lease purchase transaction will not be created in statute.

DA/svb:mc:mt