

HOUSE APPROPRIATIONS AND FINANCE COMMITTEE SUBSTITUTE FOR
HOUSE BILL 326

55TH LEGISLATURE - STATE OF NEW MEXICO - FIRST SESSION, 2021

AN ACT

RELATING TO THE PUBLIC PEACE, HEALTH, SAFETY AND WELFARE;
EXPANDING THE EDUCATION TECHNOLOGY EQUIPMENT ACT, GENERAL
OBLIGATION BONDS, THE PUBLIC SCHOOL CAPITAL IMPROVEMENTS ACT
AND THE PUBLIC SCHOOL BUILDINGS ACT TO COVER TEACHER HOUSING.

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

SECTION 1. Section 6-15A-3 NMSA 1978 (being Laws 1997,
Chapter 193, Section 3, as amended) is amended to read:

"6-15A-3. DEFINITIONS.--As used in the Education
Technology Equipment Act:

A. "debt" means an obligation payable from ad
valorem property tax revenues or the general fund of a school
district and that may be secured by the full faith and credit
of a school district and a pledge of its taxing powers;

B. "department" means the public education

1 department;

2 C. "education technology equipment" means tools
3 used in the educational process that constitute learning and
4 administrative resources and may include:

5 (1) closed-circuit television systems;
6 educational television and radio broadcasting; cable
7 television, satellite, copper and fiber-optic transmission;
8 computer network connection devices; digital communications
9 equipment (voice, video and data); servers; switches; portable
10 media such as discs and drives to contain data for electronic
11 storage and playback; and purchase or lease of software
12 licenses or other technologies and services, maintenance,
13 equipment and computer infrastructure information, techniques
14 and tools used to implement technology in schools and related
15 facilities;

16 (2) improvements, alterations and
17 modifications to, or expansions of, existing buildings,
18 including teacher housing, or personal property necessary or
19 advisable to house or otherwise accommodate any of the tools
20 listed in Paragraph (1) of this subsection; and

21 (3) expenditures for technical support and
22 training expenses of school district employees who administer
23 education technology projects funded by a lease-purchase
24 arrangement and may include training by contractors;

25 D. "eligible charter school" means a locally

1 chartered or state-chartered charter school located within the
2 geographic boundaries of a school district:

3 (1) that timely provides the information
4 necessary to identify the lease-purchase education technology
5 equipment needed in the charter school to be included in the
6 local school board resolution for lease-purchase of education
7 technology equipment; and

8 (2) for which the proposed lease-purchase of
9 education technology equipment is included in the school
10 district's approved technology master plan;

11 E. "lease-purchase arrangement" means a financing
12 arrangement constituting debt of a school district pursuant to
13 which periodic lease payments composed of principal and
14 interest components are to be paid to the holder of the lease-
15 purchase arrangement and pursuant to which the owner of the
16 education technology equipment may retain title to or a
17 security interest in the equipment and may agree to release the
18 security interest or transfer title to the equipment to the
19 school district for nominal consideration after payment of the
20 final periodic lease payment. "Lease-purchase arrangement"
21 also means any debt of the school district incurred for the
22 purpose of acquiring education technology equipment pursuant to
23 the Education Technology Equipment Act whether designated as a
24 general obligation lease, note or other instrument evidencing a
25 debt of the school district;

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1 F. "local school board" means the governing body of
2 a school district; and

3 G. "school district" means an area of land
4 established as a political subdivision of the state for the
5 administration of public schools and segregated geographically
6 for taxation and bonding purposes."

7 SECTION 2. Section 22-18-1 NMSA 1978 (being Laws 1967,
8 Chapter 16, Section 228, as amended) is amended to read:

9 "22-18-1. GENERAL OBLIGATION BONDS--AUTHORITY TO ISSUE.--

10 A. After consideration of the priorities for the
11 school district's capital needs as shown by the facility
12 assessment database maintained by the public school facilities
13 authority and subject to the provisions of Article 9, Section
14 11 of the constitution of New Mexico and Sections 6-15-1 and
15 6-15-2 NMSA 1978, a school district may issue general
16 obligation bonds for the purpose of:

17 (1) erecting, remodeling, making additions to
18 and furnishing school buildings, including teacher housing;

19 (2) purchasing or improving school grounds;

20 (3) purchasing computer software and hardware
21 for student use in public schools;

22 (4) providing matching funds for capital
23 outlay projects funded pursuant to the Public School Capital
24 Outlay Act; or

25 (5) any combination of these purposes.

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1 B. The bonds shall be fully negotiable and
 2 constitute negotiable instruments within the meaning and for
 3 all purposes of the Uniform Commercial Code."

4 **SECTION 3.** Section 22-25-2 NMSA 1978 (being Laws 1975
 5 (S.S.), Chapter 5, Section 2, as amended) is amended to read:

6 "22-25-2. DEFINITIONS.--As used in the Public School
 7 Capital Improvements Act:

8 A. "program unit" means the product of the program
 9 element multiplied by the applicable cost differential factor,
 10 as defined in Section 22-8-2 NMSA 1978; and

11 B. "capital improvements" means expenditures,
 12 including payments made with respect to lease-purchase
 13 arrangements as defined in the Education Technology Equipment
 14 Act or the Public School Lease Purchase Act but excluding any
 15 other debt service expenses, for:

16 (1) erecting, remodeling, making additions to,
 17 providing equipment for or furnishing public school buildings,
 18 including teacher housing, and pre-kindergarten classroom
 19 facilities;

20 (2) purchasing or improving public school or
 21 pre-kindergarten grounds;

22 (3) maintenance of public school buildings or
 23 public school or pre-kindergarten grounds, including the
 24 purchasing or repairing of maintenance equipment and
 25 participating in the facility information management system as

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1 required by the Public School Capital Outlay Act and including
2 payments under contracts with regional education cooperatives
3 for maintenance support services and expenditures for technical
4 training and certification for maintenance and facilities
5 management personnel, but excluding salary expenses of school
6 district employees;

7 (4) purchasing activity vehicles for
8 transporting students to extracurricular school activities;

9 (5) purchasing computer software and hardware
10 for student use in public school classrooms; and

11 (6) purchasing and installing education
12 technology improvements, excluding salary expenses of school
13 district employees, but including tools used in the educational
14 process that constitute learning and administrative resources,
15 and that may also include:

16 (a) satellite, copper and fiber-optic
17 transmission; computer and network connection devices; digital
18 communication equipment, including voice, video and data
19 equipment; servers; switches; portable media devices, such as
20 discs and drives to contain data for electronic storage and
21 playback; and the purchase or lease of software licenses or
22 other technologies and services, maintenance, equipment and
23 computer infrastructure information, techniques and tools used
24 to implement technology in schools and related facilities; and

25 (b) improvements, alterations and

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1 modifications to, or expansions of, existing buildings or
2 tangible personal property necessary or advisable to house or
3 otherwise accommodate any of the tools listed in this
4 paragraph."

5 SECTION 4. Section 22-26-2 NMSA 1978 (being Laws 1983,
6 Chapter 163, Section 2, as amended) is amended to read:

7 "22-26-2. DEFINITION.--As used in the Public School
8 Buildings Act, "capital improvements" means expenditures,
9 including payments made with respect to lease-purchase
10 arrangements as defined in the Education Technology Equipment
11 Act but excluding any other debt service expenses, for:

12 A. erecting, remodeling, making additions to,
13 providing equipment for or furnishing public school buildings,
14 including teacher housing and pre-kindergarten classrooms
15 belonging to the school district or charter school located in
16 the school district;

17 B. payments made pursuant to a financing agreement
18 entered into by a school district or a charter school for the
19 leasing of a building or other real property with an option to
20 purchase for a price that is reduced according to payments
21 made;

22 C. purchasing or improving public school grounds;

23 D. purchasing activity vehicles for transporting
24 students to and from extracurricular school activities;

25 provided that this authorization for expenditure does not apply

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1 to school districts with a student MEM greater than sixty
2 thousand;

3 E. administering the projects undertaken pursuant
4 to Subsections A and C of this section, including expenditures
5 for facility maintenance software, project management software,
6 project oversight and district personnel specifically related
7 to administration of projects funded by the Public School
8 Buildings Act; provided that expenditures pursuant to this
9 subsection shall not exceed five percent of the total project
10 costs; and

11 F. purchasing and installing education technology
12 improvements, excluding salary expenses of school district
13 employees, but including tools used in the educational process
14 that constitute learning and administrative resources, and that
15 may also include:

16 (1) satellite, copper and fiber-optic
17 transmission; computer and network connection devices; digital
18 communication equipment, including voice, video and data
19 equipment; servers; switches; portable media devices, such as
20 discs and drives to contain data for electronic storage and
21 playback; and purchase or lease of software licenses or other
22 technologies and services, maintenance, equipment and computer
23 infrastructure information, techniques and tools used to
24 implement technology in schools and related facilities; and

25 (2) improvements, alterations and

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1 modifications to, or expansions of, existing buildings or
2 tangible personal property necessary or advisable to house or
3 otherwise accommodate any of the tools listed in this
4 subsection."

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