

LFC Requester:	Sunny Liu
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**AGENCY BILL ANALYSIS
2024 REGULAR SESSION**

WITHIN 24 HOURS OF BILL POSTING, UPLOAD ANALYSIS TO:

AgencyAnalysis.nmlegis.gov

{Analysis must be uploaded as a PDF}

SECTION I: GENERAL INFORMATION

{Indicate if analysis is on an original bill, amendment, substitute or a correction of a previous bill}

Check all that apply:

Original **Amendment**
Correction **Substitute**

Date 1-31-2024

Bill No: S-238

Sponsor: William F. Burt
Short Title: Regional Education Cooperatives
General Revenue Bond

Agency Name and Code Number: New Mexico Regional Education Cooperatives
Person Writing: Bobbie J. Gutierrez
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SECTION II: FISCAL IMPACT

APPROPRIATION (dollars in thousands)

Appropriation		Recurring or Nonrecurring	Fund Affected
FY24	FY25		
N/A	N/A		

(Parenthesis () Indicate Expenditure Decreases)

REVENUE (dollars in thousands)

Estimated Revenue			Recurring or Nonrecurring	Fund Affected
FY24	FY25	FY26		
N/A	N/A			

(Parenthesis () Indicate Expenditure Decreases)

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY24	FY25	FY26	3 Year Total Cost	Recurring or Nonrecurring	Fund Affected
Total	N/A	N/A	N/A			

(Parenthesis () Indicate Expenditure Decreases)

Duplicates/Conflicts with/Companion to/Relates to:
Duplicates/Relates to Appropriation in the General Appropriation Act

SECTION III: NARRATIVE

BILL SUMMARY

Synopsis: S-238 does not have a fiscal impact for the RECs in general at the current time; if the Public School Code does change then the participating REC and Coordinating Council would have a a fiscal obligation to repay the revenue bond.

FISCAL IMPLICATIONS

Note: major assumptions underlying fiscal impact should be documented.

Over the last 40 years the RECs in NM have grown and now do a substantial amount of work to support public education in 78% of the school districts across the state. This work includes professional development in all areas of education. They also are now being utilized for statewide efforts on behalf of the New Mexico Public Education Department. As these needs have grown so has the need for adequate, reliable, and quality facilities to support the work the RECs are being expected to perform. SB 238 addresses a significant financial arrangement and allows the RECs in NM under appropriate oversight and regulation to issue revenue bonds. The ability to do this would be beneficial to all RECs in the future as these needs continue to grow. Other state agencies and municipalities already have the ability to do this. Granting the RECs the ability to issue their own Revenue Bonds is a positive step in supporting the increasingly important role they provide in support of education in New Mexico.

Note: if additional operating budget impact is estimated, assumptions and calculations should be reported in this section.

SIGNIFICANT ISSUES

PERFORMANCE IMPLICATIONS

ADMINISTRATIVE IMPLICATIONS

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

TECHNICAL ISSUES

OTHER SUBSTANTIVE ISSUES

ALTERNATIVES

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

AMENDMENTS