

AN ACT

RELATING TO PUBLIC SCHOOLS; DESIGNATING SPECIFIC REVENUES FOR  
PAYMENT OF LEASE-PURCHASE ARRANGEMENTS UNDER THE EDUCATION  
TECHNOLOGY EQUIPMENT ACT; AMENDING SECTIONS OF THE NMSA 1978;  
DECLARING AN EMERGENCY.

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

(1) closed-circuit television systems,  
educational television and radio broadcasting, cable  
television, satellite, copper and fiber-optic transmission,  
computer, video and audio laser and CD ROM discs, video and  
audio tapes or other technologies and the maintenance,  
equipment and computer infrastructure information, techniques

and tools used to implement technology in schools and related facilities; and

(2) improvements, alterations and modifications to, or expansions of, existing buildings or personal property necessary or advisable to house or otherwise accommodate any of the tools listed in Paragraph (1) of this subsection;

C. "lease-purchase arrangement" means a financing arrangement constituting debt of a school district pursuant to which periodic lease payments composed of principal and interest components are to be paid to the holder of the lease-purchase arrangement and pursuant to which the owner of the education technology equipment may retain title to or a security interest in the equipment and may agree to release the security interest or transfer title to the equipment to the school district for nominal consideration after payment of the final periodic lease payment. "Lease-purchase arrangement" also means any debt of the school district incurred for the purpose of acquiring education technology equipment pursuant to the Education Technology Act whether designated as a lease, bond, note, loan, warrant, debenture, obligation or other instrument evidencing a debt of the school district;

D. "local school board" means the governing body of a school district; and

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

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

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

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

B. "capital improvements" means expenditures, including payments made with respect to lease-purchase arrangements as defined in the Education Technology Equipment Act but excluding any other debt service expenses, for:

(1) erecting, remodeling, making additions to, providing equipment for or furnishing public school buildings;

(2) purchasing or improving public school grounds;

(3) maintenance of public school buildings or public school grounds, exclusive of salary expenses of school district employees;

(4) purchasing activity vehicles for

transporting students to extracurricular school activities;  
and

(5) purchasing computer software and  
hardware for student use in public school classrooms."

Section 3. Section 22-26-2 NMSA 1978 (being Laws 1983,  
Chapter 163, Section 2) is amended to read:

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

A. erecting, remodeling, making additions to,  
providing equipment for or furnishing public school  
buildings; and

B. purchasing or improving public school  
grounds."

Section 4. EMERGENCY.--It is necessary for the public  
peace, health and safety that this act take effect  
immediately. \_\_\_\_\_