

Fiscal impact reports (FIRs) are prepared by the Legislative Finance Committee (LFC) for standing finance committees of the NM Legislature. The LFC does not assume responsibility for the accuracy of these reports if they are used for other purposes.

Current FIRs (in HTML & Adobe PDF formats) are available on the NM Legislative Website (legis.state.nm.us). Adobe PDF versions include all attachments, whereas HTML versions may not. Previously issued FIRs and attachments may be obtained from the LFC in Suite 101 of the State Capitol Building North.

FISCAL IMPACT REPORT

ORIGINAL DATE 02/11/11
 LAST UPDATED 03/04/11 HB _____

SPONSOR Sanchez, M.

SHORT TITLE Transfer of State Owned Property SJR 11/aSFC

ANALYST Archuleta

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY11	FY12	FY13	3 Year Total Cost	Recurring or Non-Rec	Fund Affected
Total	NFI	NFI	NFI			

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

General Services Department (GSD)

SUMMARY

Synopsis of SFC Amendment

Senate Finance Committee Amendment for Senate Joint Resolution 11 adds that the authorization be contingent upon agreement by the parties in the conveyance document that if the Los Lunas public school district ever decides that the property is no longer needed for the Katherine Gallegos Elementary School and should be disposed of, at the option of the state and at no cost to the state, the property shall be reconveyed by the Los Lunas public school district to the state.

Synopsis of Original Bill

Senate Joint Resolution 11 authorizes the Property Control Division (PCD) to transfer approximately 24.03 acres located in Los Lunas, currently leased to the Los Lunas Public Schools for the Katherine Gallegos elementary school.

FISCAL IMPLICATIONS

GSD indicates there is no operating budget impact to PCD. This land has been leased to the school district since 1988 for \$1.00 per year. Therefore, the property is not available for current development by the state, and does not generate sufficient revenues to continue the lease relationship.

SIGNIFICANT ISSUES

The property is currently leased to Los Lunas public schools and a fully functioning elementary school was built and operated by the school district since the late 1980s. PCD does not intend to remove the school buildings, and therefore has to need for the property. The transfer to the district would benefit both parties, reducing administrative costs for the state, and aligning ownership and operations for the district.

ADMINISTRATIVE IMPLICATIONS

PCD staff will execute a quit-claim deed upon approval of the transfer. Transfer will reduce administrative effort in tracking receivables for a \$1.00 per year lease.

TECHNICAL ISSUES

Page 2, line 6 after “ACRES” insert “to be verified by a professional land survey”

Page 2, between line 6 and line 7 insert the following: “WHEREAS, prior to the transfer of the Property, the Los Lunas Public Schools shall furnish a survey plat of the Property sufficient to verify the legal descriptions, the total acreage to be transferred, identifying any all existing and/or proposed easements and encroachments of record.”

OTHER SUBSTANTIVE ISSUES

The total acreage should be verified by a professional survey prior to transfer of the property. See amendment below.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL

PCD will continue to own the property and lease it to the Los Luna Public Schools for an elementary school.

DA/bym:mew